

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 2310

03/01/2023 Authored by Hansen, R.,
The bill was read for the first time and referred to the Committee on Rules and Legislative Administration
03/06/2023 Adoption of Report: Re-referred to the Committee on Environment and Natural Resources Finance and Policy
04/04/2023 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
04/12/2023 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time

1.1 A bill for an act

1.2 relating to state government; appropriating money for environment, natural
1.3 resources, climate, and energy; modifying prior appropriations; providing for and
1.4 modifying disposition of certain receipts; modifying and establishing duties,
1.5 authorities, and prohibitions regarding environment and natural resources;
1.6 modifying and creating environment and natural resources programs; modifying
1.7 and creating grant programs; reestablishing citizen board of Pollution Control
1.8 Agency; reestablishing Legislative Water Commission; modifying
1.9 Legislative-Citizen Commission on Minnesota Resources; modifying permit and
1.10 environmental review requirements; modifying requirements for recreational
1.11 vehicles; modifying state trail and state park provisions; establishing Lowland
1.12 Conifer Carbon Reserve; modifying forestry provisions; modifying game and fish
1.13 provisions; modifying regulation of farmed Cervidae; regulating certain seeds and
1.14 pesticides; modifying Water Law; providing appointments; modifying and providing
1.15 for fees; establishing a biennial budget for Department of Commerce, Public
1.16 Utilities Commission, and energy, climate, and clean energy activities; establishing
1.17 and modifying provisions governing energy, clean and renewable energy, energy
1.18 storage, energy use and conservation, and utility regulation; providing for enhanced
1.19 transportation electrification; adding and modifying provisions governing Public
1.20 Utilities Commission proceedings; establishing various clean and renewable energy
1.21 grant programs; making technical changes; requiring reports; requiring rulemaking;
1.22 amending Minnesota Statutes 2022, sections 13.643, subdivision 6; 16A.151,
1.23 subdivision 2; 16A.152, subdivision 2; 16B.325; 16B.58, by adding a subdivision;
1.24 16C.135, subdivision 3; 16C.137, subdivision 1; 17.118, subdivision 2; 18B.01,
1.25 subdivision 31; 18B.09, subdivision 2, by adding a subdivision; 21.82, subdivision
1.26 3; 21.86, subdivision 2; 35.155, subdivisions 1, 4, 10, 11, 12, by adding
1.27 subdivisions; 35.156, subdivision 2, by adding subdivisions; 84.02, by adding a
1.28 subdivision; 84.0274, subdivision 6; 84.0276; 84.415, subdivisions 3, 6, 7, by
1.29 adding a subdivision; 84.788, subdivision 5; 84.82, subdivision 2, by adding a
1.30 subdivision; 84.821, subdivision 2; 84.84; 84.86, subdivision 1; 84.87, subdivision
1.31 1; 84.90, subdivision 7; 84.992, subdivisions 2, 5; 84D.02, subdivision 3; 84D.10,
1.32 subdivision 3; 84D.15, subdivision 2; 85.015, subdivision 10; 85.052, subdivision
1.33 6; 85.055, subdivision 1; 85A.01, subdivision 1; 86B.005, by adding a subdivision;
1.34 86B.313, subdivision 4; 86B.415, subdivisions 1, 1a, 2, 3, 4, 5, 7; 89A.03,
1.35 subdivision 5; 90.181, subdivision 2; 97A.015, by adding a subdivision; 97A.031;
1.36 97A.126; 97A.137, subdivision 3; 97A.315, subdivision 1; 97A.401, subdivision
1.37 1, by adding a subdivision; 97A.405, subdivision 5; 97A.421, subdivision 3;
1.38 97A.473, subdivisions 2, 2a, 2b, 5, 5a; 97A.474, subdivision 2; 97A.475,

2.1 subdivisions 6, 7, 8, 10, 10a, 11, 12, 13, 41; 97B.071; 97B.301, subdivision 6;
 2.2 97B.516; 97B.668; 97C.087, subdivision 2; 97C.315, subdivision 1; 97C.345,
 2.3 subdivision 1; 97C.355, by adding a subdivision; 97C.371, subdivisions 1, 2, 4;
 2.4 97C.395, subdivision 1; 97C.601, subdivision 1; 97C.605, subdivisions 1, 2c, 3;
 2.5 97C.611; 97C.836; 103B.101, subdivisions 2, 9, 16, by adding a subdivision;
 2.6 103B.103; 103C.501, subdivisions 1, 4, 5, 6, by adding a subdivision; 103D.605,
 2.7 subdivision 5; 103F.505; 103F.511, by adding subdivisions; 103G.005, by adding
 2.8 subdivisions; 103G.2242, subdivision 1; 103G.271, subdivision 6; 103G.287,
 2.9 subdivisions 2, 3; 103G.299, subdivisions 1, 2, 5, 10; 103G.301, subdivisions 2,
 2.10 6, 7; 115.01, by adding subdivisions; 115.03, subdivision 1, by adding a
 2.11 subdivision; 115.061; 115A.03, by adding a subdivision; 115A.1415; 115A.565,
 2.12 subdivisions 1, 3; 115B.17, subdivision 14; 115B.171, subdivision 3; 115B.52,
 2.13 subdivision 4; 116.02; 116.03, subdivisions 1, 2a; 116.06, subdivision 1, by adding
 2.14 subdivisions; 116.07, subdivision 6, by adding subdivisions; 116C.03, subdivision
 2.15 2a; 116C.779, subdivision 1; 116C.7792; 116P.05, subdivisions 1, 1a, 2; 116P.09,
 2.16 subdivision 6; 116P.11; 116P.15; 116P.16; 116P.18; 168.1295, subdivision 1;
 2.17 168.27, by adding a subdivision; 171.07, by adding a subdivision; 216B.096,
 2.18 subdivision 11; 216B.1611, by adding a subdivision; 216B.164, by adding a
 2.19 subdivision; 216B.1641; 216B.1645, subdivision 4; 216B.17, subdivision 1;
 2.20 216B.2402, subdivision 16; 216B.2422, subdivision 7; 216B.2425, subdivision 3;
 2.21 216B.243, subdivision 8, as amended; 216B.50, subdivision 1; 216B.62, subdivision
 2.22 3b; 216C.05, subdivision 2; 216C.08; 216C.09; 216C.264, subdivision 5, by adding
 2.23 subdivisions; 216C.375; 216E.01, subdivision 6, by adding a subdivision; 216E.03,
 2.24 subdivisions 1, 3, 5, as amended, 6, 7, as amended; 216E.04, subdivision 2, as
 2.25 amended; 216E.05, subdivision 2; 216E.06; 216E.07; 216E.10; 216H.02,
 2.26 subdivision 1; 237.55; 297A.94; 325E.046; 325F.072, subdivisions 1, 3, by adding
 2.27 a subdivision; 326B.106, subdivision 1; 373.475; 515B.2-103; 515B.3-102; Laws
 2.28 2005, chapter 97, article 10, section 3, as amended; Laws 2022, chapter 94, section
 2.29 2, subdivisions 5, 8, 9; proposing coding for new law in Minnesota Statutes,
 2.30 chapters 3; 16B; 18B; 21; 84; 86B; 88; 97A; 97B; 97C; 103B; 103E; 103F; 103G;
 2.31 115A; 116; 116C; 116P; 123B; 216B; 216C; 325E; 473; 500; repealing Minnesota
 2.32 Statutes 2022, sections 16B.24, subdivision 13; 84.033, subdivision 3; 84.944,
 2.33 subdivision 3; 86B.101; 86B.305; 86B.313, subdivisions 2, 3; 97A.145, subdivision
 2.34 2; 97C.605, subdivisions 2, 2a, 2b, 5; 103C.501, subdivisions 2, 3; 115.44,
 2.35 subdivision 9; 116.011; 216B.16, subdivision 10; 216C.376; 325E.389; 325E.3891;
 2.36 Minnesota Rules, parts 6100.5000, subparts 3, 4, 5; 6100.5700, subpart 4;
 2.37 6115.1220, subpart 8; 6256.0500, subparts 2, 2a, 2b, 4, 5, 6, 7, 8; 8400.0500;
 2.38 8400.0550; 8400.0600, subparts 4, 5; 8400.0900, subparts 1, 2, 4, 5; 8400.1650;
 2.39 8400.1700; 8400.1750; 8400.1800; 8400.1900.

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

2.41 **ARTICLE 1**

2.42 **ENVIRONMENT AND NATURAL RESOURCES APPROPRIATIONS**

2.43 Section 1. **ENVIRONMENT AND NATURAL RESOURCES APPROPRIATIONS.**

2.44 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
 2.45 and for the purposes specified in this article. The appropriations are from the general fund,
 2.46 or another named fund, and are available for the fiscal years indicated for each purpose.

2.47 The figures "2024" and "2025" used in this article mean that the appropriations listed under
 2.48 them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.

3.1 "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium"
 3.2 is fiscal years 2024 and 2025.

3.3 **APPROPRIATIONS**

3.4 **Available for the Year**

3.5 **Ending June 30**

3.6 **2024**

2025

3.7 **Sec. 2. POLLUTION CONTROL AGENCY**

3.8 **Subdivision 1. Total Appropriation** \$ **276,096,000** \$ **214,828,000**

3.9 **Appropriations by Fund**

3.10 **2024** **2025**

3.11 **General** **151,113,000** **81,891,000**

3.12 **State Government**

3.13 **Special Revenue** **85,000** **90,000**

3.14 **Environmental** **105,227,000** **112,600,000**

3.15 **Remediation** **19,671,000** **20,247,000**

3.16 The amounts that may be spent for each
 3.17 purpose are specified in the following
 3.18 subdivisions.

3.19 The commissioner must present the agency's
 3.20 biennial budget for fiscal years 2026 and 2027
 3.21 to the legislature in a transparent way by
 3.22 agency division, including the proposed
 3.23 budget bill and presentations of the budget to
 3.24 committees and divisions with jurisdiction
 3.25 over the agency's budget.

3.26 **Subd. 2. Environmental Analysis and Outcomes** **46,983,000** **41,231,000**

3.27 **Appropriations by Fund**

3.28 **2024** **2025**

3.29 **General** **28,970,000** **20,714,000**

3.30 **Environmental** **17,764,000** **20,312,000**

3.31 **Remediation** **249,000** **205,000**

3.32 (a) \$122,000 the first year and \$125,000 the
 3.33 second year are from the general fund for:

- 4.1 (1) a municipal liaison to assist municipalities
4.2 in implementing and participating in the
4.3 rulemaking process for water quality standards
4.4 and navigating the NPDES/SDS permitting
4.5 process;
- 4.6 (2) enhanced economic analysis in the
4.7 rulemaking process for water quality
4.8 standards, including more-specific analysis
4.9 and identification of cost-effective permitting;
- 4.10 (3) developing statewide economic analyses
4.11 and templates to reduce the amount of
4.12 information and time required for
4.13 municipalities to apply for variances from
4.14 water quality standards; and
- 4.15 (4) coordinating with the Public Facilities
4.16 Authority to identify and advocate for the
4.17 resources needed for urban, suburban, and
4.18 Greater Minnesota municipalities to achieve
4.19 permit requirements.
- 4.20 (b) \$216,000 the first year and \$219,000 the
4.21 second year are from the environmental fund
4.22 for a monitoring program under Minnesota
4.23 Statutes, section 116.454.
- 4.24 (c) \$132,000 the first year and \$137,000 the
4.25 second year are for monitoring water quality
4.26 and operating assistance programs.
- 4.27 (d) \$390,000 the first year and \$399,000 the
4.28 second year are from the environmental fund
4.29 for monitoring ambient air for hazardous
4.30 pollutants.
- 4.31 (e) \$106,000 the first year and \$109,000 the
4.32 second year are from the environmental fund
4.33 for duties related to harmful chemicals in
4.34 children's products under Minnesota Statutes,

5.1 sections 116.9401 to 116.9407. Of this
5.2 amount, \$68,000 the first year and \$70,000
5.3 the second year are transferred to the
5.4 commissioner of health.

5.5 (f) \$128,000 the first year and \$132,000 the
5.6 second year are from the environmental fund
5.7 for registering wastewater laboratories.

5.8 (g) \$1,492,000 the first year and \$1,519,000
5.9 the second year are from the environmental
5.10 fund to continue perfluorochemical
5.11 biomonitoring in eastern metropolitan
5.12 communities, as recommended by the
5.13 Environmental Health Tracking and
5.14 Biomonitoring Advisory Panel, and to address
5.15 other environmental health risks, including air
5.16 quality. The communities must include Hmong
5.17 and other immigrant farming communities.

5.18 Of this amount, up to \$1,226,000 the first year
5.19 and \$1,248,000 the second year are for transfer
5.20 to the commissioner of health.

5.21 (h) \$61,000 the first year and \$62,000 the
5.22 second year are from the environmental fund
5.23 for the listing procedures for impaired waters
5.24 required under this act.

5.25 (i) \$72,000 the first year and \$74,000 the
5.26 second year are from the remediation fund for
5.27 the leaking underground storage tank program
5.28 to investigate, clean up, and prevent future
5.29 releases from underground petroleum storage
5.30 tanks and for the petroleum remediation
5.31 program for vapor assessment and
5.32 remediation. These same annual amounts are
5.33 transferred from the petroleum tank fund to
5.34 the remediation fund.

6.1 (j) \$500,000 the first year is to facilitate the
6.2 collaboration and modeling of greenhouse gas
6.3 impacts, costs, and benefits of strategies to
6.4 reduce statewide greenhouse gas emissions.

6.5 This is a onetime appropriation.

6.6 (k) \$20,266,000 the first year and \$20,270,000
6.7 the second year are to establish and implement
6.8 a local government water infrastructure grant
6.9 program for local governmental units and
6.10 Tribal governments. Of this amount,
6.11 \$19,720,000 each year is for grants to support
6.12 communities in planning and implementing
6.13 projects that will allow for adaptation for a
6.14 changing climate. At least 50 percent of the
6.15 money granted under this paragraph must be
6.16 for projects in the seven-county metropolitan
6.17 area. This appropriation is available until June
6.18 30, 2027. The base for this appropriation in
6.19 fiscal year 2026 and beyond is \$270,000.

6.20 (l) \$2,070,000 the first year and \$2,070,000
6.21 the second year are from the environmental
6.22 fund to develop and implement a drinking
6.23 water protection and PFAS response program
6.24 related to emerging issues, including
6.25 *Minnesota's PFAS Blueprint.*

6.26 (m) \$1,820,000 the second year is from the
6.27 environmental fund to support improved
6.28 management of data collected by the agency
6.29 and its partners and regulated parties to
6.30 facilitate decision-making and public access.

6.31 (n) \$500,000 the first year is for developing
6.32 and implementing firefighter biomonitoring
6.33 protocols required under this act. Of this
6.34 amount, up to \$250,000 may be transferred to
6.35 the commissioner of health for biomonitoring

7.1 of firefighters. This appropriation is available
7.2 until June 30, 2025.

7.3 (o) \$2,000,000 the first year is to develop
7.4 protocols to be used by agencies and
7.5 departments for sampling and testing
7.6 groundwater, surface water, public drinking
7.7 water, and private wells for microplastics and
7.8 nanoplastics and to begin implementation. The
7.9 commissioner of the Pollution Control Agency
7.10 may transfer money appropriated under this
7.11 paragraph to the commissioners of agriculture,
7.12 natural resources, and health to implement the
7.13 protocols developed. This is a onetime
7.14 appropriation and is available until June 30,
7.15 2025.

7.16 (p) \$50,000 the first year is from the
7.17 remediation fund for the work group on PFAS
7.18 manufacturer fees and report required under
7.19 this act.

7.20 (q) \$387,000 the first year and \$90,000 the
7.21 second year are to develop and implement the
7.22 requirements for fish kills under Minnesota
7.23 Statutes, sections 103G.216 and 103G.2165.
7.24 Of this amount, up to \$331,000 the first year
7.25 and \$90,000 the second year may be
7.26 transferred to the commissioners of health,
7.27 natural resources, agriculture, and public
7.28 safety and to the Board of Regents of the
7.29 University of Minnesota as necessary to
7.30 implement those sections. The base for this
7.31 appropriation for fiscal year 2026 and beyond
7.32 is \$7,000.

7.33 (r) \$63,000 the first year and \$92,000 the
7.34 second year are for transfer to the
7.35 commissioner of health for amending the

8.1 health risk limit for PFOS. This is a onetime
 8.2 appropriation and is available until June 30,
 8.3 2026.

8.4 (s) \$5,000,000 the first year is for community
 8.5 air-monitoring grants as provided in this act.

8.6 This is a onetime appropriation and is
 8.7 available until June 30, 2025.

8.8 (t) \$625,000 the first year and \$779,000 the
 8.9 second year are from the environmental fund
 8.10 to adopt rules and implement air toxics
 8.11 emissions requirements under Minnesota
 8.12 Statutes, section 116.062. The base for this
 8.13 appropriation is \$669,000 in fiscal year 2026
 8.14 and \$1,400,000 in fiscal year 2027 and
 8.15 beyond.

8.16 Subd. 3. **Industrial** 54,056,000 34,308,000

	<u>Appropriations by Fund</u>	
	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>34,980,000</u>	<u>14,577,000</u>
<u>Environmental</u>	<u>17,355,000</u>	<u>17,958,000</u>
<u>Remediation</u>	<u>1,721,000</u>	<u>1,773,000</u>

8.22 (a) \$1,621,000 the first year and \$1,670,000
 8.23 the second year are from the remediation fund
 8.24 for the leaking underground storage tank
 8.25 program to investigate, clean up, and prevent
 8.26 future releases from underground petroleum
 8.27 storage tanks and for the petroleum
 8.28 remediation program for vapor assessment
 8.29 and remediation. These same annual amounts
 8.30 are transferred from the petroleum tank fund
 8.31 to the remediation fund.

8.32 (b) \$448,000 the first year and \$457,000 the
 8.33 second year are from the environmental fund
 8.34 to further evaluate the use and reduction of

9.1 trichloroethylene around Minnesota and
9.2 identify its potential health effects on
9.3 communities. Of this amount, \$145,000 the
9.4 first year and \$149,000 the second year are
9.5 transferred to the commissioner of health.

9.6 (c) \$4,000 the first year and \$4,000 the second
9.7 year are from the environmental fund to
9.8 purchase air emissions monitoring equipment
9.9 to support compliance and enforcement
9.10 activities.

9.11 (d) \$3,200,000 the first year and \$3,200,000
9.12 the second year are to provide air emission
9.13 reduction grants. Of this amount, \$2,800,000
9.14 each year is for grants to reduce air pollution
9.15 at regulated facilities within environmental
9.16 justice areas of concern. This appropriation is
9.17 available until June 30, 2027, and is a onetime
9.18 appropriation.

9.19 (e) \$40,000 the first year and \$40,000 the
9.20 second year are for air compliance equipment
9.21 maintenance. This is a onetime appropriation.

9.22 (f) \$20,000,000 the first year and \$300,000
9.23 the second year are to support research on
9.24 innovative technologies to treat
9.25 difficult-to-manage pollutants and for
9.26 implementation grants based on this research
9.27 at taconite facilities. Of this amount,
9.28 \$2,100,000 is for the Board of Regents of the
9.29 University of Minnesota for academic and
9.30 applied research through the MnDRIVE
9.31 program at the Natural Resources Research
9.32 Institute for research to foster economic
9.33 development of the state's natural resources
9.34 in an environmentally sound manner and
9.35 \$17,600,000 is for grants. Of the \$2,100,000,

10.1 at least \$900,000 is to develop and
10.2 demonstrate technologies that enhance the
10.3 long-term health and management of
10.4 Minnesota's water and mineral resources. This
10.5 appropriation is for continued characterization
10.6 of Minnesota's iron resources and development
10.7 of next-generation process technologies for
10.8 iron products and reduced effluent. This
10.9 research must be conducted in consultation
10.10 with the Mineral Coordinating Committee
10.11 established under Minnesota Statutes, section
10.12 93.0015. This is a onetime appropriation and
10.13 is available until June 30, 2027.

10.14 (g) \$500,000 the first year and \$500,000 the
10.15 second year are for the purposes of biofuel
10.16 wastewater monitoring requirements under
10.17 Minnesota Statutes, section 115.03,
10.18 subdivision 12.

10.19 (h) \$250,000 the first year is for a life cycle
10.20 assessment of the presence of neonicotinoid
10.21 pesticide in the production of ethanol,
10.22 biodiesel, and advanced biofuel, including
10.23 feedstocks, coproducts, air emissions, and the
10.24 fuel itself. This is a onetime appropriation and
10.25 is available until June 30, 2025. No later than
10.26 December 15, 2024, the commissioner of the
10.27 Pollution Control Agency must submit the
10.28 assessment, including recommendations, to
10.29 the chairs and ranking minority members of
10.30 the legislative committees with jurisdiction
10.31 over agriculture and environment.

10.32 (i) \$670,000 the first year and \$522,000 the
10.33 second year are from the general fund and
10.34 \$277,000 the first year and \$277,000 the
10.35 second year are from the environmental fund

11.1 for the purposes of the nonexpiring state
 11.2 individual air quality permit requirements
 11.3 under Minnesota Statutes, section 116.07,
 11.4 subdivision 4m. The base for this
 11.5 appropriation in fiscal year 2026 and beyond
 11.6 is \$277,000 from the environmental fund.

11.7 (j) \$250,000 the first year and \$250,000 the
 11.8 second year are for rulemaking and
 11.9 implementation of the odor management
 11.10 requirements under Minnesota Statutes,
 11.11 section 116.064. The base for this
 11.12 appropriation is \$250,000 in fiscal year 2026
 11.13 and \$500,000 in fiscal year 2027 and beyond.

11.14 (k) \$9,526,000 the first year and \$9,221,000
 11.15 the second year are from the general fund for
 11.16 implementation of the environmental justice,
 11.17 cumulative impact analysis, and demographic
 11.18 analysis requirements under this act. This is a
 11.19 onetime appropriation and is available until
 11.20 June 30, 2028. The base for this appropriation
 11.21 in fiscal year 2026 and beyond is \$9,021,000
 11.22 from the environmental fund.

11.23 Subd. 4. **Municipal** 10,725,000 11,373,000

	<u>Appropriations by Fund</u>	
	<u>2024</u>	<u>2025</u>
11.24 <u>General</u>	<u>761,000</u>	<u>767,000</u>
11.25 <u>State Government</u>		
11.26 <u>Special Revenue</u>	<u>85,000</u>	<u>90,000</u>
11.27 <u>Environmental</u>	<u>9,879,000</u>	<u>10,516,000</u>

11.28 (a) \$217,000 the first year and \$223,000 the
 11.29 second year are for:
 11.30 (1) a municipal liaison to assist municipalities
 11.31 in implementing and participating in the
 11.32 rulemaking process for water quality standards

12.1 and navigating the NPDES/SDS permitting
12.2 process;

12.3 (2) enhanced economic analysis in the
12.4 rulemaking process for water quality
12.5 standards, including more-specific analysis
12.6 and identification of cost-effective permitting;

12.7 (3) developing statewide economic analyses
12.8 and templates to reduce the amount of
12.9 information and time required for
12.10 municipalities to apply for variances from
12.11 water quality standards; and

12.12 (4) coordinating with the Public Facilities
12.13 Authority to identify and advocate for the
12.14 resources needed for municipalities to achieve
12.15 permit requirements.

12.16 (b) \$50,000 the first year and \$50,000 the
12.17 second year are from the environmental fund
12.18 for transfer to the Office of Administrative
12.19 Hearings to establish sanitary districts.

12.20 (c) \$1,240,000 the first year and \$1,338,000
12.21 the second year are from the environmental
12.22 fund for subsurface sewage treatment system
12.23 (SSTS) program administration and
12.24 community technical assistance and education,
12.25 including grants and technical assistance to
12.26 communities for water-quality protection. Of
12.27 this amount, \$350,000 each year is for
12.28 assistance to counties through grants for SSTS
12.29 program administration. A county receiving
12.30 a grant from this appropriation must submit
12.31 the results achieved with the grant to the
12.32 commissioner as part of its annual SSTS
12.33 report. Any unexpended balance in the first

13.1 year does not cancel but is available in the
 13.2 second year.
 13.3 (d) \$994,000 the first year and \$1,094,000 the
 13.4 second year are from the environmental fund
 13.5 to address the need for continued increased
 13.6 activity in new technology review, technical
 13.7 assistance for local governments, and
 13.8 enforcement under Minnesota Statutes,
 13.9 sections 115.55 to 115.58, and to complete the
 13.10 requirements of Laws 2003, chapter 128,
 13.11 article 1, section 165.

13.12 (e) Notwithstanding Minnesota Statutes,
 13.13 section 16A.28, the appropriations
 13.14 encumbered on or before June 30, 2025, as
 13.15 grants or contracts for subsurface sewage
 13.16 treatment systems, surface water and
 13.17 groundwater assessments, storm water, and
 13.18 water-quality protection in this subdivision
 13.19 are available until June 30, 2028.

13.20 **Subd. 5. Operations** 34,236,000 32,836,000

13.21	<u>Appropriations by Fund</u>	
13.22	<u>2024</u>	<u>2025</u>
13.23	<u>General</u>	<u>23,250,000</u>
13.24	<u>Environmental</u>	<u>8,369,000</u>
13.25	<u>Remediation</u>	<u>2,617,000</u>

13.26 (a) \$1,154,000 the first year and \$1,124,000
 13.27 the second year are from the remediation fund
 13.28 for the leaking underground storage tank
 13.29 program to investigate, clean up, and prevent
 13.30 future releases from underground petroleum
 13.31 storage tanks and for the petroleum
 13.32 remediation program for vapor assessment
 13.33 and remediation. These same annual amounts
 13.34 are transferred from the petroleum tank fund
 13.35 to the remediation fund.

- 14.1 (b) \$3,000,000 the first year and \$3,109,000
14.2 the second year are to support agency
14.3 information technology services provided at
14.4 the enterprise and agency level to improve
14.5 operations.
- 14.6 (c) \$906,000 the first year and \$919,000 the
14.7 second year are from the environmental fund
14.8 to develop and maintain systems to support
14.9 agency permitting and regulatory business
14.10 processes and data.
- 14.11 (d) \$2,000,000 the first year and \$2,000,000
14.12 the second year are to provide technical
14.13 assistance to Tribal governments. This is a
14.14 onetime appropriation.
- 14.15 (e) \$18,250,000 the first year and \$16,750,000
14.16 the second year are to support modernizing
14.17 and automating agency environmental
14.18 programs and data systems and how the
14.19 agency provides services to regulated parties,
14.20 partners, and the public. This appropriation is
14.21 available until June 30, 2027. This is a onetime
14.22 appropriation.
- 14.23 (f) \$270,000 the first year and \$270,000 the
14.24 second year are from the environmental fund
14.25 to support current and future career pathways
14.26 for underrepresented students.
- 14.27 (g) \$700,000 the first year and \$700,000 the
14.28 second year are from the environmental fund
14.29 to improve the coordination, effectiveness,
14.30 transparency, and accountability of the
14.31 environmental review and permitting process.
- 14.32 (h) \$438,000 the first year and \$333,000 the
14.33 second year are from the environmental fund

15.1 for the Minnesota Pollution Control Agency
 15.2 citizen members.

15.3 **Subd. 6. Remediation** 40,318,000 16,022,000

15.4 Appropriations by Fund

	<u>2024</u>	<u>2025</u>	
15.6 <u>General</u>	<u>25,000,000</u>	<u>-0-</u>	
15.7 <u>Environmental</u>	<u>607,000</u>	<u>628,000</u>	
15.8 <u>Remediation</u>	<u>14,711,000</u>	<u>15,394,000</u>	

15.9 (a) All money for environmental response,
 15.10 compensation, and compliance in the
 15.11 remediation fund not otherwise appropriated
 15.12 is appropriated to the commissioners of the
 15.13 Pollution Control Agency and agriculture for
 15.14 purposes of Minnesota Statutes, section
 15.15 115B.20, subdivision 2, clauses (1), (2), (3),
 15.16 (6), and (7). At the beginning of each fiscal
 15.17 year, the two commissioners must jointly
 15.18 submit to the commissioner of management
 15.19 and budget an annual spending plan that
 15.20 maximizes resource use and appropriately
 15.21 allocates the money between the two
 15.22 departments. This appropriation is available
 15.23 until June 30, 2025.

15.24 (b) \$415,000 the first year and \$426,000 the
 15.25 second year are from the environmental fund
 15.26 to manage contaminated sediment projects at
 15.27 multiple sites identified in the St. Louis River
 15.28 remedial action plan to restore water quality
 15.29 in the St. Louis River Area of Concern.

15.30 (c) \$4,476,000 the first year and \$4,622,000
 15.31 the second year are from the remediation fund
 15.32 for the leaking underground storage tank
 15.33 program to investigate, clean up, and prevent
 15.34 future releases from underground petroleum
 15.35 storage tanks and for the petroleum

16.1 remediation program for vapor assessment
 16.2 and remediation. These same annual amounts
 16.3 are transferred from the petroleum tank fund
 16.4 to the remediation fund.

16.5 (d) \$308,000 the first year and \$316,000 the
 16.6 second year are from the remediation fund for
 16.7 transfer to the commissioner of health for
 16.8 private water-supply monitoring and health
 16.9 assessment costs in areas contaminated by
 16.10 unpermitted mixed municipal solid waste
 16.11 disposal facilities and drinking water
 16.12 advisories and public information activities
 16.13 for areas contaminated by hazardous releases.

16.14 (e) \$25,000,000 the first year is for grants to
 16.15 support planning, designing, and preparing for
 16.16 solutions for public water treatment systems
 16.17 contaminated with PFAS. The grants are to
 16.18 reimburse local public water supply operators
 16.19 for source investigations, sampling and
 16.20 treating private drinking water wells, and
 16.21 evaluating solutions for treating private
 16.22 drinking water wells. At least 50 percent of
 16.23 the money appropriated under this paragraph
 16.24 must be for grants in the seven-county
 16.25 metropolitan area. This appropriation is
 16.26 available until June 30, 2027, and is a onetime
 16.27 appropriation.

16.28 (f) \$76,000 the first year is from the
 16.29 remediation fund for the petroleum tank
 16.30 release cleanup program duties and report
 16.31 required under this act. This is a onetime
 16.32 appropriation.

16.33 **Subd. 7. Resource Management and Assistance** 75,025,000 63,467,000

16.34 Appropriations by Fund
 16.35 2024 2025

17.1	<u>General</u>	<u>31,477,000</u>	<u>18,655,000</u>
17.2	<u>Environmental</u>	<u>43,548,000</u>	<u>44,812,000</u>
17.3	<u>(a) Up to \$150,000 the first year and \$150,000</u>		
17.4	<u>the second year may be transferred from the</u>		
17.5	<u>environmental fund to the small business</u>		
17.6	<u>environmental improvement loan account</u>		
17.7	<u>under Minnesota Statutes, section 116.993.</u>		
17.8	<u>(b) \$1,000,000 the first year and \$1,000,000</u>		
17.9	<u>the second year are for competitive recycling</u>		
17.10	<u>grants under Minnesota Statutes, section</u>		
17.11	<u>115A.565. Of this amount, \$300,000 the first</u>		
17.12	<u>year and \$300,000 the second year are from</u>		
17.13	<u>the general fund, and \$700,000 the first year</u>		
17.14	<u>and \$700,000 the second year are from the</u>		
17.15	<u>environmental fund. This appropriation is</u>		
17.16	<u>available until June 30, 2027.</u>		
17.17	<u>(c) \$694,000 the first year and \$694,000 the</u>		
17.18	<u>second year are from the environmental fund</u>		
17.19	<u>for emission-reduction activities and grants to</u>		
17.20	<u>small businesses and other</u>		
17.21	<u>nonpoint-emission-reduction efforts. Of this</u>		
17.22	<u>amount, \$100,000 the first year and \$100,000</u>		
17.23	<u>the second year are to continue work with</u>		
17.24	<u>Clean Air Minnesota, and the commissioner</u>		
17.25	<u>may enter into an agreement with</u>		
17.26	<u>Environmental Initiative to support this effort.</u>		
17.27	<u>(d) \$22,450,000 the first year and \$22,450,000</u>		
17.28	<u>the second year are for SCORE block grants</u>		
17.29	<u>to counties. Of this amount, \$4,000,000 the</u>		
17.30	<u>first year and \$4,000,000 the second year are</u>		
17.31	<u>from the general fund, and \$18,450,000 the</u>		
17.32	<u>first year and \$18,450,000 the second year are</u>		
17.33	<u>from the environmental fund. The base in</u>		
17.34	<u>fiscal year 2026 and beyond is \$18,450,000</u>		
17.35	<u>from the environmental fund. For fiscal years</u>		

- 18.1 2024 and 2025, each county's allocation is
18.2 based on Minnesota Statutes, section
18.3 115A.557, and \$2,000,000 must be used only
18.4 for waste prevention and reuse activities.
- 18.5 (e) \$119,000 the first year and \$119,000 the
18.6 second year are from the environmental fund
18.7 for environmental assistance grants or loans
18.8 under Minnesota Statutes, section 115A.0716.
- 18.9 (f) \$400,000 the first year and \$400,000 the
18.10 second year are from the environmental fund
18.11 for grants to develop and expand recycling
18.12 markets for Minnesota businesses.
- 18.13 (g) \$767,000 the first year and \$770,000 the
18.14 second year are from the environmental fund
18.15 for reducing and diverting food waste,
18.16 redirecting edible food for consumption, and
18.17 removing barriers to collecting and recovering
18.18 organic waste. Of this amount, \$500,000 each
18.19 year is for grants to increase food rescue and
18.20 waste prevention. This appropriation is
18.21 available until June 30, 2027.
- 18.22 (h) \$2,797,000 the first year and \$2,811,000
18.23 the second year are from the environmental
18.24 fund for the purposes of Minnesota Statutes,
18.25 section 473.844.
- 18.26 (i) \$318,000 the first year and \$474,000 the
18.27 second year are from the environmental fund
18.28 to address chemicals in products, including to
18.29 implement and enforce flame retardant
18.30 provisions under Minnesota Statutes, section
18.31 325F.071, and perfluoroalkyl and
18.32 polyfluoroalkyl substances in food packaging
18.33 provisions under Minnesota Statutes, section
18.34 325F.075. Of this amount, \$78,000 the first

19.1 year and \$80,000 the second year are
19.2 transferred to the commissioner of health.

19.3 (j) \$180,000 the first year and \$140,000 the
19.4 second year are for quantifying climate-related
19.5 impacts from projects for environmental
19.6 review. This is a onetime appropriation.

19.7 (k) \$1,790,000 the first year and \$70,000 the
19.8 second year are for accelerating pollution
19.9 prevention at small businesses. Of this amount,
19.10 \$1,720,000 the first year is for zero-interest
19.11 loans to phase out high-polluting equipment,
19.12 products, and processes and replace with new
19.13 options. This appropriation is available until
19.14 June 30, 2027. This is a onetime appropriation.

19.15 (l) \$190,000 the first year and \$190,000 the
19.16 second year are to support the Greenstep Cities
19.17 program. This is a onetime appropriation.

19.18 (m) \$420,000 the first year is to complete a
19.19 study on the viability of recycling solar energy
19.20 equipment. This is a onetime appropriation.

19.21 (n) \$650,000 the first year and \$650,000 the
19.22 second year are from the environmental fund
19.23 for Minnesota GreenCorps investment.

19.24 (o) \$4,210,000 the first year and \$210,000 the
19.25 second year are for PFAS reduction grants.
19.26 Of this amount, \$4,000,000 the first year is
19.27 for grants to industry and public entities to
19.28 identify sources of PFAS entering facilities
19.29 and to develop pollution prevention and
19.30 reduction initiatives to reduce PFAS entering
19.31 facilities, prevent releases, and monitor the
19.32 effectiveness of these projects. Priority must
19.33 be given to projects in underserved

20.1 communities. This is a onetime appropriation
20.2 and is available until June 30, 2027.

20.3 (p) \$12,940,000 the first year and \$12,940,000
20.4 the second year are for a waste prevention and
20.5 reduction grants and loan program. This is a
20.6 onetime appropriation and is available until
20.7 June 30, 2027.

20.8 (q) \$825,000 the first year and \$1,453,000 the
20.9 second year are from the environmental fund
20.10 for rulemaking and implementation of the new
20.11 PFAS requirements under Minnesota Statutes,
20.12 section 116.943. Of this amount, \$312,000 the
20.13 first year and \$468,000 the second year are
20.14 for transfer to the commissioner of health. The
20.15 base for this appropriation is \$1,115,000 in
20.16 fiscal year 2026 and beyond. The base for the
20.17 transfer to the commissioner of health in fiscal
20.18 year 2026 and beyond is \$468,000.

20.19 (r) \$680,000 the first year is for the zero-waste
20.20 report required in this act. This is a onetime
20.21 appropriation and is available until June 30,
20.22 2026.

20.23 (s) \$1,592,000 the first year and \$805,000 the
20.24 second year are for zero-waste grants under
20.25 Minnesota Statutes, section 115A.566.

20.26 (t) \$35,000 the second year is from the
20.27 environmental fund for the compostable
20.28 labeling requirements under Minnesota
20.29 Statutes, section 325E.046. The base for this
20.30 appropriation in fiscal year 2026 and beyond
20.31 is \$68,000.

20.32 (u) \$175,000 the first year is for the
20.33 rulemaking required under this act providing
20.34 for the safe and lawful disposal of waste

21.1 treated seed. This appropriation is available
21.2 until June 30, 2025.

21.3 (v) \$1,000,000 the first year is for a lead tackle
21.4 reduction program that provides outreach,
21.5 education, and opportunities to safely dispose
21.6 of and exchange lead tackle throughout the
21.7 state. This is a onetime appropriation and is
21.8 available until June 30, 2025.

21.9 (w) \$4,000,000 is for a grant to the owner of
21.10 a biomass energy generation plant in Shakopee
21.11 that uses waste heat from the generation of
21.12 electricity in the malting process to purchase
21.13 a wood dehydrator to facilitate disposal of
21.14 wood that is infested by the emerald ash borer.
21.15 By October 1, 2024, the commissioner of the
21.16 Pollution Control Agency must report to the
21.17 chairs and ranking minority members of the
21.18 legislative committees and divisions with
21.19 jurisdiction over environment and natural
21.20 resources on the use of money appropriated
21.21 under this paragraph.

21.22 (x) Any unencumbered grant and loan
21.23 balances in the first year do not cancel but are
21.24 available for grants and loans in the second
21.25 year. Notwithstanding Minnesota Statutes,
21.26 section 16A.28, the appropriations
21.27 encumbered on or before June 30, 2025, as
21.28 contracts or grants for environmental
21.29 assistance awarded under Minnesota Statutes,
21.30 section 115A.0716; technical and research
21.31 assistance under Minnesota Statutes, section
21.32 115A.152; technical assistance under
21.33 Minnesota Statutes, section 115A.52; and
21.34 pollution prevention assistance under

22.1 Minnesota Statutes, section 115D.04, are
 22.2 available until June 30, 2027.

22.3 **Subd. 8. Watershed** 12,678,000 13,952,000

22.4 Appropriations by Fund

	<u>2024</u>	<u>2025</u>
22.5 <u>General</u>	<u>4,821,000</u>	<u>3,906,000</u>
22.6 <u>Environmental</u>	<u>7,484,000</u>	<u>9,662,000</u>
22.7 <u>Remediation</u>	<u>373,000</u>	<u>384,000</u>

22.9 (a) \$3,000,000 the first year and \$3,000,000
 22.10 the second year are for grants to delegated
 22.11 counties to administer the county feedlot
 22.12 program under Minnesota Statutes, section
 22.13 116.0711, subdivisions 2 and 3. Money
 22.14 remaining after the first year is available for
 22.15 the second year. The base for this
 22.16 appropriation in fiscal year 2026 and beyond
 22.17 is \$1,959,000.

22.18 (b) \$236,000 the first year and \$241,000 the
 22.19 second year are from the environmental fund
 22.20 for the costs of implementing general
 22.21 operating permits for feedlots over 1,000
 22.22 animal units.

22.23 (c) \$125,000 the first year and \$129,000 the
 22.24 second year are from the remediation fund for
 22.25 the leaking underground storage tank program
 22.26 to investigate, clean up, and prevent future
 22.27 releases from underground petroleum storage
 22.28 tanks and for the petroleum remediation
 22.29 program for vapor assessment and
 22.30 remediation. These same annual amounts are
 22.31 transferred from the petroleum tank fund to
 22.32 the remediation fund.

22.33 (d) \$459,000 the first year and \$494,000 the
 22.34 second year are from the general fund and

23.1 \$1,680,000 the second year is from the
 23.2 environmental fund to implement feedlot
 23.3 financial assurance requirements and compile
 23.4 the annual feedlot and manure storage area
 23.5 lists required under Minnesota Statutes,
 23.6 section 116.07, subdivisions 7f and 7g. The
 23.7 general fund base for this appropriation in
 23.8 fiscal year 2026 and beyond is \$315,000. The
 23.9 environmental fund base in fiscal year 2026
 23.10 and beyond is \$1,680,000.

23.11 (e) \$700,000 the first year is for distribution
 23.12 to delegated counties based on registered
 23.13 feedlots and manure storage areas for
 23.14 inspections of manure storage areas and the
 23.15 abandoned manure storage area reports
 23.16 required under this act. This appropriation is
 23.17 available until June 30, 2025.

23.18 (f) \$250,000 the first year is for a grant to the
 23.19 Minnesota Association of County Feedlot
 23.20 Officers to provide training on state feedlot
 23.21 requirements, working efficiently and
 23.22 effectively with producers, and reducing the
 23.23 incidence of manure or nutrients entering
 23.24 surface water or groundwater.

23.25 (g) \$140,000 the first year and \$140,000 the
 23.26 second year are for the Pig's Eye Landfill Task
 23.27 Force.

23.28	<u>Subd. 9. Environmental Quality Board</u>	<u>2,075,000</u>	<u>1,639,000</u>
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23.29	<u>Appropriations by Fund</u>		
23.30		<u>2024</u>	<u>2025</u>
23.31	<u>General</u>	<u>1,854,000</u>	<u>1,413,000</u>
23.32	<u>Environmental</u>	<u>221,000</u>	<u>226,000</u>

23.33 \$620,000 the first year and \$140,000 the
 23.34 second year are to develop a Minnesota-based

24.1 greenhouse gas sector and source-specific
 24.2 guidance, including climate information, a
 24.3 greenhouse gas calculator, and technical
 24.4 assistance for users. This is a onetime
 24.5 appropriation.

24.6 Subd. 10. Transfers

24.7 (a) The commissioner must transfer up to
 24.8 \$23,000,000 the first year and \$24,000,000
 24.9 the second year from the environmental fund
 24.10 to the remediation fund for purposes of the
 24.11 remediation fund under Minnesota Statutes,
 24.12 section 116.155, subdivision 2. The base for
 24.13 this transfer is \$24,000,000 in fiscal year 2026
 24.14 and beyond.

24.15 (b) By June 30, 2024, the commissioner of
 24.16 management and budget must transfer
 24.17 \$29,055,000 from the general fund to the
 24.18 metropolitan landfill contingency action trust
 24.19 account in the remediation fund to restore the
 24.20 money transferred from the account as
 24.21 intended under Laws 2003, chapter 128, article
 24.22 1, section 10, paragraph (e), and Laws 2005,
 24.23 First Special Session chapter 1, article 3,
 24.24 section 17, and to compensate the account for
 24.25 the estimated lost investment income.

24.26 Sec. 3. NATURAL RESOURCES

24.27 Subdivision 1. Total Appropriation \$ 569,950,000 \$ 424,403,000

24.28 Appropriations by Fund

24.29		<u>2024</u>	<u>2025</u>
24.30	<u>General</u>	<u>307,778,000</u>	<u>165,064,000</u>
24.31	<u>Natural Resources</u>	<u>125,611,000</u>	<u>124,456,000</u>
24.32	<u>Game and Fish</u>	<u>129,903,000</u>	<u>131,814,000</u>
24.33	<u>Remediation</u>	<u>117,000</u>	<u>117,000</u>

25.1	<u>Permanent School</u>	<u>791,000</u>	<u>702,000</u>
25.2	<u>Reinvest in</u>		
25.3	<u>Minnesota Resources</u>	<u>5,750,000</u>	<u>2,250,000</u>

25.4 The amounts that may be spent for each
 25.5 purpose are specified in the following
 25.6 subdivisions.

25.7	<u>Subd. 2. Land and Mineral Resources</u>		
25.8	<u>Management</u>	<u>9,095,000</u>	<u>8,828,000</u>

25.9	<u>Appropriations by Fund</u>		
25.10		<u>2024</u>	<u>2025</u>
25.11	<u>General</u>	<u>4,095,000</u>	<u>3,828,000</u>
25.12	<u>Natural Resources</u>	<u>4,438,000</u>	<u>4,438,000</u>
25.13	<u>Game and Fish</u>	<u>344,000</u>	<u>344,000</u>
25.14	<u>Permanent School</u>	<u>218,000</u>	<u>218,000</u>

25.15 (a) \$319,000 the first year and \$319,000 the
 25.16 second year are for environmental research
 25.17 relating to mine permitting, of which \$200,000
 25.18 each year is from the minerals management
 25.19 account in the natural resources fund and
 25.20 \$119,000 each year is from the general fund.

25.21 (b) \$3,383,000 the first year and \$3,383,000
 25.22 the second year are from the minerals
 25.23 management account in the natural resources
 25.24 fund for use as provided under Minnesota
 25.25 Statutes, section 93.2236, paragraph (c), for
 25.26 mineral resource management, projects to
 25.27 enhance future mineral income, and projects
 25.28 to promote new mineral-resource
 25.29 opportunities.

25.30 (c) \$218,000 the first year and \$218,000 the
 25.31 second year are transferred from the forest
 25.32 suspense account to the permanent school fund
 25.33 and are appropriated from the permanent
 25.34 school fund to secure maximum long-term
 25.35 economic return from the school trust lands

26.1 consistent with fiduciary responsibilities and
 26.2 sound natural resources conservation and
 26.3 management principles.

26.4 (d) \$338,000 the first year and \$338,000 the
 26.5 second year are from the water management
 26.6 account in the natural resources fund for
 26.7 mining hydrology.

26.8 (e) \$1,052,000 the first year and \$242,000 the
 26.9 second year are for modernizing utility
 26.10 licensing for state lands and public waters.

26.11 The first year appropriation is available
 26.12 through fiscal year 2026.

26.13 (f) \$125,000 the first year and \$125,000 the
 26.14 second year are for conservation stewardship.

26.15 **Subd. 3. Ecological and Water Resources** 58,394,000 46,763,000

26.16	<u>Appropriations by Fund</u>	
26.17	<u>2024</u>	<u>2025</u>
26.18	<u>General</u>	<u>37,664,000</u> <u>26,008,000</u>
26.19	<u>Natural Resources</u>	<u>15,006,000</u> <u>15,031,000</u>
26.20	<u>Game and Fish</u>	<u>5,724,000</u> <u>5,724,000</u>

26.21 (a) \$5,397,000 the first year and \$5,422,000
 26.22 the second year are from the invasive species
 26.23 account in the natural resources fund and
 26.24 \$2,831,000 the first year and \$2,831,000 the
 26.25 second year are from the general fund for
 26.26 management, public awareness, assessment
 26.27 and monitoring research, and water access
 26.28 inspection to prevent the spread of invasive
 26.29 species; management of invasive plants in
 26.30 public waters; and management of terrestrial
 26.31 invasive species on state-administered lands.

26.32 (b) \$6,056,000 the first year and \$6,056,000
 26.33 the second year are from the water
 26.34 management account in the natural resources

27.1 fund for only the purposes specified in
27.2 Minnesota Statutes, section 103G.27,
27.3 subdivision 2.

27.4 (c) \$124,000 the first year and \$124,000 the
27.5 second year are for a grant to the Mississippi
27.6 Headwaters Board for up to 50 percent of the
27.7 cost of implementing the comprehensive plan
27.8 for the upper Mississippi within areas under
27.9 the board's jurisdiction. By December 15,
27.10 2025, the board must submit a report to the
27.11 chairs and ranking minority members of the
27.12 legislative committees and divisions with
27.13 jurisdiction over environment and natural
27.14 resources on the activities funded under this
27.15 paragraph and the progress made in
27.16 implementing the comprehensive plan.

27.17 (d) \$10,000 the first year and \$10,000 the
27.18 second year are for payment to the Leech Lake
27.19 Band of Chippewa Indians to implement the
27.20 band's portion of the comprehensive plan for
27.21 the upper Mississippi River.

27.22 (e) \$300,000 the first year and \$300,000 the
27.23 second year are for grants for up to 50 percent
27.24 of the cost of implementing the Red River
27.25 mediation agreement. The base for this
27.26 appropriation in fiscal year 2026 and beyond
27.27 is \$264,000.

27.28 (f) \$2,498,000 the first year and \$2,498,000
27.29 the second year are from the heritage
27.30 enhancement account in the game and fish
27.31 fund for only the purposes specified in
27.32 Minnesota Statutes, section 297A.94,
27.33 paragraph (h), clause (1).

- 28.1 (g) \$1,150,000 the first year and \$1,150,000
28.2 the second year are from the nongame wildlife
28.3 management account in the natural resources
28.4 fund for nongame wildlife management.
28.5 Notwithstanding Minnesota Statutes, section
28.6 290.431, \$100,000 the first year and \$100,000
28.7 the second year may be used for nongame
28.8 wildlife information, education, and
28.9 promotion.
- 28.10 (h) Notwithstanding Minnesota Statutes,
28.11 section 84.943, \$48,000 the first year and
28.12 \$48,000 the second year from the critical
28.13 habitat private sector matching account may
28.14 be used to publicize the critical habitat license
28.15 plate match program.
- 28.16 (i) \$5,700,000 the first year and \$6,000,000
28.17 the second year are for the following activities:
- 28.18 (1) financial reimbursement and technical
28.19 support to soil and water conservation districts
28.20 or other local units of government for
28.21 groundwater-level monitoring;
- 28.22 (2) surface water monitoring and analysis,
28.23 including installing monitoring gauges;
- 28.24 (3) groundwater analysis to assist with
28.25 water-appropriation permitting decisions;
- 28.26 (4) permit application review incorporating
28.27 surface water and groundwater technical
28.28 analysis;
- 28.29 (5) precipitation data and analysis to improve
28.30 irrigation use;
- 28.31 (6) information technology, including
28.32 electronic permitting and integrated data
28.33 systems; and

- 29.1 (7) compliance and monitoring.
- 29.2 (j) \$410,000 the first year and \$410,000 the
29.3 second year are from the heritage enhancement
29.4 account in the game and fish fund and
29.5 \$500,000 the first year and \$500,000 the
29.6 second year are from the general fund for
29.7 grants to the Minnesota Aquatic Invasive
29.8 Species Research Center at the University of
29.9 Minnesota to prioritize, support, and develop
29.10 research-based solutions that can reduce the
29.11 effects of aquatic invasive species in
29.12 Minnesota by preventing spread, controlling
29.13 populations, and managing ecosystems and to
29.14 advance knowledge to inspire action by others.
- 29.15 (k) \$134,000 the first year and \$134,000 the
29.16 second year are for increased capacity for
29.17 broadband utility licensing for state lands and
29.18 public waters.
- 29.19 (l) \$998,000 the first year and \$568,000 the
29.20 second year are for protecting and restoring
29.21 carbon storage in state-administered peatlands
29.22 by reviewing and updating the state's peatland
29.23 inventory, piloting a restoration project, and
29.24 piloting trust fund buyouts. This is a onetime
29.25 appropriation and is available until June 30,
29.26 2028.
- 29.27 (m) \$900,000 the first year is for a grant to the
29.28 Minnesota Lakes and Rivers Advocates to
29.29 work with civic leaders to purchase, install,
29.30 and operate waterless cleaning stations for
29.31 watercraft; conduct aquatic invasive species
29.32 education; and implement education upgrades
29.33 at public accesses to prevent invasive starry
29.34 stonewort spread beyond the lakes already

30.1 infested. This is a onetime appropriation and
30.2 is available until June 30, 2025.

30.3 (n) \$300,000 the first year is to prepare an
30.4 analysis of alternative sources of water to
30.5 resolve the water-use conflict in the Little
30.6 Rock Creek area and to protect the stream
30.7 from negative impacts due to groundwater use.

30.8 The analysis must be submitted to the
30.9 legislative committees and divisions with
30.10 jurisdiction over environment and natural
30.11 resources by June 30, 2027, and include:

30.12 (1) a conceptual engineering plan;
30.13 (2) an estimate of implementation costs and
30.14 funding needs;

30.15 (3) governance and operational considerations;
30.16 (4) a development schedule; and
30.17 (5) an economic evaluation of lost revenue if
30.18 no action is taken.

30.19 (o) \$6,000,000 the first year is for land
30.20 acquisition and maintenance and restoration
30.21 at Grey Cloud Dunes Scientific and Natural
30.22 Area. This is a onetime appropriation and is
30.23 available until June 30, 2027.

30.24 (p) \$6,000,000 the first year is for improved
30.25 maintenance at scientific and natural areas
30.26 under Minnesota Statutes, section 86A.05,
30.27 subdivision 5, including additional natural
30.28 resource specialists and technicians,
30.29 coordinators, seasonal crews, equipment,
30.30 supplies, and administrative support. This is
30.31 a onetime appropriation and is available until
30.32 June 30, 2027.

31.1 (q) The general fund base for the Ecological
 31.2 and Water Resources Division in fiscal year
 31.3 2026 and beyond is \$25,004,000.

31.4 **Subd. 4. Forest Management** 116,725,000 76,067,000

	<u>Appropriations by Fund</u>	
	<u>2024</u>	<u>2025</u>
31.6 <u>General</u>	<u>99,072,000</u>	<u>58,389,000</u>
31.7 <u>Natural Resources</u>	<u>16,161,000</u>	<u>16,161,000</u>
31.8 <u>Game and Fish</u>	<u>1,492,000</u>	<u>1,517,000</u>

31.10 (a) \$7,521,000 the first year and \$7,521,000
 31.11 the second year are for prevention,
 31.12 presuppression, and suppression costs of
 31.13 emergency firefighting and other costs
 31.14 incurred under Minnesota Statutes, section
 31.15 88.12. The amount necessary to pay for
 31.16 presuppression and suppression costs during
 31.17 the biennium is appropriated from the general
 31.18 fund. By January 15 each year, the
 31.19 commissioner of natural resources must submit
 31.20 a report to the chairs and ranking minority
 31.21 members of the house and senate committees
 31.22 and divisions having jurisdiction over
 31.23 environment and natural resources finance that
 31.24 identifies all firefighting costs incurred and
 31.25 reimbursements received in the prior fiscal
 31.26 year. These appropriations may not be
 31.27 transferred. Any reimbursement of firefighting
 31.28 expenditures made to the commissioner from
 31.29 any source other than federal mobilizations
 31.30 must be deposited into the general fund.

31.31 (b) \$15,386,000 the first year and \$15,386,000
 31.32 the second year are from the forest
 31.33 management investment account in the natural
 31.34 resources fund for only the purposes specified

- 32.1 in Minnesota Statutes, section 89.039,
32.2 subdivision 2.
- 32.3 (c) \$1,492,000 the first year and \$1,517,000
32.4 the second year are from the heritage
32.5 enhancement account in the game and fish
32.6 fund to advance ecological classification
32.7 systems (ECS), forest habitat, and invasive
32.8 species management.
- 32.9 (d) \$906,000 the first year and \$926,000 the
32.10 second year are for the Forest Resources
32.11 Council to implement the Sustainable Forest
32.12 Resources Act.
- 32.13 (e) \$1,143,000 the first year and \$1,143,000
32.14 the second year are for the Next Generation
32.15 Core Forestry data system. Of this
32.16 appropriation, \$868,000 each year is from the
32.17 general fund and \$275,000 each year is from
32.18 the forest management investment account in
32.19 the natural resources fund.
- 32.20 (f) \$500,000 the first year and \$500,000 the
32.21 second year are from the forest management
32.22 investment account in the natural resources
32.23 fund for forest road maintenance on state
32.24 forest roads.
- 32.25 (g) \$500,000 the first year and \$500,000 the
32.26 second year are for forest road maintenance
32.27 on county forest roads.
- 32.28 (h) \$2,086,000 the first year and \$2,086,000
32.29 the second year are to support forest
32.30 management, cost-share assistance, and
32.31 inventory on private woodlands. This is a
32.32 onetime appropriation.
- 32.33 (i) \$800,000 the first year and \$800,000 the
32.34 second year are to accelerate tree seed

33.1 collection to support a growing demand for
33.2 tree planting on public and private lands. This
33.3 is a onetime appropriation and is available
33.4 until June 30, 2027.

33.5 (j) \$10,400,000 the first year and \$10,400,000
33.6 the second year are for grants to local and
33.7 Tribal governments and nonprofit
33.8 organizations to enhance community forest
33.9 ecosystem health and sustainability under
33.10 Minnesota Statutes, section 88.82, the
33.11 Minnesota ReLeaf program. This
33.12 appropriation is available until June 30, 2027.

33.13 Money appropriated for grants under this
33.14 paragraph may be used to pay reasonable costs
33.15 incurred by the commissioner of natural
33.16 resources to administer the grants. The base
33.17 is \$400,000 beginning in fiscal year 2026.

33.18 (k) \$3,000,000 the first year and \$3,000,000
33.19 the second year are for forest stand
33.20 improvement and to meet the reforestation
33.21 requirements of Minnesota Statutes, section
33.22 89.002, subdivision 2. This is a onetime
33.23 appropriation.

33.24 (l) \$5,000,000 is for purposes of the Lowland
33.25 Conifer Carbon Reserve under Minnesota
33.26 Statutes, section 88.85. This is a onetime
33.27 appropriation and is available until June 30,
33.28 2026.

33.29 (m) \$37,000,000 the first year is for emerald
33.30 ash borer response grants under Minnesota
33.31 Statutes, section 88.83. This is a onetime
33.32 appropriation and is available until June 30,
33.33 2030. The commissioner may use up to two
33.34 percent of this appropriation to administer the
33.35 grants. Of this amount:

34.1 (1) \$9,000,000 is for grants to local units of
 34.2 government responding or actively preparing
 34.3 to respond to an emerald ash borer infestation;
 34.4 and

34.5 (2) \$28,000,000 is for grants to a Minnesota
 34.6 nonprofit corporation that owns a cogeneration
 34.7 facility that serves a St. Paul district heating
 34.8 and cooling system.

34.9 (n) \$1,000,000 the first year is for grants to
 34.10 schools, including public and private schools,
 34.11 to plant trees on school grounds while
 34.12 providing hands-on learning opportunities for
 34.13 students. A grant application under this section
 34.14 must be prepared jointly with the
 34.15 parent-teacher organization or similar parent
 34.16 organization for the school. This is a onetime
 34.17 appropriation and is available until June 30,
 34.18 2026.

34.19 **Subd. 5. Parks and Trails Management** 125,897,000 113,230,000

	<u>Appropriations by Fund</u>	
	<u>2024</u>	<u>2025</u>
34.21 <u>General</u>	<u>50,094,000</u>	<u>38,707,000</u>
34.22 <u>Natural Resources</u>	<u>73,503,000</u>	<u>72,223,000</u>
34.23 <u>Game and Fish</u>	<u>2,300,000</u>	<u>2,300,000</u>

34.25 (a) \$7,985,000 the first year and \$7,985,000
 34.26 the second year are from the natural resources
 34.27 fund for state trail, park, and recreation area
 34.28 operations. This appropriation is from revenue
 34.29 deposited in the natural resources fund under
 34.30 Minnesota Statutes, section 297A.94,
 34.31 paragraph (h), clause (2).

34.32 (b) \$23,828,000 the first year and \$23,828,000
 34.33 the second year are from the state parks
 34.34 account in the natural resources fund to

- 35.1 operate and maintain state parks and state
35.2 recreation areas.
- 35.3 (c) \$1,300,000 the first year and \$1,300,000
35.4 the second year are from the natural resources
35.5 fund for park and trail grants to local units of
35.6 government on land to be maintained for at
35.7 least 20 years for parks or trails. Priority must
35.8 be given for projects that are in underserved
35.9 communities or that increase access to persons
35.10 with disabilities. This appropriation is from
35.11 revenue deposited in the natural resources fund
35.12 under Minnesota Statutes, section 297A.94,
35.13 paragraph (h), clause (4). Any unencumbered
35.14 balance does not cancel at the end of the first
35.15 year and is available for the second year.
- 35.16 (d) \$9,624,000 the first year and \$9,624,000
35.17 the second year are from the snowmobile trails
35.18 and enforcement account in the natural
35.19 resources fund for the snowmobile
35.20 grants-in-aid program. Any unencumbered
35.21 balance does not cancel at the end of the first
35.22 year and is available for the second year.
- 35.23 (e) \$2,435,000 the first year and \$2,435,000
35.24 the second year are from the natural resources
35.25 fund for the off-highway vehicle grants-in-aid
35.26 program. Of this amount, \$1,960,000 each
35.27 year is from the all-terrain vehicle account;
35.28 \$150,000 each year is from the off-highway
35.29 motorcycle account; and \$325,000 each year
35.30 is from the off-road vehicle account. Any
35.31 unencumbered balance does not cancel at the
35.32 end of the first year and is available for the
35.33 second year.
- 35.34 (f) \$2,250,000 the first year and \$2,250,000
35.35 the second year are from the state land and

36.1 water conservation account in the natural
36.2 resources fund for priorities established by the
36.3 commissioner for eligible state projects and
36.4 administrative and planning activities
36.5 consistent with Minnesota Statutes, section
36.6 84.0264, and the federal Land and Water
36.7 Conservation Fund Act. Any unencumbered
36.8 balance does not cancel at the end of the first
36.9 year and is available for the second year.

36.10 (g) \$250,000 the first year and \$250,000 the
36.11 second year are for matching grants for local
36.12 parks and outdoor recreation areas under
36.13 Minnesota Statutes, section 85.019,
36.14 subdivision 2.

36.15 (h) \$250,000 the first year and \$250,000 the
36.16 second year are for matching grants for local
36.17 trail connections under Minnesota Statutes,
36.18 section 85.019, subdivision 4c.

36.19 (i) \$750,000 the first year is from the
36.20 all-terrain vehicle account in the natural
36.21 resources fund for a grant to St. Louis County
36.22 to match other funding sources for design,
36.23 right-of-way acquisition, permitting, and
36.24 construction of trails within the Voyageur
36.25 Country ATV trail system. This is a onetime
36.26 appropriation and is available until June 30,
36.27 2026. This appropriation may be used as a
36.28 local match to a 2023 state bonding award.

36.29 (j) \$700,000 the first year is from the
36.30 all-terrain vehicle account in the natural
36.31 resources fund for a grant to St. Louis County
36.32 to match other funding sources for design,
36.33 right-of-way acquisition, permitting, and
36.34 construction of a new trail within the
36.35 Prospector trail system. This is a onetime

37.1 appropriation and is available until June 30,
 37.2 2026. This appropriation may be used as a
 37.3 local match to a 2023 state bonding award.

37.4 (k) \$5,000,000 the first year is to facilitate the
 37.5 transfer of land within Upper Sioux Agency
 37.6 State Park required under this act, including
 37.7 but not limited to the acquisition of any land
 37.8 necessary to facilitate the transfer. This is a
 37.9 onetime appropriation and is available until
 37.10 June 30, 2033.

37.11 (l) \$10,000,000 the first year is to remove
 37.12 hazardous trees and replace ash trees with
 37.13 more diverse, climate-adapted species within
 37.14 the state park system. This is a onetime
 37.15 appropriation and is available until June 30,
 37.16 2027.

37.17 (m) \$100,000 the first year is for the report on
 37.18 state trails required under this act.

37.19 (n) \$1,075,000 the first year and \$1,075,000
 37.20 the second year are from the water recreation
 37.21 account in the natural resources fund for
 37.22 maintaining and enhancing public
 37.23 water-access facilities.

37.24 **Subd. 6. Fish and Wildlife Management** 116,489,000 99,230,000

37.25	<u>Appropriations by Fund</u>		
37.26		<u>2024</u>	<u>2025</u>
37.27	<u>General</u>	<u>20,936,000</u>	<u>3,616,000</u>
37.28	<u>Natural Resources</u>	<u>2,082,000</u>	<u>2,082,000</u>
37.29	<u>Game and Fish</u>	<u>87,721,000</u>	<u>91,282,000</u>
37.30	<u>Reinvest in</u>		
37.31	<u>Minnesota Resources</u>	<u>5,750,000</u>	<u>2,250,000</u>

37.32 (a) \$10,458,000 the first year and \$10,658,000
 37.33 the second year are from the heritage
 37.34 enhancement account in the game and fish

38.1 fund only for activities specified under
38.2 Minnesota Statutes, section 297A.94,
38.3 paragraph (h), clause (1). Notwithstanding
38.4 Minnesota Statutes, section 297A.94, five
38.5 percent of this appropriation may be used for
38.6 expanding hunter and angler recruitment and
38.7 retention.

38.8 (b) \$982,000 the first year and \$982,000 the
38.9 second year are from the general fund and
38.10 \$1,675,000 the first year and \$1,675,000 the
38.11 second year are from the game and fish fund
38.12 for statewide response and management of
38.13 chronic wasting disease. The commissioner
38.14 and the Board of Animal Health must each
38.15 submit annual reports on chronic wasting
38.16 disease activities funded in this biennium to
38.17 the chairs and ranking minority members of
38.18 the legislative committees and divisions with
38.19 jurisdiction over environment and natural
38.20 resources and agriculture. The general fund
38.21 base for this appropriation in fiscal year 2026
38.22 and beyond is \$282,000.

38.23 (c) \$484,000 of the general fund appropriation
38.24 for fiscal year 2023 in Laws 2021, First
38.25 Special Session chapter 6, article 1, section 3,
38.26 subdivision 6, paragraph (b), for planning for
38.27 and emergency response to disease outbreaks
38.28 in wildlife is canceled no later than June 29,
38.29 2023.

38.30 (d) \$8,546,000 the first year and \$8,546,000
38.31 the second year are from the deer management
38.32 account for the purposes identified in
38.33 Minnesota Statutes, section 97A.075,
38.34 subdivision 1.

39.1 (e) \$134,000 the first year and \$134,000 the
39.2 second year are for increased capacity for
39.3 broadband utility licensing for state lands and
39.4 public waters.

39.5 (f) \$15,000,000 the first year is for enhancing
39.6 prairies and grasslands and restoring wetlands
39.7 on state-owned wildlife management areas to
39.8 sequester more carbon and enhance climate
39.9 resiliency. This is a onetime appropriation and
39.10 is available until June 30, 2027.

39.11 (g) \$500,000 the first year and \$500,000 the
39.12 second year are from the general fund and
39.13 \$500,000 the first year and \$500,000 the
39.14 second year are from the heritage enhancement
39.15 account in the game and fish fund for grants
39.16 for natural-resource-based education and
39.17 recreation programs serving youth under
39.18 Minnesota Statutes, section 84.976, and for
39.19 grant administration. Priority must be given
39.20 to projects benefiting underserved
39.21 communities. The base for this appropriation
39.22 in fiscal year 2026 and beyond is \$500,000
39.23 from the heritage enhancement account in the
39.24 game and fish fund. The general fund
39.25 appropriation is onetime.

39.26 (h) \$400,000 the first year and \$400,000 the
39.27 second year are from the heritage enhancement
39.28 account in the game and fish fund for the
39.29 walk-in access program under Minnesota
39.30 Statutes, section 97A.126.

39.31 (i) \$1,000,000 the first year and \$1,000,000
39.32 the second year are from the game and fish
39.33 fund for investments in fish management
39.34 activities.

40.1 (j) \$2,000,000 the first year and \$2,000,000
40.2 the second year are for grants to the Fond du
40.3 Lac Band of Lake Superior Chippewa to
40.4 expand Minnesota's wild elk population and
40.5 range. Consideration must be given to moving
40.6 elk from existing herds in northwest
40.7 Minnesota to the area of the Fond du Lac State
40.8 Forest and the Fond du Lac Reservation in
40.9 Carlton and southern St. Louis Counties. The
40.10 Fond du Lac Band of Lake Superior
40.11 Chippewa's elk reintroduction efforts must
40.12 undergo thorough planning with the
40.13 Department of Natural Resources to develop
40.14 necessary capture and handling protocols,
40.15 including protocols related to cervid disease
40.16 management, and to produce postrelease state
40.17 and Tribal elk comanagement plans. This is a
40.18 onetime appropriation and is available until
40.19 June 30, 2026.

40.20 (k) \$773,000 the first year is to examine the
40.21 impacts of neonicotinoid exposure on the
40.22 reproduction and survival of Minnesota's game
40.23 species, including deer and prairie chicken.
40.24 This is a onetime appropriation and is
40.25 available until June 30, 2027.

40.26 (l) \$134,000 the first year and \$134,000 the
40.27 second year are from the heritage enhancement
40.28 account in the game and fish fund for native
40.29 fish conservation and classification.

40.30 (m) \$1,400,000 the first year is for designating
40.31 swan protection areas under Minnesota
40.32 Statutes, section 97A.096, and to provide
40.33 increased education and outreach promoting
40.34 the protection of swans in the state, including
40.35 education regarding the restrictions on taking

41.1 swans. This is a onetime appropriation and is
41.2 available until June 30, 2026.

41.3 (n) \$65,000 the first year is for preparing the
41.4 report on feral pigs and mink required under
41.5 this act and holding at least one public meeting
41.6 on the topic.

41.7 (o) Notwithstanding Minnesota Statutes,
41.8 section 84.943, subdivision 3, \$5,750,000 the
41.9 first year and \$2,250,000 the second year are
41.10 transferred from the Minnesota critical habitat
41.11 private sector matching account to the reinvest
41.12 in Minnesota resources fund and are
41.13 appropriated from the reinvest in Minnesota
41.14 resources fund for wildlife management area
41.15 acquisition. This appropriation is available
41.16 until June 30, 2027.

41.17 (p) \$82,000 the first year is for the native fish
41.18 reports required under this act. This is a
41.19 onetime appropriation.

41.20 (q) Notwithstanding Minnesota Statutes,
41.21 section 297A.94, \$300,000 the first year and
41.22 \$300,000 the second year are from the heritage
41.23 enhancement account in the game and fish
41.24 fund for shooting sports facility grants under
41.25 Minnesota Statutes, section 87A.10, including
41.26 grants for archery facilities. Grants must be
41.27 matched with a nonstate match, which may
41.28 include in-kind contributions. Priority must
41.29 be given to facilities that prohibit the use of
41.30 lead ammunition. Recipients of money
41.31 appropriated under this paragraph must
41.32 provide information on the toxic effects of
41.33 lead. This is a onetime appropriation and is
41.34 available until June 30, 2026. This
41.35 appropriation must be allocated as follows:

42.1 (1) \$200,000 each fiscal year is for grants of
 42.2 \$25,000 or less; and
 42.3 (2) \$100,000 each fiscal year is for grants in
 42.4 excess of \$25,000.

42.5 **Subd. 7. Enforcement** 64,672,000 67,712,000

42.6	<u>Appropriations by Fund</u>	
42.7	<u>2024</u>	<u>2025</u>
42.8 <u>General</u>	<u>18,322,000</u>	<u>22,937,000</u>
42.9 <u>Natural Resources</u>	<u>13,911,000</u>	<u>14,011,000</u>
42.10 <u>Game and Fish</u>	<u>32,322,000</u>	<u>30,647,000</u>
42.11 <u>Remediation</u>	<u>117,000</u>	<u>117,000</u>

42.12 (a) \$1,718,000 the first year and \$1,718,000
 42.13 the second year are from the general fund for
 42.14 enforcement efforts to prevent the spread of
 42.15 aquatic invasive species.

42.16 (b) \$2,080,000 the first year and \$1,892,000
 42.17 the second year are from the heritage
 42.18 enhancement account in the game and fish
 42.19 fund for only the purposes specified under
 42.20 Minnesota Statutes, section 297A.94,
 42.21 paragraph (h), clause (1).

42.22 (c) \$1,442,000 the first year and \$1,442,000
 42.23 the second year are from the water recreation
 42.24 account in the natural resources fund for grants
 42.25 to counties for boat and water safety. Any
 42.26 unencumbered balance does not cancel at the
 42.27 end of the first year and is available for the
 42.28 second year.

42.29 (d) \$315,000 the first year and \$315,000 the
 42.30 second year are from the snowmobile trails
 42.31 and enforcement account in the natural
 42.32 resources fund for grants to local law
 42.33 enforcement agencies for snowmobile
 42.34 enforcement activities. Any unencumbered

43.1 balance does not cancel at the end of the first
43.2 year and is available for the second year.

43.3 (e) \$250,000 the first year and \$250,000 the
43.4 second year are from the all-terrain vehicle
43.5 account in the natural resources fund for grants
43.6 to qualifying organizations to assist in safety
43.7 and environmental education and monitoring
43.8 trails on public lands under Minnesota
43.9 Statutes, section 84.9011. Grants issued under
43.10 this paragraph must be issued through a formal
43.11 agreement with the organization. By
43.12 December 15 each year, an organization
43.13 receiving a grant under this paragraph must
43.14 report to the commissioner with details on
43.15 expenditures and outcomes from the grant. Of
43.16 this appropriation, \$25,000 each year is for
43.17 administering these grants. Any unencumbered
43.18 balance does not cancel at the end of the first
43.19 year and is available for the second year.

43.20 (f) \$510,000 the first year and \$510,000 the
43.21 second year are from the natural resources
43.22 fund for grants to county law enforcement
43.23 agencies for off-highway vehicle enforcement
43.24 and public education activities based on
43.25 off-highway vehicle use in the county. Of this
43.26 amount, \$498,000 each year is from the
43.27 all-terrain vehicle account, \$11,000 each year
43.28 is from the off-highway motorcycle account,
43.29 and \$1,000 each year is from the off-road
43.30 vehicle account. The county enforcement
43.31 agencies may use money received under this
43.32 appropriation to make grants to other local
43.33 enforcement agencies within the county that
43.34 have a high concentration of off-highway
43.35 vehicle use. Of this appropriation, \$25,000

44.1 each year is for administering the grants. Any
44.2 unencumbered balance does not cancel at the
44.3 end of the first year and is available for the
44.4 second year.

44.5 (g) \$2,250,000 the first year and \$5,734,000
44.6 the second year are appropriated for
44.7 inspections, investigations, and enforcement
44.8 activities taken in conjunction with the Board
44.9 of Animal Health for the white-tailed deer
44.10 farm program and for statewide response and
44.11 management of chronic wasting disease. This
44.12 appropriation is available until June 30, 2027.
44.13 The base for fiscal year 2026 and beyond is
44.14 \$3,250,000.

44.15 (h) \$3,000,000 of the general fund
44.16 appropriation for fiscal years 2022 and 2023
44.17 in Laws 2021, First Special Session chapter
44.18 6, article 1, section 3, subdivision 7, paragraph
44.19 (i), for inspections, investigations, and
44.20 enforcement activities taken in conjunction
44.21 with the Board of Animal Health for the
44.22 white-tailed deer farm program is canceled no
44.23 later than June 29, 2023.

44.24 (i) \$3,050,000 the first year is for modernizing
44.25 the enforcement aviation fleet. This
44.26 appropriation is available until June 30, 2027.

44.27 (j) \$360,000 the first year and \$360,000 the
44.28 second year are for training department
44.29 enforcement officers and for maintaining and
44.30 storing equipment for conservation officer
44.31 public safety responses. The training may not
44.32 include training for duties unrelated to
44.33 enforcement of game and fish laws. This is a
44.34 onetime appropriation.

45.1	<u>Subd. 8. Operations Support</u>	<u>2,434,000</u>	<u>1,408,000</u>
45.2	<u>(a) \$1,684,000 the first year and \$1,408,000</u>		
45.3	<u>second year are for information technology</u>		
45.4	<u>security and modernization. This is a onetime</u>		
45.5	<u>appropriation.</u>		
45.6	<u>(b) \$750,000 the first year is for legal costs.</u>		
45.7	<u>The unencumbered amount of the general fund</u>		
45.8	<u>appropriation in Laws 2019, First Special</u>		
45.9	<u>Session chapter 4, article 1, section 3,</u>		
45.10	<u>subdivision 8, for legal costs, estimated to be</u>		
45.11	<u>\$750,000, is canceled no later than June 29,</u>		
45.12	<u>2023.</u>		
45.13	<u>Subd. 9. Pass Through Funds</u>	<u>11,244,000</u>	<u>11,165,000</u>
45.14	<u>Appropriations by Fund</u>		
45.15		<u>2024</u>	<u>2025</u>
45.16	<u>General</u>	<u>10,161,000</u>	<u>10,171,000</u>
45.17	<u>Natural Resources</u>	<u>510,000</u>	<u>510,000</u>
45.18	<u>Permanent School</u>	<u>573,000</u>	<u>484,000</u>
45.19	<u>(a) \$510,000 the first year and \$510,000 the</u>		
45.20	<u>second year are from the natural resources</u>		
45.21	<u>fund for grants to be divided equally between</u>		
45.22	<u>the city of St. Paul for the Como Park Zoo and</u>		
45.23	<u>Conservatory and the city of Duluth for the</u>		
45.24	<u>Lake Superior Zoo. This appropriation is from</u>		
45.25	<u>revenue deposited to the natural resources fund</u>		
45.26	<u>under Minnesota Statutes, section 297A.94,</u>		
45.27	<u>paragraph (h), clause (5).</u>		
45.28	<u>(b) \$211,000 the first year and \$221,000 the</u>		
45.29	<u>second year are for the Office of School Trust</u>		
45.30	<u>Lands.</u>		
45.31	<u>(c) \$250,000 the first year and \$150,000 the</u>		
45.32	<u>second year are transferred from the forest</u>		
45.33	<u>suspense account to the permanent school fund</u>		
45.34	<u>and are appropriated from the permanent</u>		

46.1 school fund for transaction and project
 46.2 management costs for divesting of school trust
 46.3 lands within Boundary Waters Canoe Area
 46.4 Wilderness.

46.5 (d) \$323,000 the first year and \$334,000 the
 46.6 second year are transferred from the forest
 46.7 suspense account to the permanent school fund
 46.8 and are appropriated from the permanent
 46.9 school fund for the Office of School Trust
 46.10 Lands.

46.11 (e) \$9,950,000 the first year and \$9,950,000
 46.12 the second year are to be added as a
 46.13 supplement to the 1854 Treaty Area agreement
 46.14 payment under Minnesota Statutes, section
 46.15 97A.165. This is a onetime appropriation.

46.16 **Subd. 10. Get Out MORE (Modernizing Outdoor**
 46.17 **Recreation Experiences)**

65,000,000

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46.18 (a) \$65,000,000 the first year is for
 46.19 modernizing Minnesota's state-managed
 46.20 outdoor recreation experiences. Of this
 46.21 amount:

46.22 (1) \$25,000,000 is for enhancing access and
 46.23 welcoming new users to public lands and
 46.24 outdoor recreation facilities, including
 46.25 improvements to improve climate resiliency;

46.26 (2) \$4,000,000 is for modernizing camping
 46.27 and related infrastructure, including
 46.28 improvements to improve climate resiliency;

46.29 (3) \$25,000,000 is for modernizing fish
 46.30 hatcheries and fishing infrastructure; and

46.31 (4) \$11,000,000 is for restoring streams and
 46.32 modernizing water-related infrastructure with
 46.33 priority given to fish habitat improvements,

47.1 dam removal, and improvements to improve
 47.2 climate resiliency.

47.3 (b) The commissioner may reallocate money
 47.4 appropriated in paragraph (a) across those
 47.5 purposes based on project readiness and
 47.6 priority. The appropriations in paragraph (a)
 47.7 are available until June 30, 2029.

47.8 **Subd. 11. Fiscal Year 2023 Appropriation**

47.9 \$1,000,000 in fiscal year 2023 is from the
 47.10 general fund to address safety concerns at the
 47.11 drill core library. This is a onetime
 47.12 appropriation and is available until June 30,
 47.13 2026.

47.14 **EFFECTIVE DATE.** Subdivisions 6, 7, 8, and 11 are effective the day following final
 47.15 enactment.

47.16 **Sec. 4. BOARD OF WATER AND SOIL**
 47.17 **RESOURCES**

\$ 52,086,000 \$ 46,574,000

47.18 (a) \$3,116,000 the first year and \$3,116,000
 47.19 the second year are for grants and payments
 47.20 to soil and water conservation districts for
 47.21 accomplishing the purposes of Minnesota
 47.22 Statutes, chapter 103C, and for other general
 47.23 purposes, nonpoint engineering, and
 47.24 implementation and stewardship of the
 47.25 reinvest in Minnesota reserve program.
 47.26 Expenditures may be made from this
 47.27 appropriation for supplies and services
 47.28 benefiting soil and water conservation
 47.29 districts. Any district receiving a payment
 47.30 under this paragraph must maintain a website
 47.31 that publishes, at a minimum, the district's
 47.32 annual report, annual audit, annual budget,
 47.33 and meeting notices.

48.1 (b) \$761,000 the first year and \$761,000 the
48.2 second year are to implement, enforce, and
48.3 provide oversight for the Wetland
48.4 Conservation Act, including administering the
48.5 wetland banking program and in-lieu fee
48.6 mechanism.

48.7 (c) \$1,560,000 the first year and \$1,560,000
48.8 the second year are for the following:

48.9 (1) \$1,460,000 each year is for cost-sharing
48.10 programs of soil and water conservation
48.11 districts for accomplishing projects and
48.12 practices consistent with Minnesota Statutes,
48.13 section 103C.501, including perennially
48.14 vegetated riparian buffers, erosion control,
48.15 water retention and treatment, water quality
48.16 cost-sharing for feedlots under 500 animal
48.17 units and nutrient and manure management
48.18 projects in watersheds where there are
48.19 impaired waters, and other high-priority
48.20 conservation practices; and

48.21 (2) \$100,000 each year is for county
48.22 cooperative weed management programs and
48.23 to restore native plants at selected invasive
48.24 species management sites.

48.25 (d) \$166,000 the first year and \$166,000 the
48.26 second year are to provide technical assistance
48.27 to local drainage management officials and
48.28 for the costs of the Drainage Work Group. The
48.29 board must coordinate the activities of the
48.30 Drainage Work Group according to Minnesota
48.31 Statutes, section 103B.101, subdivision 13.
48.32 The Drainage Work Group must review a
48.33 drainage authority's power under Minnesota
48.34 Statutes, chapter 103E, to consider the
48.35 abandonment or dismantling of drainage

49.1 systems; to re-meander, restore, or reconstruct
49.2 a natural waterway that has been modified by
49.3 drainage; or to deconstruct dikes, dams, or
49.4 other water-control structures.

49.5 (e) \$100,000 the first year and \$100,000 the
49.6 second year are for a grant to the Red River
49.7 Basin Commission for water quality and
49.8 floodplain management, including program
49.9 administration. This appropriation must be
49.10 matched by nonstate funds.

49.11 (f) \$140,000 the first year and \$140,000 the
49.12 second year are for grants to Area II
49.13 Minnesota River Basin Projects for floodplain
49.14 management.

49.15 (g) \$125,000 the first year and \$125,000 the
49.16 second year are for conservation easement
49.17 stewardship.

49.18 (h) \$240,000 the first year and \$240,000 the
49.19 second year are for a grant to the Lower
49.20 Minnesota River Watershed District to defray
49.21 the annual cost of operating and maintaining
49.22 sites for dredge spoil to sustain the state,
49.23 national, and international commercial and
49.24 recreational navigation on the lower Minnesota
49.25 River.

49.26 (i) \$2,000,000 the first year and \$2,000,000
49.27 the second year are for the lawns to legumes
49.28 program under Minnesota Statutes, section
49.29 103B.104. The board may enter into
49.30 agreements with local governments, Metro
49.31 Blooms, and other organizations to support
49.32 this effort. This appropriation is available until
49.33 June 30, 2029. The base for fiscal year 2026
49.34 and each year thereafter is \$250,000.

50.1 (j) \$2,000,000 the first year and \$2,000,000
50.2 the second year are for the habitat
50.3 enhancement landscape program under
50.4 Minnesota Statutes, section 103B.106. This is
50.5 a onetime appropriation and is available until
50.6 June 30, 2029.

50.7 (k) \$203,000 the first year and \$203,000 the
50.8 second year are for soil health practice
50.9 adoption purposes consistent with the
50.10 cost-sharing provisions of Minnesota Statutes,
50.11 section 103C.501, and for soil health program
50.12 responsibilities in consultation with the
50.13 University of Minnesota Office for Soil
50.14 Health.

50.15 (l) \$8,500,000 the first year and \$8,500,000
50.16 the second year are for conservation easements
50.17 and to restore and enhance grasslands and
50.18 adjacent lands consistent with Minnesota
50.19 Statutes, sections 103F.501 to 103F.531, for
50.20 the purposes of climate resiliency, adaptation,
50.21 carbon sequestration, and related benefits. Of
50.22 this amount, up to \$423,000 is for deposit in
50.23 the water and soil conservation easement
50.24 stewardship account established under
50.25 Minnesota Statutes, section 103B.103. This is
50.26 a onetime appropriation and is available until
50.27 June 30, 2029. The board must give priority
50.28 to leveraging nonstate funding, including
50.29 practices, programs, and projects funded by
50.30 the U.S. Department of Agriculture via the
50.31 Conservation Reserve Enhancement Program,
50.32 the Conservation Reserve Program, the
50.33 Federal Inflation Reduction Act, the Federal
50.34 Farm Bill, or the Climate-Smart Commodities
50.35 Program.

51.1 (m) \$2,500,000 the first year and \$5,000,000
51.2 the second year are to acquire conservation
51.3 easements and to restore and enhance
51.4 peatlands and adjacent lands consistent with
51.5 Minnesota Statutes, sections 103F.501 to
51.6 103F.531, for the purposes of climate
51.7 resiliency, adaptation, carbon sequestration,
51.8 and related benefits. Of this amount, up to
51.9 \$299,000 is for deposit in the water and soil
51.10 conservation easement stewardship account
51.11 established under Minnesota Statutes, section
51.12 103B.103. This is a onetime appropriation and
51.13 is available until June 30, 2029. The board
51.14 must give priority to leveraging nonstate
51.15 funding, including practices, programs, and
51.16 projects funded by the U.S. Department of
51.17 Agriculture via the Conservation Reserve
51.18 Enhancement Program, the Conservation
51.19 Reserve Program, the Federal Inflation
51.20 Reduction Act, the Federal Farm Bill, or the
51.21 Climate-Smart Commodities Program.

51.22 (n) \$3,550,000 the first year and \$3,550,000
51.23 the second year are to enhance existing
51.24 easements established under Minnesota
51.25 Statutes, sections 103F.501 to 103F.531.
51.26 Enhancements are for the purposes of climate
51.27 resiliency, adaptation, and carbon
51.28 sequestration and include but are not limited
51.29 to increasing biodiversity and mitigating the
51.30 effects of rainfall and runoff events. This is a
51.31 onetime appropriation and is available until
51.32 June 30, 2029. The board must give priority
51.33 to leveraging nonstate funding, including
51.34 practices, programs, and projects funded by
51.35 the U.S. Department of Agriculture via the
51.36 Conservation Reserve Enhancement Program,

52.1 the Conservation Reserve Program, the
52.2 Federal Inflation Reduction Act, the Federal
52.3 Farm Bill, or the Climate-Smart Commodities
52.4 Program.

52.5 (o) \$8,500,000 the first year and \$8,500,000
52.6 the second year are for water quality and
52.7 storage practices and projects to protect
52.8 infrastructure, improve water quality and
52.9 related public benefits, and mitigate climate
52.10 change impacts consistent with Minnesota
52.11 Statutes, sections 103F.05 and 103F.06. This
52.12 is a onetime appropriation and is available
52.13 until June 30, 2029. The board must give
52.14 priority to leveraging nonstate funding,
52.15 including practices, programs, and projects
52.16 funded by the U.S. Department of Agriculture
52.17 via the Conservation Reserve Enhancement
52.18 Program, the Conservation Reserve Program,
52.19 the Federal Inflation Reduction Act, the
52.20 Federal Farm Bill, or the Climate-Smart
52.21 Commodities Program.

52.22 (p) \$4,673,000 the first year and \$4,673,000
52.23 the second year are for natural resources block
52.24 grants to local governments to implement the
52.25 Wetland Conservation Act and shoreland
52.26 management program under Minnesota
52.27 Statutes, chapter 103F, and local water
52.28 management responsibilities under Minnesota
52.29 Statutes, chapter 103B. The board may reduce
52.30 the amount of the natural resources block grant
52.31 to a county by an amount equal to any
52.32 reduction in the county's general services
52.33 allocation to a soil and water conservation
52.34 district from the county's previous year
52.35 allocation when the board determines that the

53.1 reduction was disproportionate. The base for
53.2 this appropriation in fiscal year 2026 and
53.3 beyond is \$3,423,000.

53.4 (q) \$129,000 the first year and \$136,000 the
53.5 second year are to accomplish the objectives
53.6 of Minnesota Statutes, section 10.65, and
53.7 related Tribal government coordination. The
53.8 base for fiscal year 2026 and each year
53.9 thereafter is \$144,000.

53.10 (r) \$5,000,000 the first year is to provide
53.11 onetime state incentive payments to enrollees
53.12 in the federal Conservation Reserve Program
53.13 (CRP) during the continuous enrollment
53.14 period and to enroll complementary areas in
53.15 conservation easements consistent with
53.16 Minnesota Statutes, section 103F.515. The
53.17 board may establish payment rates based on
53.18 land valuation and on environmental benefit
53.19 criteria, including but not limited to surface
53.20 water or groundwater pollution reduction,
53.21 drinking water protection, soil health,
53.22 pollinator and wildlife habitat, and other
53.23 conservation enhancements. The board may
53.24 use state funds to implement the program and
53.25 to provide technical assistance to landowners
53.26 or their agents to fulfill enrollment and
53.27 contract provisions. The board must consult
53.28 with the commissioners of agriculture, health,
53.29 natural resources, and the Pollution Control
53.30 Agency and the United States Department of
53.31 Agriculture in establishing program criteria.
53.32 This is a onetime appropriation and is
53.33 available until June 30, 2027.

53.34 (s) \$3,000,000 the first year is to acquire
53.35 conservation easements from landowners to

54.1 preserve, restore, create, and enhance wetlands
54.2 and associated uplands of prairie and
54.3 grasslands and to restore and enhance rivers
54.4 and streams, riparian lands, and associated
54.5 uplands of prairie and grasslands, in order to
54.6 protect soil and water quality, support fish and
54.7 wildlife habitat, reduce flood damage, and
54.8 provide other public benefits. Minnesota
54.9 Statutes, section 103F.515, applies to this
54.10 program. The board must give priority to
54.11 leveraging federal money by enrolling targeted
54.12 new lands or enrolling environmentally
54.13 sensitive lands that have expiring federal
54.14 conservation agreements. The board is
54.15 authorized to enter into new agreements and
54.16 amend past agreements with landowners as
54.17 required by Minnesota Statutes, section
54.18 103F.515, subdivision 5, to allow for
54.19 restoration. Up to five percent of this
54.20 appropriation may be used for restoration and
54.21 enhancement.

54.22 (t) \$200,000 the first year is to establish the
54.23 drainage registry information portal under
54.24 Minnesota Statutes, section 103E.122.

54.25 (u) \$5,623,000 the first year and \$5,804,000
54.26 the second year are for agency administration
54.27 and operation of the Board of Water and Soil
54.28 Resources.

54.29 (v) The board may shift money in this section
54.30 and may adjust the technical and
54.31 administrative assistance portion of the funds
54.32 to leverage federal or other nonstate funds or
54.33 to address accountability, oversight, local
54.34 government performance, or high-priority
54.35 needs.

55.1 (w) Returned grants and payments are
 55.2 available for two years after they are returned
 55.3 or regranted, whichever is later. Funds must
 55.4 be regranted consistent with the purposes of
 55.5 this section. If an appropriation for grants in
 55.6 either year is insufficient, the appropriation in
 55.7 the other year is available for it.

55.8 (x) Notwithstanding Minnesota Statutes,
 55.9 section 16B.97, grants awarded from
 55.10 appropriations in this section are exempt from
 55.11 the Department of Administration, Office of
 55.12 Grants Management Policy 08-08 Grant
 55.13 Payments and 08-10 Grant Monitoring.

55.14 **Sec. 5. METROPOLITAN COUNCIL \$ 47,490,000 \$ 16,490,000**

55.15 Appropriations by Fund

	<u>2024</u>	<u>2025</u>
55.16 <u>General</u>	<u>38,540,000</u>	<u>7,540,000</u>
55.17 <u>Natural Resources</u>	<u>8,950,000</u>	<u>8,950,000</u>

55.19 (a) \$7,540,000 the first year and \$7,540,000
 55.20 the second year are for metropolitan-area
 55.21 regional parks operation and maintenance
 55.22 according to Minnesota Statutes, section
 55.23 473.351. The base for this appropriation in
 55.24 fiscal year 2026 and beyond is \$2,540,000.

55.25 (b) \$8,950,000 the first year and \$8,950,000
 55.26 the second year are from the natural resources
 55.27 fund for metropolitan-area regional parks and
 55.28 trails maintenance and operations. This
 55.29 appropriation is from revenue deposited in the
 55.30 natural resources fund under Minnesota
 55.31 Statutes, section 297A.94, paragraph (h),
 55.32 clause (3).

55.33 (c) \$5,000,000 the first year is for developing
 55.34 a decision-making support tool set to help

56.1 local partners quantify the risks of a changing
56.2 climate and prioritize strategies that mitigate
56.3 those risks. This is a onetime appropriation
56.4 and is available until June 30, 2027.

56.5 (d) \$9,000,000 the first year is to modernize
56.6 regional parks and trails. This is a onetime
56.7 appropriation and is available until June 30,
56.8 2027.

56.9 (e) \$5,000,000 the first year is for reducing
56.10 the amount of inflow and infiltration to the
56.11 Metropolitan Council's metropolitan sanitary
56.12 sewer disposal system. Of this amount,
56.13 \$4,000,000 is for grants to cities for capital
56.14 improvements in municipal wastewater
56.15 collection systems under Minnesota Statutes,
56.16 section 473.5491, and \$1,000,000 is for grants
56.17 and loans to inspect, repair, and replace
56.18 privately owned sewer service lines. Priority
56.19 for grants and loans for privately owned lines
56.20 must be given to applicants with a household
56.21 income at or below 80 percent of area median
56.22 income. This is a onetime appropriation and
56.23 is available until June 30, 2026.

56.24 (f) \$9,000,000 the first year is for grants to
56.25 implementing agencies to remove hazardous
56.26 trees and replace ash trees with more diverse,
56.27 climate-adapted species within the
56.28 metropolitan regional park system. This is a
56.29 onetime appropriation.

56.30 (g) \$3,000,000 the first year is to develop a
56.31 comprehensive plan to ensure communities in
56.32 the White Bear Lake area have access to
56.33 sufficient safe drinking water to allow for
56.34 municipal growth while simultaneously
56.35 ensuring the sustainability of surface water

57.1 and groundwater resources to supply the needs
57.2 of future generations. The Metropolitan
57.3 Council must establish a work group
57.4 consisting of the commissioners of natural
57.5 resources, health, and the Pollution Control
57.6 Agency or their designees and representatives
57.7 from the Metropolitan Area Water Supply
57.8 Advisory Committee; the St. Paul Regional
57.9 Water Services; the cities of Stillwater,
57.10 Mahtomedi, Hugo, Lake Elmo, Lino Lakes,
57.11 North St. Paul, Oakdale, Vadnais Heights,
57.12 Shoreview, Woodbury, New Brighton, and
57.13 White Bear Lake; and the town of White Bear
57.14 to advise the council in developing the
57.15 comprehensive plan. This is a onetime
57.16 appropriation and is available until June 30,
57.17 2027. The comprehensive plan must:
57.18 (1) evaluate methods for conserving and
57.19 recharging groundwater in the area, including:
57.20 (i) converting water supplies that are
57.21 groundwater dependent to total or partial
57.22 supplies from surface water sources;
57.23 (ii) reusing water, including water discharged
57.24 from contaminated wells;
57.25 (iii) projects designed to increase groundwater
57.26 recharge; and
57.27 (iv) other methods for reducing groundwater
57.28 use;
57.29 (2) based on the evaluation conducted under
57.30 clause (1), determine which existing
57.31 groundwater supply wells, if converted to
57.32 surface water sources, would be most effective
57.33 and efficient in ensuring future water
57.34 sustainability in the area;

58.1 (3) identify a long-term plan for converting
 58.2 groundwater supply wells identified in clause
 58.3 (2) to surface water sources, including
 58.4 recommendations on water supply governance
 58.5 and concept-level engineering that addresses
 58.6 preliminary design considerations, including
 58.7 supply source, treatment, distribution,
 58.8 operation, and financing needed to complete
 58.9 any changes to water supply infrastructure;
 58.10 (4) include any policy and funding
 58.11 recommendations for converting groundwater
 58.12 supply wells to surface water sources,
 58.13 recommendations for treating and reusing
 58.14 wastewater, and any other recommendations
 58.15 for additional measures that reduce
 58.16 groundwater use, promote water reuse, and
 58.17 increase groundwater recharge;
 58.18 (5) include any policy and funding
 58.19 recommendations for local wastewater
 58.20 treatment and recharge; and
 58.21 (6) be submitted to the chairs and ranking
 58.22 minority members of the house of
 58.23 representatives and senate committees and
 58.24 divisions with jurisdiction over environment
 58.25 and natural resources finance and policy by
 58.26 June 30, 2027.

58.27 **Sec. 6. CONSERVATION CORPS**
 58.28 **MINNESOTA** **\$ 1,195,000 \$ 1,195,000**

58.29	<u>Appropriations by Fund</u>	
58.30	<u>2024</u>	<u>2025</u>
58.31	<u>General</u>	<u>705,000</u>
58.32	<u>Natural Resources</u>	<u>490,000</u>

58.33 Conservation Corps Minnesota may receive
 58.34 money appropriated from the natural resources
 58.35 fund under this section only as provided in an

59.1 agreement with the commissioner of natural
 59.2 resources.

59.3 **Sec. 7. ZOOLOGICAL BOARD** **\$ 14,494,000 \$ 13,812,000**

59.4 Appropriations by Fund

	<u>2024</u>	<u>2025</u>
59.5		
59.6 <u>General</u>	<u>14,239,000</u>	<u>13,557,000</u>
59.7 <u>Natural Resources</u>	<u>255,000</u>	<u>255,000</u>

59.8 (a) \$255,000 the first year and \$255,000 the
 59.9 second year are from the natural resources
 59.10 fund from revenue deposited under Minnesota
 59.11 Statutes, section 297A.94, paragraph (h),
 59.12 clause (5).

59.13 (b) \$850,000 the first year is to improve safety
 59.14 and security at the Minnesota Zoo. This is a
 59.15 onetime appropriation.

59.16 (c) \$250,000 the first year is for removing
 59.17 hazardous trees and replacing ash trees with
 59.18 more diverse, climate-adapted species. This
 59.19 is a onetime appropriation.

59.20 **Sec. 8. SCIENCE MUSEUM** **\$ 10,200,000 \$ 1,710,000**

59.21 \$9,000,000 the first year and \$450,000 the
 59.22 second year are for debt reduction, rehiring
 59.23 and retaining employees, and reducing
 59.24 entrance fees for fiscal years 2024 and 2025.

59.25 **Sec. 9. LEGISLATIVE COORDINATING**
 59.26 **COMMISSION** **\$ 52,000 \$ 52,000**

59.27 \$52,000 the first year and \$52,000 the second
 59.28 year are for the Legislative Water Commission
 59.29 established in this act.

59.30 **Sec. 10. UNIVERSITY OF MINNESOTA** **\$ 8,433,000 \$ 1,856,000**

59.31 (a) \$1,633,000 the first year and \$1,856,000
 59.32 the second year are for chronic wasting disease
 59.33 contingency plans developed by the Center

60.1 for Infectious Disease Research and Policy.
60.2 The center must develop, refine, and share
60.3 with relevant experts and stakeholders
60.4 contingency plans regarding the potential
60.5 transmission of chronic wasting disease from
60.6 Cervidae to humans, livestock, and other
60.7 species. The contingency plans must provide
60.8 a blueprint for preparedness and response
60.9 planning documents, including authoritative
60.10 risk communication, education, and outreach
60.11 materials. This is a onetime appropriation and
60.12 is available until June 30, 2026.

60.13 (b) \$200,000 the first year is for the University
60.14 of Minnesota Water Council to develop a
60.15 scope of work, timeline, and budget for the
60.16 50-year clean water plan as required under
60.17 this act.

60.18 (c) \$6,600,000 the first year is for the
60.19 Minnesota Aquatic Invasive Species Research
60.20 Center to enhance and implement the center's
60.21 aquatic invasive species research-based
60.22 solutions through:

60.23 (1) implementation of a watershed-scale carp
60.24 management plan and additional research
60.25 focused on site-specific method refinement
60.26 and evaluation;

60.27 (2) creation of a long-term monitoring
60.28 program with state and local partners that
60.29 evaluates the feasibility of whole-lake zebra
60.30 mussel control projects and the development
60.31 of criteria for selecting and managing lakes;

60.32 (3) refinement and implementation of
60.33 large-scale surveillance and early detection
60.34 methods for high-priority aquatic invasive

61.1 species, including but not limited to zebra
 61.2 mussels, spiny water flea, and starry
 61.3 stonewort; and
 61.4 (4) development and sharing, with relevant
 61.5 experts and stakeholders, contingency plans
 61.6 regarding the potential risks of aquatic
 61.7 invasive species. The contingency plans must
 61.8 provide a blueprint for preparedness and
 61.9 response planning documents, including
 61.10 authoritative risk communication, education,
 61.11 and outreach materials. The communication,
 61.12 education, and outreach materials must be
 61.13 prepared in multiple languages, including but
 61.14 not limited to Tribal languages.

61.15 (d) The board must ensure that the Minnesota
 61.16 Aquatic Invasive Species Research Center
 61.17 coordinates research activities funded under
 61.18 paragraph (c) with Tribal governments.

61.19 (e) The appropriation under paragraph (c) is
 61.20 onetime and available until June 30, 2027.

61.21	Sec. 11. <u>PUBLIC SAFETY</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>229,000</u>
61.22	<u>\$229,000 the second year is from the fire</u>				
61.23	<u>safety account in the special revenue fund for</u>				
61.24	<u>purposes of the class B firefighting foam</u>				
61.25	<u>requirements under Minnesota Statutes,</u>				
61.26	<u>section 325F.072.</u>				

61.27 Sec. 12. APPROPRIATIONS GIVEN EFFECT ONCE.

61.28 If an appropriation or transfer in this article is enacted more than once during the 2023
 61.29 regular session, the appropriation or transfer must be given effect once.

61.30 **ARTICLE 2**
 61.31 **ENVIRONMENT AND NATURAL RESOURCES TRUST FUND**

61.32 Section 1. APPROPRIATIONS.

62.1 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
 62.2 and for the purposes specified in this article. The appropriations are from the environment
 62.3 and natural resources trust fund, or another named fund, and are available for the fiscal
 62.4 years indicated for each purpose. The figures "2024" and "2025" used in this article mean
 62.5 that the appropriations listed under them are available for the fiscal year ending June 30,
 62.6 2024, or June 30, 2025, respectively. "The first year" is fiscal year 2024. "The second year"
 62.7 is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025. Any unencumbered
 62.8 balance remaining in the first year does not cancel and is available for the second year or
 62.9 until the end of the appropriation. These are onetime appropriations.

62.10		<u>APPROPRIATIONS</u>	
62.11		<u>Available for the Year</u>	
62.12		<u>Ending June 30</u>	
62.13		<u>2024</u>	<u>2025</u>
62.14	<u>Sec. 2. MINNESOTA RESOURCES</u>		
62.15	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>79,833,000</u> <u>\$</u>
			<u>-0-</u>
62.16	<u>Appropriations by Fund</u>		
62.17		<u>2024</u>	<u>2025</u>
62.18	<u>Environment and</u>		
62.19	<u>Natural Resources</u>		
62.20	<u>Trust Fund</u>	<u>79,644,000</u>	<u>-0-</u>
62.21	<u>Great Lakes</u>		
62.22	<u>Protection Account</u>	<u>189,000</u>	<u>-0-</u>

62.23 The amounts that may be spent for each
 62.24 purpose are specified in the following
 62.25 subdivisions.

62.26 **Subd. 2. Definitions**

62.27 **(a) "Trust fund" means the Minnesota**
 62.28 **environment and natural resources trust fund**
 62.29 **established under the Minnesota Constitution,**
 62.30 **article XI, section 14.**

62.31 **(b) "Great Lakes protection account" means**
 62.32 **the account referred to in Minnesota Statutes,**
 62.33 **section 116Q.02.**

63.1	<u>Subd. 3. Foundational Natural Resource Data</u>		
63.2	<u>and Information</u>	<u>8,219,000</u>	<u>-0-</u>
63.3	<u>(a) Assessing Restorations for Rusty-Patched</u>		
63.4	<u>and Other Bumblebee Habitat</u>		
63.5	<u>\$75,000 the first year is from the trust fund to</u>		
63.6	<u>the commissioner of natural resources for an</u>		
63.7	<u>agreement with the Friends of the Mississippi</u>		
63.8	<u>River to assess how prairie restoration and</u>		
63.9	<u>different restoration seeding methods affect</u>		
63.10	<u>bumblebee abundance, diversity, and habitat</u>		
63.11	<u>and make recommendations to improve</u>		
63.12	<u>restoration outcomes.</u>		
63.13	<u>(b) Removing Barriers to Carbon Market Entry</u>		
63.14	<u>\$482,000 the first year is from the trust fund</u>		
63.15	<u>to the Board of Regents of the University of</u>		
63.16	<u>Minnesota to develop ground-tested carbon</u>		
63.17	<u>stock models of forest resources throughout</u>		
63.18	<u>Minnesota to enable better resource</u>		
63.19	<u>management of public and private forests as</u>		
63.20	<u>well as generate reliable tools for landowners</u>		
63.21	<u>seeking to enter carbon markets.</u>		
63.22	<u>(c) Mapping Migratory Bird Pit Stops in</u>		
63.23	<u>Minnesota</u>		
63.24	<u>\$340,000 the first year is from the trust fund</u>		
63.25	<u>to the commissioner of natural resources for</u>		
63.26	<u>an agreement with the National Audubon</u>		
63.27	<u>Society, Minnesota office, to identify avian</u>		
63.28	<u>migratory stopover sites, develop a shared</u>		
63.29	<u>decision-support tool, and publish guidance</u>		
63.30	<u>for conserving migratory birds in Minnesota.</u>		
63.31	<u>This appropriation is available until June 30,</u>		
63.32	<u>2027, by which time the project must be</u>		
63.33	<u>completed and final products delivered.</u>		
63.34	<u>(d) Enhancing Knowledge of Minnesota River</u>		
63.35	<u>Fish Ecology</u>		

64.1 \$199,000 the first year is from the trust fund
64.2 to the commissioner of natural resources to
64.3 collect baseline information about the diets,
64.4 distribution, status, and movement patterns of
64.5 fish in the Minnesota River to inform
64.6 management and conservation decisions.

64.7 **(e) Changing Distribution of Flying Squirrel**
64.8 **Species in Minnesota**

64.9 \$186,000 the first year is from the trust fund
64.10 to the Board of Regents of the University of
64.11 Minnesota for the Natural Resources Research
64.12 Institute in Duluth to determine current
64.13 distribution and habitat associations of
64.14 northern and southern flying squirrels to fill
64.15 key knowledge gaps in flying squirrel status
64.16 in Minnesota.

64.17 **(f) Statewide Forest Carbon Inventory and**
64.18 **Change Mapping**

64.19 \$987,000 the first year is from the trust fund
64.20 to the commissioner of natural resources to
64.21 work with Minnesota Forest Resources
64.22 Council, Minnesota Forestry Association, the
64.23 Board of Water and Soil Resources, and the
64.24 University of Minnesota to develop a
64.25 programmatic approach and begin collecting
64.26 plot-based inventories on private forestland
64.27 for use with remote sensing data to better
64.28 assess changing forest conditions and climate
64.29 mitigation opportunities across all ownerships
64.30 in the state.

64.31 **(g) Predicting the Future of Aquatic Species by**
64.32 **Understanding the Past**

64.33 \$170,000 the first year is from the trust fund
64.34 to the Board of Regents of the University of
64.35 Minnesota to use past and present information

65.1 to model future ranges of native aquatic
65.2 species in Minnesota to generate publicly
65.3 available tools for species and habitat
65.4 management.

65.5 **(h) Assessing Status of Common Tern**
65.6 **Populations in Minnesota**

65.7 \$199,000 the first year is from the trust fund
65.8 to the Board of Regents of the University of
65.9 Minnesota for the Natural Resources Research
65.10 Institute in Duluth to assess the population
65.11 status of Common Tern breeding colonies in
65.12 Minnesota, implement management activities,
65.13 and develop a standardized monitoring
65.14 protocol and online database for accessing
65.15 current and historic monitoring data to help
65.16 prioritize conservation and restoration actions
65.17 for this state-threatened species.

65.18 **(i) Salvaged Wildlife to Inform Environmental**
65.19 **Health, Ecology, and Education**

65.20 \$486,000 the first year is from the trust fund
65.21 to the Board of Regents of the University of
65.22 Minnesota, Bell Museum of Natural History,
65.23 to establish a statewide network to collect,
65.24 analyze, and archive salvaged dead wildlife
65.25 and build a foundation of biodiversity
65.26 resources to track ecosystem-wide changes,
65.27 monitor environmental health, and educate
65.28 Minnesotans about the value of scientific
65.29 specimens.

65.30 **(j) Developing Conservation Priorities for Rare**
65.31 **and Specialist Bees**

65.32 \$619,000 the first year is from the trust fund
65.33 to the Board of Regents of the University of
65.34 Minnesota to collect data on rare and specialist
65.35 bees and their habitat preferences, determine

66.1 their conservation status, and develop
66.2 strategies to improve their chances of survival.

66.3 **(k) Efficacy of Urban Archery Hunting to**
66.4 **Manage Deer**

66.5 \$393,000 the first year is from the trust fund
66.6 to the Board of Trustees of the Minnesota
66.7 State Colleges and Universities for Bemidji
66.8 State University to conduct an analysis of deer
66.9 survival, habitat use, and hunter data in the
66.10 city of Bemidji to improve special archery
66.11 hunt management practices in urban areas of
66.12 the state.

66.13 **(l) Mapping the Ecology of Urban and Rural**
66.14 **Canids**

66.15 \$601,000 the first year is from the trust fund
66.16 to the Board of Regents of the University of
66.17 Minnesota to determine how disease
66.18 prevalence, diet, habitat use, and interspecies
66.19 interactions of coyotes and foxes change from
66.20 urban to rural areas along the Mississippi
66.21 River corridor.

66.22 **(m) Maximizing Lowland Conifer Ecosystem**
66.23 **Services - Phase II**

66.24 \$482,000 the first year is from the trust fund
66.25 to the Board of Regents of the University of
66.26 Minnesota to continue monitoring forested
66.27 peatland hydrology and wildlife, conduct new
66.28 wildlife and habitat surveys, and quantify
66.29 carbon storage to provide support for
66.30 management decisions.

66.31 **(n) Modernizing Minnesota's Wildlife (and**
66.32 **Plant) Action Plan**

66.33 \$889,000 the first year is from the trust fund
66.34 to the commissioner of natural resources to
66.35 modernize the Minnesota Wildlife Action Plan

67.1 by filling critical data gaps, including adding
67.2 rare plants to the plan, and standardizing
67.3 conservation status assessment methods to
67.4 ensure Minnesota's natural heritage is
67.5 protected into the future.

67.6 **(o) Linking Breeding and Migratory Bird**
67.7 **Populations in Minnesota**

67.8 \$199,000 the first year is from the trust fund
67.9 to the commissioner of natural resources for
67.10 an agreement with Hawk Ridge Bird
67.11 Observatory to map year-round habitat use of
67.12 understudied bird species of special
67.13 conservation concern and evaluate areas with
67.14 the greatest risk of contaminant exposure.

67.15 **(p) Old Growth Forest Monitoring**

67.16 \$441,000 the first year is from the trust fund
67.17 to the commissioner of natural resources to
67.18 establish baseline conditions and develop a
67.19 cost-effective method to monitor
67.20 approximately 93,000 acres of old growth
67.21 forest in Minnesota to ensure that these rare
67.22 and important forest resources are properly
67.23 protected.

67.24 **(q) Integrating Remotely Sensed Data with**
67.25 **Traditional Forest Inventory**

67.26 \$191,000 the first year is from the trust fund
67.27 to the Board of Regents of the University of
67.28 Minnesota for the Natural Resources Research
67.29 Institute in Duluth to calibrate and optimize
67.30 the use of LiDAR for forest inventory
67.31 purposes and estimate stand-level forest
67.32 resource metrics in northeastern Minnesota so
67.33 ecosystem services can be better considered
67.34 in management decisions.

68.1 **(r) Community Response Monitoring for**
 68.2 **Adaptive Management in Southeast Minnesota**

68.3 \$483,000 the first year is from the trust fund
 68.4 to the commissioner of natural resources for
 68.5 an agreement with The Nature Conservancy
 68.6 to assess community-level plant and animal
 68.7 responses to past restoration efforts in select
 68.8 southeast Minnesota conservation focus areas
 68.9 to determine if management outcomes are
 68.10 being achieved.

68.11 **(s) Minnesota Biodiversity Atlas - Phase III**

68.12 \$797,000 the first year is from the trust fund
 68.13 to the Board of Regents of the University of
 68.14 Minnesota, Bell Museum of Natural History,
 68.15 to expand the Minnesota Biodiversity Atlas
 68.16 to include more than 2,000,000 records and
 68.17 images of Minnesota wildlife, plants, and
 68.18 fungi by adding insect specimens, collections
 68.19 from new partners, historical data, and
 68.20 repatriating records of Minnesota's
 68.21 biodiversity that exist in various federal
 68.22 institutions.

68.23 **Subd. 4. Water Resources** 8,328,000 -0-

	<u>Appropriations by Fund</u>		
68.25	<u>Environment and</u>		
68.26	<u>Natural Resources</u>		
68.27	<u>Trust Fund</u>	<u>8,139,000</u>	<u>-0-</u>
68.28	<u>Great Lakes</u>		
68.29	<u>Protection Account</u>	<u>189,000</u>	<u>-0-</u>

68.30 **(a) Ditching Delinquent Ditches: Optimizing**
 68.31 **Wetland Restoration**

68.32 \$199,000 the first year is from the trust fund
 68.33 to the Board of Regents of the University of
 68.34 Minnesota to use new techniques to identify
 68.35 and rank areas statewide where targeted
 68.36 removal of poorly functioning drainage ditches

69.1 and restoration to wetlands can provide
69.2 maximum human and ecological benefits,
69.3 including aquifer recharge and flood
69.4 prevention.

69.5 **(b) Assessment of Red River Basin Project**
69.6 **Outcomes**

69.7 \$920,000 the first year is from the trust fund
69.8 to the commissioner of natural resources for
69.9 an agreement with Red River Watershed
69.10 Management Board acting as fiscal agent for
69.11 the Red River Basin Flood Damage Reduction
69.12 Work Group to plan and implement
69.13 multiresource monitoring at flood damage
69.14 reduction and natural resource enhancement
69.15 projects across the Red River Basin to evaluate
69.16 outcomes and improve design of future
69.17 projects at a regional scale. This appropriation
69.18 is available until June 30, 2028, by which time
69.19 the project must be completed and final
69.20 products delivered.

69.21 **(c) Wind Wave and Boating Impacts on Inland**
69.22 **Lakes**

69.23 \$415,000 the first year is from the trust fund
69.24 to the Board of Regents of the University of
69.25 Minnesota for the St. Anthony Falls
69.26 Laboratory to conduct a field study to measure
69.27 the impacts of boat propeller wash and boat
69.28 wakes on lake bottoms, shorelines, and water
69.29 quality compared to the impacts of
69.30 wind-generated waves.

69.31 **(d) Finding, Capturing, and Destroying PFAS**
69.32 **in Minnesota Waters**

69.33 \$478,000 the first year is from the trust fund
69.34 to the Board of Regents of the University of
69.35 Minnesota to develop novel methods for the

70.1 detection, sequestration, and degradation of
70.2 poly- and perfluoroalkyl substances (PFAS)
70.3 in Minnesota's lakes and rivers.

70.4 **(e) Sinking and Suspended Microplastic**
70.5 **Particles in Lake Superior**

70.6 \$412,000 the first year is to the Board of
70.7 Regents of the University of Minnesota for
70.8 the Large Lakes Observatory in Duluth to
70.9 investigate the abundance, characteristics, and
70.10 fate of microplastic particles in Lake Superior
70.11 to inform remediation strategies and analyses
70.12 of environmental impacts. Of this amount,
70.13 \$189,000 is from the Great Lakes protection
70.14 account and \$223,000 is from the trust fund.
70.15 These appropriations may also be used to
70.16 educate the public about the research
70.17 conducted with this appropriation.

70.18 **(f) Ecotoxicological Impacts of Quinone Outside**
70.19 **Inhibitor (QoI) Fungicides**

70.20 \$279,000 the first year is from the trust fund
70.21 to the commissioner of natural resources for
70.22 an agreement with the University of St.
70.23 Thomas to assess the ecological hazards
70.24 associated with QoI fungicides and their major
70.25 environmental transformation products.

70.26 **(g) Brightsdale Dam Channel Restoration**

70.27 \$1,004,000 the first year is from the trust fund
70.28 to the commissioner of natural resources for
70.29 an agreement with Fillmore County Soil and
70.30 Water Conservation District to reduce
70.31 sedimentation and improve aquatic habitat by
70.32 restoring a channel of the north branch of the
70.33 Root River at the site of a failed hydroelectric
70.34 power dam that was removed in 2003.

70.35 **(h) Mapping Aquifer Recharge Potential**

71.1 \$391,000 the first year is from the trust fund
71.2 to the Board of Regents of the University of
71.3 Minnesota for the St. Anthony Falls
71.4 Laboratory to partner with the Freshwater
71.5 Society to develop a practical tool for mapping
71.6 aquifer recharge potential, demonstrate the
71.7 tool with laboratory and field tests, use the
71.8 tool to evaluate recharge potential of several
71.9 aquifers in Minnesota, and analyze aquifer
71.10 recharge policy.

71.11 **(i) ALASD's Chloride Source Reduction Pilot**
71.12 **Program**

71.13 \$764,000 the first year is from the trust fund
71.14 to the commissioner of natural resources for
71.15 an agreement with Alexandria Lake Area
71.16 Sanitary District (ALASD) to coordinate with
71.17 Douglas County and the Pollution Control
71.18 Agency to pilot an incentive program for
71.19 residences and businesses to install
71.20 high-efficiency water softeners, salt-free
71.21 systems, or softener discharge disposal
71.22 systems to reduce the annual salt load to Lake
71.23 Winona and downstream waters. The pilot
71.24 program includes rebates, inspections,
71.25 community education, and water quality
71.26 monitoring to measure chloride reduction
71.27 success. This appropriation is available until
71.28 June 30, 2027, by which time the project must
71.29 be completed and final products delivered.

71.30 **(j) Removing CECs from Stormwater with**
71.31 **Biofiltration**

71.32 \$641,000 the first year is from the trust fund
71.33 to the Board of Regents of the University of
71.34 Minnesota for the St. Anthony Falls
71.35 Laboratory to develop a treatment practice
71.36 design using biofiltration media to remove

72.1 contaminants of emerging concern (CECs)
72.2 from stormwater runoff and to provide
72.3 statewide stormwater management guidance.

72.4 **(k) Didymo II The North Shore Threat**
72.5 **Continues**

72.6 \$394,000 the first year is from the trust fund
72.7 to the Science Museum of Minnesota for the
72.8 St. Croix Watershed Research Station to
72.9 identify North Shore streams with didymo,
72.10 determine the risk of invasion to other streams,
72.11 document didymo impacts to stream
72.12 functioning, and develop strategies to prevent
72.13 further spread of didymo.

72.14 **(l) Leveraging Data Analytics Innovations for**
72.15 **Watershed District Planning**

72.16 \$738,000 the first year is from the trust fund
72.17 to the commissioner of natural resources for
72.18 an agreement with Minnehaha Creek
72.19 Watershed District to integrate local and
72.20 statewide data sets into a high-resolution
72.21 planning tool that forecasts the impacts of
72.22 changing precipitation patterns and
72.23 quantitatively compares cost effectiveness and
72.24 outcomes for water quality, ecological
72.25 integrity, and flood prevention projects in the
72.26 district. Minnehaha Creek Watershed District
72.27 may license third parties to use products
72.28 developed with this appropriation without
72.29 further approval from the legislature or the
72.30 Legislative-Citizen Commission on Minnesota
72.31 Resources, provided the licensing does not
72.32 generate income. This appropriation is subject
72.33 to Minnesota Statutes, section 116P.10.

72.34 **(m) Protecting Water in the Central Sands**
72.35 **Region of the Mississippi River Headwaters**

73.1 \$1,693,000 the first year is from the trust fund
 73.2 to the commissioner of natural resources for
 73.3 an agreement with the White Earth Band of
 73.4 Minnesota Chippewa Indians to conduct a
 73.5 policy analysis and assess aggregate irrigation
 73.6 impacts on water quality and quantity in the
 73.7 Pineland Sands region of the state.

73.8 **Subd. 5. Environmental Education** 3,905,000 -0-

73.9 **(a) Fostering Conservation by Connecting**
 73.10 **Students to the BWCA**

73.11 \$1,080,000 the first year is from the trust fund
 73.12 to the commissioner of natural resources for
 73.13 an agreement with the Friends of the Boundary
 73.14 Waters Wilderness to connect Minnesota
 73.15 youth to the Boundary Waters through
 73.16 environmental education, experiential learning,
 73.17 and wilderness canoe trips.

73.18 **(b) Statewide Environmental Education via PBS**
 73.19 **Outdoor Series**

73.20 \$391,000 the first year is from the trust fund
 73.21 to the commissioner of natural resources for
 73.22 an agreement with Pioneer Public
 73.23 Broadcasting Service to produce new episodes
 73.24 of a statewide public television series and an
 73.25 educational web page designed to inspire
 73.26 Minnesotans to connect with the outdoors and
 73.27 to restore and protect the state's natural
 73.28 resources.

73.29 **(c) Increasing Diversity in Environmental**
 73.30 **Careers**

73.31 \$763,000 the first year is from the trust fund
 73.32 to the commissioner of natural resources in
 73.33 cooperation with Conservation Corps
 73.34 Minnesota and Iowa to ensure a stable and
 73.35 prepared natural resources work force in

74.1 Minnesota by encouraging a diversity of
74.2 students to pursue careers in environment and
74.3 natural resources through internships,
74.4 mentorships, and fellowships with the
74.5 Department of Natural Resources, the Board
74.6 of Water and Soil Resources, and the Pollution
74.7 Control Agency. This appropriation is
74.8 available until June 30, 2028, by which time
74.9 the project must be completed and final
74.10 products delivered.

74.11 **(d) Reducing Biophobia & Fostering**
74.12 **Environmental Stewardship in Underserved**
74.13 **Schools**

74.14 \$180,000 the first year is from the trust fund
74.15 to the Board of Regents of the University of
74.16 Minnesota for the Raptor Center to foster
74.17 long-lasting environmental stewardship and
74.18 literacy in Minnesota youth in underserved
74.19 schools by providing engaging, multiunit,
74.20 standards-based environmental programming
74.21 featuring positive interactions with raptors and
74.22 evaluating program effectiveness and areas
74.23 for improvement.

74.24 **(e) Sharing Minnesota's Biggest Environmental**
74.25 **Investment**

74.26 \$628,000 the first year is from the trust fund
74.27 to the Science Museum of Minnesota, in
74.28 coordination with the Legislative-Citizen
74.29 Commission on Minnesota Resources
74.30 (LCCMR), to increase public access to the
74.31 results of LCCMR-recommended research,
74.32 including through a free online interactive
74.33 map, in-depth videos, and public events.

74.34 **(f) North Shore Private Forestry Outreach and**
74.35 **Implementation**

75.1 \$375,000 the first year is from the trust fund
 75.2 to the commissioner of natural resources for
 75.3 an agreement with Sugarloaf: The North Shore
 75.4 Stewardship Association to conduct outreach
 75.5 to private forest landowners, develop site
 75.6 restoration plans, and connect landowners with
 75.7 restoration assistance to encourage private
 75.8 forest restoration and improve the ecological
 75.9 health of Minnesota's North Shore forest
 75.10 landscape.

75.11 **(g) Teaching Students about Watersheds**
 75.12 **through Outdoor Science**

75.13 \$290,000 the first year is from the trust fund
 75.14 to the commissioner of natural resources for
 75.15 an agreement with Minnesota Trout Unlimited
 75.16 to engage students in classroom and outdoor
 75.17 hands-on learning focused on water quality,
 75.18 groundwater, aquatic life, and watershed
 75.19 stewardship and provide youth and their
 75.20 families with fishing experiences to further
 75.21 foster a conservation ethic.

75.22 **(h) Bioblitz Urban Parks: Engaging**
 75.23 **Communities in Scientific Efforts**

75.24 \$198,000 the first year is from the trust fund
 75.25 to the commissioner of natural resources for
 75.26 an agreement with the Minneapolis Park and
 75.27 Recreation Board to work with volunteers to
 75.28 collect baseline biodiversity data for
 75.29 neighborhood and regional parks to inspire
 75.30 stewardship and inform habitat restoration
 75.31 work.

75.32 **Subd. 6. Aquatic and Terrestrial Invasive**
 75.33 **Species**

5,104,000

-0-

75.34 **(a) Northward Expansion of Ecologically**
 75.35 **Damaging Amphibians and Reptiles**

76.1 \$163,000 the first year is from the trust fund
 76.2 to the Board of Regents of the University of
 76.3 Minnesota to assess the distribution and
 76.4 potential for expansion of key detrimental and
 76.5 nonnative amphibians and reptiles in
 76.6 Minnesota.

76.7 **(b) Developing Research-Based Solutions to**
 76.8 **Minnesota's AIS Problems**

76.9 \$4,941,000 the first year is from the trust fund
 76.10 to the Board of Regents of the University of
 76.11 Minnesota for the Minnesota Aquatic Invasive
 76.12 Species Research Center to conduct
 76.13 high-priority projects aimed at solving
 76.14 Minnesota's aquatic invasive species problems
 76.15 using rigorous science and a collaborative
 76.16 process. Additionally, funds may be spent to
 76.17 deliver research findings to end users through
 76.18 strategic communication and outreach. This
 76.19 appropriation is subject to Minnesota Statutes,
 76.20 section 116P.10. This appropriation is
 76.21 available until June 30, 2027, by which time
 76.22 the project must be completed and final
 76.23 products delivered.

76.24 **Subd. 7. Air Quality, Climate Change, and**
 76.25 **Renewable Energy**

3,913,000

-0-

76.26 **(a) Community Forestry AmeriCorps**

76.27 \$1,500,000 the first year is from the trust fund
 76.28 to the commissioner of natural resources for
 76.29 an agreement with ServeMinnesota to preserve
 76.30 and increase tree canopy throughout the state
 76.31 by training, supporting, and deploying
 76.32 AmeriCorps members to local agencies and
 76.33 nonprofit organizations to plant and inventory
 76.34 trees, develop and implement pest
 76.35 management plans, create and maintain

77.1 nursery beds for replacement trees, and
77.2 organize opportunities for community
77.3 engagement in tree stewardship activities.

77.4 **(b) Biochar Implementation in Habitat**
77.5 **Restoration: A Pilot**

77.6 \$185,000 the first year is from the trust fund
77.7 to the commissioner of natural resources for
77.8 an agreement with Great River Greening to
77.9 pilot the use of portable biochar kilns as an
77.10 alternative to open-pile burning of trees and
77.11 shrubs to reduce smoke and carbon emissions
77.12 and produce beneficial by-products from
77.13 invasive species removal and land restoration
77.14 efforts.

77.15 **(c) Completing Installment of the Minnesota**
77.16 **Ecological Monitoring Network**

77.17 \$1,094,000 the first year is from the trust fund
77.18 to the commissioner of natural resources to
77.19 improve conservation and management of
77.20 Minnesota's native forests, wetlands, and
77.21 grasslands by completing the Ecological
77.22 Monitoring Network to measure ecosystems'
77.23 change through time.

77.24 **(d) Lichens as Low-Cost Air Quality Monitors**
77.25 **in Minnesota**

77.26 \$341,000 the first year is from the trust fund
77.27 to the Board of Regents of the University of
77.28 Minnesota to develop community science
77.29 protocols for using lichens as indicators of air
77.30 quality and conduct an analysis of air pollution
77.31 changes across Minnesota in the present and
77.32 in the past century.

77.33 **(e) Environment-Friendly Decarbonizing of Steel**
77.34 **Production with Hydrogen Plasma**

78.1 \$739,000 the first year is from the trust fund
 78.2 to the Board of Regents of the University of
 78.3 Minnesota to investigate the use of microwave
 78.4 hydrogen plasma to reduce fossil fuel use,
 78.5 carbon dioxide emissions, and waste and
 78.6 enable the use of alternative iron resources,
 78.7 including lower quality iron ores, tailings, and
 78.8 iron ore waste piles, in the iron-making
 78.9 industry. This appropriation is subject to
 78.10 Minnesota Statutes, section 116P.10.

78.11 **(f) Economic Analysis Guide for Minnesota**
 78.12 **Climate Investments**

78.13 \$54,000 the first year is from the trust fund to
 78.14 the commissioner of the Minnesota Pollution
 78.15 Control Agency to create a guide that will
 78.16 incorporate nation-wide best practices for
 78.17 considering costs, benefits, economics, and
 78.18 equity in Minnesota climate policy decisions.

78.19 **Subd. 8. Methods to Protect or Restore Land,**
 78.20 **Water, and Habitat**

15,997,000

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78.21 **(a) Minnesota Bee and Beneficial Species Habitat**
 78.22 **Enhancement II**

78.23 \$876,000 the first year is from the trust fund
 78.24 to the commissioner of natural resources for
 78.25 an agreement with Pheasants Forever Inc. to
 78.26 enhance grassland habitats to benefit
 78.27 pollinators and other wildlife species on
 78.28 permanently protected lands and to collaborate
 78.29 with the University of Minnesota to determine
 78.30 best practices for seeding timing and
 78.31 techniques.

78.32 **(b) Karner Blue Butterfly Insurance Population**
 78.33 **Establishment in Minnesota**

78.34 \$405,000 the first year is from the trust fund
 78.35 to the commissioner of natural resources for

79.1 an agreement with the Three Rivers Park
79.2 District to establish a breeding population of
79.3 the federally endangered Karner blue butterfly
79.4 on protected lands within the butterfly's
79.5 northern expanding range, increase the habitat
79.6 area, and evaluate the butterfly establishment
79.7 effort to assist with adaptive management.

79.8 This appropriation is available until June 30,
79.9 2027, by which time the project must be
79.10 completed and final products delivered.

79.11 **(c) Root River Habitat Restoration at Eagle**
79.12 **Bluff**

79.13 \$866,000 the first year is from the trust fund
79.14 to the commissioner of natural resources for
79.15 an agreement with Eagle Bluff Environmental
79.16 Learning Center to restore habitat in and
79.17 alongside the Root River north of Lanesboro,
79.18 Minnesota, and to conduct monitoring to
79.19 ensure water quality and fish population
79.20 improvements are achieved. This appropriation
79.21 is available until June 30, 2028, by which time
79.22 the project must be completed and final
79.23 products delivered.

79.24 **(d) Restoring Mussels in Streams and Lakes -**
79.25 **Continuation**

79.26 \$825,000 the first year is from the trust fund
79.27 to the commissioner of natural resources to
79.28 propagate, rear, and restore native freshwater
79.29 mussel assemblages and the ecosystem
79.30 services they provide in the Mississippi,
79.31 Cedar, and Cannon Rivers; to evaluate
79.32 reintroduction success; and to inform the
79.33 public on mussels and mussel conservation.

79.34 **(e) Minnesota Million: Seedlings for**
79.35 **Reforestation and CO₂ Sequestration**

80.1 \$906,000 the first year is from the trust fund
80.2 to the Board of Regents of the University of
80.3 Minnesota, Duluth, to collaborate with The
80.4 Nature Conservancy and Minnesota Extension
80.5 to expand networks of seed collectors and tree
80.6 growers and to research tree planting strategies
80.7 to accelerate reforestation for carbon
80.8 sequestration, wildlife habitat, and watershed
80.9 resilience.

80.10 **(f) Panoway on Wayzata Bay Shoreline**
80.11 **Restoration Project**

80.12 \$200,000 the first year is from the trust fund
80.13 to the commissioner of natural resources for
80.14 an agreement with the city of Wayzata to
80.15 restore native lake bottom and shoreline
80.16 vegetation to improve shoreline stability,
80.17 wildlife habitat, and the natural beauty of Lake
80.18 Minnetonka's Wayzata Bay. The recipient
80.19 must report to the Legislative-Citizen
80.20 Commission on Minnesota Resources on the
80.21 effectiveness of any new methods tested while
80.22 conducting the project and may use a portion
80.23 of the appropriation to prepare that report.

80.24 **(g) Pollinator Central III: Habitat Improvement**
80.25 **with Community Monitoring**

80.26 \$190,000 the first year is from the trust fund
80.27 to the commissioner of natural resources for
80.28 an agreement with Great River Greening to
80.29 restore and enhance pollinator habitat in parks,
80.30 schools, and other public spaces to benefit
80.31 pollinators and people and to build knowledge
80.32 about impacts of the pollinator plantings
80.33 through community-based monitoring.

80.34 **(h) Restoring Forests and Savannas Using**
80.35 **Silvopasture - Phase II**

81.1 \$674,000 the first year is from the trust fund
81.2 to the commissioner of natural resources for
81.3 an agreement with Great River Greening to
81.4 continue to partner with the University of
81.5 Minnesota and the Sustainable Farming
81.6 Association to demonstrate, evaluate, and
81.7 increase adoption of the combined use of
81.8 intensive tree, forage, and grazing as a method
81.9 to restore and manage forest and savanna
81.10 habitats.

81.11 **(i) Minnesota Community Schoolyards**

81.12 \$1,433,000 the first year is from the trust fund
81.13 to the commissioner of natural resources for
81.14 an agreement with The Trust for Public Land
81.15 to engage students and communities to create
81.16 nature-focused habitat improvements at
81.17 schoolyards across the state to increase
81.18 environmental outcomes and encourage
81.19 outdoor learning.

81.20 **(j) Pollinator Enhancement and Mississippi**
81.21 **River Shoreline Restoration**

81.22 \$187,000 the first year is from the trust fund
81.23 to the adjutant general of the Department of
81.24 Military Affairs to restore native prairie,
81.25 support pollinator plantings, and stabilize a
81.26 large section of stream bank along the
81.27 Mississippi River within Camp Ripley.

81.28 **(k) Conservation Cooperative for Working**
81.29 **Lands**

81.30 \$2,611,000 the first year is from the trust fund
81.31 to the commissioner of natural resources for
81.32 an agreement with Pheasants Forever Inc. to
81.33 collaborate with Natural Resources
81.34 Conservation Service, Board of Water and
81.35 Soil Resources, and Minnesota Association

82.1 of Soil and Water Conservation Districts to
82.2 accelerate adoption of voluntary conservation
82.3 practices on working lands in Minnesota by
82.4 increasing technical assistance to farmers and
82.5 landowners while also attracting federal
82.6 matching funds.

82.7 **(l) Quantifying Environmental Benefits of**
82.8 **Peatland Restoration in Minnesota**

82.9 \$754,000 the first year is from the trust fund
82.10 to the Board of Regents of the University of
82.11 Minnesota to quantify the capacity of restored
82.12 peatlands to store and accumulate atmospheric
82.13 carbon and prevent release of accumulated
82.14 mercury into the surrounding environment.

82.15 This appropriation is available until June 30,
82.16 2027, by which time the project must be
82.17 completed and final products delivered.

82.18 **(m) Renewing Access to an Iconic North Shore**
82.19 **Vista**

82.20 \$197,000 the first year is from the trust fund
82.21 to the commissioner of natural resources for
82.22 an agreement with the Superior Hiking Trail
82.23 Association to use national trail design best
82.24 practices to renew trails and a campground
82.25 along the Bean and Bear Lakes section of the
82.26 Superior Hiking Trail that provides access to
82.27 one of Minnesota's most iconic vistas.

82.28 **(n) Addressing Erosion Along High Use River**
82.29 **Loops**

82.30 \$368,000 the first year is from the trust fund
82.31 to the commissioner of natural resources for
82.32 an agreement with the Superior Hiking Trail
82.33 Association to rehabilitate and renew popular
82.34 river loops of the Superior Hiking Trail to

83.1 withstand high visitor use and serve
83.2 Minnesotans for years to come.

83.3 **(o) Pollinator Habitat Creation at Minnesota**
83.4 **Closed Landfills**

83.5 \$1,508,000 the first year is from the trust fund
83.6 to the commissioner of the Minnesota
83.7 Pollution Control Agency to conduct a pilot
83.8 project to create pollinator habitat at closed
83.9 landfill sites in the closed landfill program.
83.10 This appropriation is available until June 30,
83.11 2027, by which time the project must be
83.12 completed and final products delivered.

83.13 **(p) Enhancing Habitat Connectivity within the**
83.14 **Urban Mississippi Flyway**

83.15 \$190,000 the first year is from the trust fund
83.16 to the commissioner of natural resources for
83.17 an agreement with the Minneapolis Park and
83.18 Recreation Board to enhance and restore
83.19 habitat in and between urban neighborhood
83.20 parks and the Mississippi River to benefit
83.21 animals, plants, and neighborhoods
83.22 traditionally disconnected from nature and to
83.23 raise awareness of the Mississippi River
83.24 Flyway.

83.25 **(q) Statewide Diversion of Furniture and**
83.26 **Mattress Waste Pilots**

83.27 \$2,833,000 the first year is from the trust fund
83.28 to the commissioner of natural resources for
83.29 an agreement with EMERGE Community
83.30 Development to work collaboratively with the
83.31 University of Minnesota, Second Chance
83.32 Recycling, and local governments to test and
83.33 implement methods to expand mattress and
83.34 furniture recycling statewide, including by
83.35 researching value-add commodity markets for

84.1 recycled materials, piloting mattress collection
 84.2 in greater Minnesota counties, piloting
 84.3 curbside furniture collection in the
 84.4 metropolitan area, and increasing facility
 84.5 capacity to recycle collected mattresses. Any
 84.6 revenue generated from selling products or
 84.7 assets developed or acquired with this
 84.8 appropriation must be repaid to the trust fund
 84.9 unless a plan is approved for reinvestment of
 84.10 income in the project. This appropriation is
 84.11 subject to Minnesota Statutes, section 116P.10.

84.12 **(r) Phelps Mill Wetland and Prairie Restoration**

84.13 \$974,000 the first year is from the trust fund
 84.14 to the commissioner of natural resources for
 84.15 an agreement with Otter Tail County to plan,
 84.16 engineer, and restore wetlands and prairie
 84.17 within the newly expanded Phelps Mill County
 84.18 Park to improve habitat connectivity for
 84.19 wildlife and enhance recreational experiences
 84.20 for users. Up to \$322,000 of this appropriation
 84.21 may be used to plan, engineer, and construct
 84.22 a boardwalk, viewing platforms, and soft trails
 84.23 within the park. This appropriation is available
 84.24 until June 30, 2027, by which time the project
 84.25 must be completed and final products
 84.26 delivered.

84.27 **Subd. 9. Land Acquisition, Habitat, and**
 84.28 **Recreation**

31,241,000

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84.29 **(a) SNA Stewardship, Outreach, and**
 84.30 **Biodiversity Protection**

84.31 \$1,919,000 the first year is from the trust fund
 84.32 to the commissioner of natural resources to
 84.33 restore and enhance exceptional habitat on
 84.34 scientific and natural areas (SNAs), increase
 84.35 public involvement and outreach, and

85.1 strategically acquire lands that meet criteria
85.2 for SNAs under Minnesota Statutes, section
85.3 86A.05, from willing sellers. This
85.4 appropriation is available until June 30, 2027,
85.5 by which time the project must be completed
85.6 and final products delivered.

85.7 **(b) Wannigan Regional Park Land Acquisition**

85.8 \$727,000 the first year is from the trust fund
85.9 to the commissioner of natural resources for
85.10 an agreement with the city of Frazee to acquire
85.11 land for protecting and enhancing natural
85.12 resources and for future development as
85.13 Wannigan Regional Park, where the Heartland
85.14 State, North Country National, and Otter Tail
85.15 River Water Trails will meet. Initial site
85.16 development or restoration work may be
85.17 conducted with this appropriation.

85.18 **(c) Local Parks, Trails, and Natural Areas Grant**
85.19 **Programs**

85.20 \$3,802,000 the first year is from the trust fund
85.21 to the commissioner of natural resources to
85.22 solicit and rank applications and fund
85.23 competitive matching grants for local parks,
85.24 trail connections, and natural and scenic areas
85.25 under Minnesota Statutes, section 85.019. This
85.26 appropriation is for local nature-based
85.27 recreation, connections to regional and state
85.28 natural areas, and recreation facilities and may
85.29 not be used for athletic facilities such as sport
85.30 fields, courts, and playgrounds.

85.31 **(d) Outreach and Stewardship Through the**
85.32 **Native Prairie Bank Program**

85.33 \$620,000 the first year is from the trust fund
85.34 to the commissioner of natural resources to
85.35 enhance and monitor lands enrolled in the

86.1 native prairie bank and to provide outreach
86.2 and technical assistance to landowners,
86.3 practitioners, and the public to increase
86.4 awareness and stewardship of the state's
86.5 remaining native prairie. This appropriation
86.6 is available until June 30, 2027, by which time
86.7 the project must be completed and final
86.8 products delivered.

86.9 **(e) Minnesota State Trails Development**

86.10 \$4,952,000 the first year is from the trust fund
86.11 to the commissioner of natural resources to
86.12 expand recreational opportunities on
86.13 Minnesota state trails by rehabilitating and
86.14 enhancing existing state trails and replacing
86.15 or repairing existing state trail bridges.

86.16 **(f) Construction of East Park**

86.17 \$700,000 the first year is from the trust fund
86.18 to the commissioner of natural resources for
86.19 an agreement with the city of St. Joseph to
86.20 increase recreational opportunities and access
86.21 at East Park along the Sauk River in St. Joseph
86.22 through enhancements such as a canoe and
86.23 kayak access, a floating dock, paved and
86.24 mowed trails, and parking entrance
86.25 improvements.

86.26 **(g) Scandia Gateway Trail to William O'Brien**
86.27 **State Park**

86.28 \$2,689,000 the first year is from the trust fund
86.29 to the commissioner of natural resources for
86.30 an agreement with the city of Scandia to
86.31 engineer and construct a segment of the
86.32 Gateway State Trail between the city of
86.33 Scandia and William O'Brien State Park that
86.34 will be maintained by the Department of
86.35 Natural Resources. The segment to be

87.1 constructed includes a pedestrian tunnel and
87.2 trailhead parking area. This project must be
87.3 designed and constructed in accordance with
87.4 Department of Natural Resources state trail
87.5 standards. Engineering and construction plans
87.6 must be approved by the commissioner of
87.7 natural resources before construction may
87.8 commence. This appropriation is available
87.9 until June 30, 2027, by which time the project
87.10 must be completed and final products
87.11 delivered.

87.12 **(h) Grand Marais Mountain Bike Trail**
87.13 **Rehabilitation - Phase II**

87.14 \$200,000 the first year is from the trust fund
87.15 to the commissioner of natural resources for
87.16 an agreement with Superior Cycling
87.17 Association to rehabilitate and modify existing
87.18 mountain bike trails at Pincushion Mountain
87.19 to increase the trail's environmental
87.20 sustainability and provide better access to
87.21 beginner and adaptive cyclers.

87.22 **(i) Acquisition of State Parks and Trails**
87.23 **Inholdings**

87.24 \$5,425,000 the first year is from the trust fund
87.25 to the commissioner of natural resources to
87.26 acquire high-priority inholdings from willing
87.27 sellers within the legislatively authorized
87.28 boundaries of state parks, recreation areas, and
87.29 trails to protect Minnesota's natural heritage,
87.30 enhance outdoor recreation, and improve the
87.31 efficiency of public land management. This
87.32 appropriation is available until June 30, 2027,
87.33 by which time the project must be completed
87.34 and final products delivered.

87.35 **(j) St. Louis River Re-Connect - Phase II**

88.1 \$1,375,000 the first year is from the trust fund
88.2 to the commissioner of natural resources for
88.3 an agreement with the city of Duluth to
88.4 increase recreational opportunities and access
88.5 to the Waabizheshikana hiking and water trails
88.6 in West Duluth with trail and trailhead
88.7 enhancements such as accessible canoe and
88.8 kayak launches, picnic areas, and restrooms;
88.9 restored habitat; stormwater improvements;
88.10 directional signage, and trailside interpretation.
88.11 This appropriation may also be used to partner
88.12 with the St. Louis River Alliance to create an
88.13 ambassadors program to engage the
88.14 surrounding community and facilitate use of
88.15 the trails.

88.16 **(k) City of Biwabik Recreation**

88.17 \$1,306,000 the first year is from the trust fund
88.18 to the commissioner of natural resources for
88.19 an agreement with the city of Biwabik to
88.20 reconstruct and renovate Biwabik Recreation
88.21 Area's access road, parking area, and bathroom
88.22 facilities.

88.23 **(l) Silver Bay Multimodal Trailhead Project**

88.24 \$1,970,000 the first year is from the trust fund
88.25 to the commissioner of natural resources for
88.26 an agreement with the city of Silver Bay to
88.27 develop a multimodal trailhead center to
88.28 provide safe access to the Superior Hiking,
88.29 Gitchi-Gami Bike, and C.J. Ramstad/North
88.30 Shore trails; Black Beach Park; and other
88.31 recreational destinations. Before any
88.32 construction costs are incurred, the city must
88.33 demonstrate that all funding to complete the
88.34 project are secured.

89.1 **(m) Above the Falls Regional Park Restoration**
89.2 **Planning and Acquisition**

89.3 \$1,376,000 the first year is from the trust fund
89.4 to the commissioner of natural resources for
89.5 an agreement with the Minneapolis Park and
89.6 Recreation Board to acquire land along the
89.7 Mississippi River from willing sellers for
89.8 habitat restoration, trail development, and
89.9 low-intensity recreational facilities in Above
89.10 the Falls Regional Park. This appropriation
89.11 may also be used to prepare restoration plans
89.12 for lands acquired. This appropriation may not
89.13 be used to purchase habitable residential
89.14 structures. Before the acquisition, a phase 1
89.15 environmental assessment must be completed
89.16 and the Minneapolis Park and Recreation
89.17 Board must not accept any liability for
89.18 previous contamination of lands acquired with
89.19 this appropriation.

89.20 **(n) Redhead Mountain Bike Park**

89.21 \$1,666,000 the first year is from the trust fund
89.22 to the commissioner of natural resources for
89.23 an agreement with the city of Chisholm as the
89.24 fiscal agent for the Minnesota Discovery
89.25 Center to enhance outdoor recreational
89.26 opportunities by adding trails and amenities
89.27 to the Redhead Mountain Bike Park in
89.28 Chisholm. Amenities may include such things
89.29 as pump tracks, skills courses, changing
89.30 stations, shade shakes, and signage.

89.31 **(o) Maplewood State Park Trail Segment of the**
89.32 **Perham to Pelican Rapids Regional Trail**

89.33 \$2,514,000 the first year is from the trust fund
89.34 to the commissioner of natural resources for
89.35 an agreement with Otter Tail County to partner

90.1 with the Department of Natural Resources to
 90.2 construct the Maplewood State Park segment
 90.3 of the Perham to Pelican Rapids Regional
 90.4 Trail. This project must be designed and
 90.5 constructed in accordance with Department
 90.6 of Natural Resources state trail standards.
 90.7 Engineering and construction plans must be
 90.8 approved by the commissioner of natural
 90.9 resources before construction may commence.

90.10 **Subd. 10. Administration, Emerging Issues, and**
 90.11 **Contract Agreement Reimbursement**

3,126,000

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90.12 **(a) LCCMR Administrative Budget**

90.13 \$2,133,000 the first year is from the trust fund
 90.14 to the Legislative-Citizen Commission on
 90.15 Minnesota Resources for administration in
 90.16 fiscal years 2024 and 2025 as provided in
 90.17 Minnesota Statutes, section 116P.09,
 90.18 subdivision 5. This appropriation is available
 90.19 until June 30, 2025. Notwithstanding
 90.20 Minnesota Statutes, section 116P.11,
 90.21 paragraph (b), Minnesota Statutes, section
 90.22 16A.281, applies to this appropriation.

90.23 **(b) Emerging Issues**

90.24 \$767,000 the first year is from the trust fund
 90.25 to the Legislative-Citizen Commission on
 90.26 Minnesota Resources to an emerging issues
 90.27 account authorized in Minnesota Statutes,
 90.28 section 116P.08, subdivision 4, paragraph (d).

90.29 **(c) Contract Agreement Reimbursement**

90.30 \$224,000 the first year is from the trust fund
 90.31 to the commissioner of natural resources, at
 90.32 the direction of the Legislative-Citizen
 90.33 Commission on Minnesota Resources, for
 90.34 expenses incurred in preparing and

91.1 administering contracts, including for the
91.2 agreements specified in this section.

91.3 **(d) Legislative Coordinating Commission Legacy**
91.4 **Website**

91.5 \$2,000 the first year is from the trust fund to
91.6 the Legislative Coordinating Commission for
91.7 the website required in Minnesota Statutes,
91.8 section 3.303, subdivision 10.

91.9 **Subd. 11. Availability of Appropriations**

91.10 Money appropriated in this section may not
91.11 be spent on activities unless they are directly
91.12 related to and necessary for a specific
91.13 appropriation and are specified in the work
91.14 plan approved by the Legislative-Citizen
91.15 Commission on Minnesota Resources. Money
91.16 appropriated in this section must not be spent
91.17 on indirect costs or other institutional overhead
91.18 charges that are not directly related to and
91.19 necessary for a specific appropriation. Costs
91.20 that are directly related to and necessary for
91.21 an appropriation, including financial services,
91.22 human resources, information services, rent,
91.23 and utilities, are eligible only if the costs can
91.24 be clearly justified and individually
91.25 documented specific to the appropriation's
91.26 purpose and would not be generated by the
91.27 recipient but for receipt of the appropriation.
91.28 No broad allocations for costs in either dollars
91.29 or percentages are allowed. Unless otherwise
91.30 provided, the amounts in this section are
91.31 available for three years beginning July 1,
91.32 2023, and ending June 30, 2026, when projects
91.33 must be completed and final products
91.34 delivered. For acquisition of real property, the
91.35 appropriations in this section are available for

92.1 an additional fiscal year if a binding contract
92.2 for acquisition of the real property is entered
92.3 into before the expiration date of the
92.4 appropriation. If a project receives a federal
92.5 award, the period of the appropriation is
92.6 extended to equal the federal award period to
92.7 a maximum trust fund appropriation length of
92.8 six years.

92.9 **Subd. 12. Data Availability Requirements Data**

92.10 Data collected by the projects funded under
92.11 this section must conform to guidelines and
92.12 standards adopted by Minnesota IT Services.
92.13 Spatial data must also conform to additional
92.14 guidelines and standards designed to support
92.15 data coordination and distribution that have
92.16 been published by the Minnesota Geospatial
92.17 Information Office. Descriptions of spatial
92.18 data must be prepared as specified in the state's
92.19 geographic metadata guideline and must be
92.20 submitted to the Minnesota Geospatial
92.21 Information Office. All data must be
92.22 accessible and free to the public unless made
92.23 private under the Data Practices Act,
92.24 Minnesota Statutes, chapter 13. To the extent
92.25 practicable, summary data and results of
92.26 projects funded under this section should be
92.27 readily accessible on the Internet and
92.28 identified as having received funding from the
92.29 environment and natural resources trust fund.

92.30 **Subd. 13. Project Requirements**

92.31 (a) As a condition of accepting an
92.32 appropriation under this section, an agency or
92.33 entity receiving an appropriation or a party to
92.34 an agreement from an appropriation must
92.35 comply with paragraphs (b) to (l) and

93.1 Minnesota Statutes, chapter 116P, and must
93.2 submit a work plan and annual or semiannual
93.3 progress reports in the form determined by the
93.4 Legislative-Citizen Commission on Minnesota
93.5 Resources for any project funded in whole or
93.6 in part with funds from the appropriation.
93.7 Modifications to the approved work plan and
93.8 budget expenditures must be made through
93.9 the amendment process established by the
93.10 Legislative-Citizen Commission on Minnesota
93.11 Resources.

93.12 (b) A recipient of money appropriated in this
93.13 section that conducts a restoration using funds
93.14 appropriated in this section must use native
93.15 plant species according to the Board of Water
93.16 and Soil Resources' native vegetation
93.17 establishment and enhancement guidelines
93.18 and include an appropriate diversity of native
93.19 species selected to provide habitat for
93.20 pollinators throughout the growing season as
93.21 required under Minnesota Statutes, section
93.22 84.973.

93.23 (c) For all restorations conducted with money
93.24 appropriated under this section, a recipient
93.25 must prepare an ecological restoration and
93.26 management plan that, to the degree
93.27 practicable, is consistent with the
93.28 highest-quality conservation and ecological
93.29 goals for the restoration site. Consideration
93.30 should be given to soil, geology, topography,
93.31 and other relevant factors that would provide
93.32 the best chance for long-term success and
93.33 durability of the restoration project. The plan
93.34 must include the proposed timetable for
93.35 implementing the restoration, including site

- 94.1 preparation, establishment of diverse plant
94.2 species, maintenance, and additional
94.3 enhancement to establish the restoration;
94.4 identify long-term maintenance and
94.5 management needs of the restoration and how
94.6 the maintenance, management, and
94.7 enhancement will be financed; and take
94.8 advantage of the best-available science and
94.9 include innovative techniques to achieve the
94.10 best restoration.
- 94.11 (d) An entity receiving an appropriation in this
94.12 section for restoration activities must provide
94.13 an initial restoration evaluation at the
94.14 completion of the appropriation and an
94.15 evaluation three years after the completion of
94.16 the expenditure. Restorations must be
94.17 evaluated relative to the stated goals and
94.18 standards in the restoration plan, current
94.19 science, and, when applicable, the Board of
94.20 Water and Soil Resources' native vegetation
94.21 establishment and enhancement guidelines.
94.22 The evaluation must determine whether the
94.23 restorations are meeting planned goals,
94.24 identify any problems with implementing the
94.25 restorations, and, if necessary, give
94.26 recommendations on improving restorations.
94.27 The evaluation must be focused on improving
94.28 future restorations.
- 94.29 (e) All restoration and enhancement projects
94.30 funded with money appropriated in this section
94.31 must be on land permanently protected by a
94.32 conservation easement or public ownership.
- 94.33 (f) A recipient of money from an appropriation
94.34 under this section must give consideration to
94.35 contracting with Conservation Corps

95.1 Minnesota for contract restoration and
95.2 enhancement services.

95.3 (g) All conservation easements acquired with
95.4 money appropriated under this section must:

95.5 (1) be permanent;

95.6 (2) specify the parties to an easement in the
95.7 easement;

95.8 (3) specify all provisions of an agreement that
95.9 are permanent;

95.10 (4) be sent to the Legislative-Citizen
95.11 Commission on Minnesota Resources in an
95.12 electronic format at least ten business days
95.13 before closing;

95.14 (5) include a long-term monitoring and
95.15 enforcement plan and funding for monitoring
95.16 and enforcing the easement agreement; and

95.17 (6) include requirements in the easement
95.18 document to protect the quantity and quality
95.19 of groundwater and surface water through
95.20 specific activities such as keeping water on
95.21 the landscape, reducing nutrient and
95.22 contaminant loading, and not permitting
95.23 artificial hydrological modifications.

95.24 (h) For any acquisition of lands or interest in
95.25 lands, a recipient of money appropriated under
95.26 this section must not agree to pay more than
95.27 100 percent of the appraised value for a parcel
95.28 of land using this money to complete the
95.29 purchase, in part or in whole, except that up
95.30 to ten percent above the appraised value may
95.31 be allowed to complete the purchase, in part
95.32 or in whole, using this money if permission is
95.33 received in advance of the purchase from the

96.1 Legislative-Citizen Commission on Minnesota
96.2 Resources.

96.3 (i) For any acquisition of land or interest in
96.4 land, a recipient of money appropriated under
96.5 this section must give priority to high-quality
96.6 natural resources or conservation lands that
96.7 provide natural buffers to water resources.

96.8 (j) For new lands acquired with money
96.9 appropriated under this section, a recipient
96.10 must prepare an ecological restoration and
96.11 management plan in compliance with
96.12 paragraph (c), including sufficient funding for
96.13 implementation unless the work plan addresses
96.14 why a portion of the money is not necessary
96.15 to achieve a high-quality restoration.

96.16 (k) To ensure public accountability for using
96.17 public funds, a recipient of money
96.18 appropriated under this section must, within
96.19 60 days of the transaction, provide to the
96.20 Legislative-Citizen Commission on Minnesota
96.21 Resources documentation of the selection
96.22 process used to identify parcels acquired and
96.23 provide documentation of all related
96.24 transaction costs, including but not limited to
96.25 appraisals, legal fees, recording fees,
96.26 commissions, other similar costs, and
96.27 donations. This information must be provided
96.28 for all parties involved in the transaction. The
96.29 recipient must also report to the
96.30 Legislative-Citizen Commission on Minnesota
96.31 Resources any difference between the
96.32 acquisition amount paid to the seller and the
96.33 state-certified or state-reviewed appraisal, if
96.34 a state-certified or state-reviewed appraisal
96.35 was conducted.

97.1 (l) A recipient of an appropriation from the
97.2 trust fund under this section must acknowledge
97.3 financial support from the environment and
97.4 natural resources trust fund in project
97.5 publications, signage, and other public
97.6 communications and outreach related to work
97.7 completed using the appropriation.

97.8 Acknowledgment may occur, as appropriate,
97.9 through use of the trust fund logo or inclusion
97.10 of language attributing support from the trust
97.11 fund. Each direct recipient of money
97.12 appropriated in this section, as well as each
97.13 recipient of a grant awarded pursuant to this
97.14 section, must satisfy all reporting and other
97.15 requirements incumbent upon constitutionally
97.16 dedicated funding recipients as provided in
97.17 Minnesota Statutes, section 3.303, subdivision
97.18 10, and Minnesota Statutes, chapter 116P.

97.19 (m) A recipient of an appropriation from the
97.20 trust fund under this section that is receiving
97.21 funding to conduct children's services, as
97.22 defined in Minnesota Statutes, section
97.23 299C.61, subdivision 7, must certify to the
97.24 Legislative-Citizen Commission on Minnesota
97.25 Resources, as part of the required work plan,
97.26 that criminal background checks for
97.27 background check crimes, as defined in
97.28 Minnesota Statutes, section 299C.61,
97.29 subdivision 2, are performed on all employees,
97.30 contractors, and volunteers that have or may
97.31 have access to a child to whom the recipient
97.32 provides children's services using the
97.33 appropriation.

98.1 **Subd. 14. Payment Conditions and Capital**
98.2 **Equipment Expenditures**

98.3 (a) All agreements, grants, or contracts
98.4 referred to in this section must be administered
98.5 on a reimbursement basis unless otherwise
98.6 provided in this section. Notwithstanding
98.7 Minnesota Statutes, section 16A.41,
98.8 expenditures made on or after July 1, 2023,
98.9 or the date the work plan is approved,
98.10 whichever is later, are eligible for
98.11 reimbursement unless otherwise provided in
98.12 this section. Periodic payments must be made
98.13 upon receiving documentation that the
98.14 deliverable items articulated in the approved
98.15 work plan have been achieved, including
98.16 partial achievements as evidenced by approved
98.17 progress reports. Reasonable amounts may be
98.18 advanced to projects to accommodate
98.19 cash-flow needs or match federal money. The
98.20 advances must be approved as part of the work
98.21 plan. No expenditures for capital equipment
98.22 are allowed unless expressly authorized in the
98.23 project work plan.

98.24 (b) Single-source contracts as specified in the
98.25 approved work plan are allowed.

98.26 **Subd. 15. Purchasing Recycled and Recyclable**
98.27 **Materials**

98.28 A political subdivision, public or private
98.29 corporation, or other entity that receives an
98.30 appropriation under this section must use the
98.31 appropriation in compliance with Minnesota
98.32 Statutes, section 16C.0725, regarding
98.33 purchasing recycled, repairable, and durable
98.34 materials, and Minnesota Statutes, section
98.35 16C.073, regarding purchasing and using
98.36 paper stock and printing.

99.1 **Subd. 16. Energy Conservation and Sustainable**
99.2 **Building Guidelines**

99.3 A recipient to whom an appropriation is made
99.4 under this section for a capital improvement
99.5 project must ensure that the project complies
99.6 with the applicable energy conservation and
99.7 sustainable building guidelines and standards
99.8 contained in law, including Minnesota
99.9 Statutes, sections 16B.325, 216C.19, and
99.10 216C.20, and rules adopted under those
99.11 sections. The recipient may use the energy
99.12 planning, advocacy, and State Energy Office
99.13 units of the Department of Commerce to
99.14 obtain information and technical assistance
99.15 on energy conservation and alternative-energy
99.16 development relating to planning and
99.17 constructing the capital improvement project.

99.18 **Subd. 17. Accessibility**

99.19 Structural and nonstructural facilities must
99.20 meet the design standards in the Americans
99.21 with Disabilities Act (ADA) accessibility
99.22 guidelines.

99.23 **Subd. 18. Carryforward; Extensions**

99.24 The availability of the appropriations for the
99.25 following projects is extended to June 30,
99.26 2024:
99.27 (1) Laws 2018, chapter 214, article 4, section
99.28 2, subdivision 6, paragraph (a), Minnesota
99.29 Invasive Terrestrial Plants and Pests Center -
99.30 Phase 4;
99.31 (2) Laws 2018, chapter 214, article 4, section
99.32 2, subdivision 8, paragraph (e), Restoring
99.33 Forests in Minnesota State Parks;

100.1 (3) Laws 2019, First Special Session chapter
100.2 4, article 2, section 2, subdivision 3, paragraph
100.3 (d), Minnesota Trumpeter Swan Migration
100.4 Ecology and Conservation;
100.5 (4) Laws 2019, First Special Session chapter
100.6 4, article 2, section 2, subdivision 8, paragraph
100.7 (g), Agricultural Weed Control Using
100.8 Autonomous Mowers;
100.9 (5) Laws 2019, First Special Session chapter
100.10 4, article 2, section 2, subdivision 10,
100.11 paragraph (d), Grants Management System;
100.12 and
100.13 (6) Laws 2021, First Special Session chapter
100.14 6, article 5, section 2, subdivision 10,
100.15 Emerging Issues Account; Wastewater
100.16 Renewable Energy Demonstration Grants.
100.17 Subd. 19. **Repurpose**
100.18 The unencumbered amount, estimated to be
100.19 \$176,000, in Laws 2021, First Special Session
100.20 chapter 6, article 6, section 2, subdivision 8,
100.21 paragraph (f), Restoring Upland Forests for
100.22 Birds, is for examining the impacts of
100.23 neonicotinoid exposure on the reproduction
100.24 and survival of Minnesota's game species,
100.25 including deer and prairie chicken. This
100.26 amount is in addition to the appropriation
100.27 under article 1, section 3, subdivision 6, for
100.28 these purposes and is available until June 30,
100.29 2027.

100.30 Sec. 3. Minnesota Statutes 2022, section 116P.05, subdivision 1, is amended to read:

100.31 Subdivision 1. **Membership.** (a) A Legislative-Citizen Commission on Minnesota
100.32 Resources of ~~17~~ 19 members is created in the legislative branch, consisting of ~~the chairs of~~
100.33 ~~the house of representatives and senate committees on environment and natural resources~~

101.1 ~~finance or designees appointed for the terms of the chairs, four members of the senate~~
 101.2 ~~appointed by the Subcommittee on Committees of the Committee on Rules and~~
 101.3 ~~Administration, and four members of the house of representatives appointed by the speaker~~
 101.4 ten legislative members and nine citizen members.

101.5 ~~(b) At least two members from the senate and two members from the house of~~
 101.6 ~~representatives must be from the minority caucus. Members are entitled to reimbursement~~
 101.7 ~~for per diem expenses plus travel expenses incurred in the services of the commission.~~

101.8 (b) The legislative members of the commission consist of:

101.9 (1) three members of the house of representatives appointed by the speaker of the house,
 101.10 including the chair of the environment and natural resources finance committee or the chair's
 101.11 designee;

101.12 (2) three members of the senate appointed by the senate majority leader, including the
 101.13 chair of the environment and natural resources finance committee or the chair's designee;

101.14 (3) two members of the house of representatives appointed by the house minority leader;
 101.15 and

101.16 (4) two members of the senate appointed by the senate minority leader.

101.17 ~~(c) Seven citizens are~~ The citizen members of the commission, five consist of:

101.18 (1) four members appointed by the governor, ~~one;~~

101.19 (2) two members appointed by the ~~Senate Subcommittee on Committees of the Committee~~
 101.20 ~~on Rules and Administration, and one~~ senate majority leader;

101.21 (3) two members appointed by the speaker of the house. ~~The;~~ and

101.22 (4) one member appointed by the governor as recommended by the Tribal government
 101.23 representatives of the Indian Affairs Council.

101.24 ~~(d) A citizen members are selected and recommended to the appointing authorities~~
 101.25 ~~according to subdivision 1a and~~ member must:

101.26 (1) have experience or expertise in the science, policy, or practice of the protection,
 101.27 conservation, preservation, and enhancement of the state's air, water, land, fish, wildlife,
 101.28 and other natural resources;

101.29 (2) have strong knowledge in the state's environment and natural resource issues around
 101.30 the state; ~~and~~

101.31 (3) have demonstrated ability to work in a collaborative environment; and

102.1 (4) not be a registered lobbyist.

102.2 ~~(d)~~ (e) Members ~~shall~~ must develop procedures to elect a chair that rotates between
102.3 legislative and citizen members each meeting. A citizen member, a senate member, and a
102.4 house of representatives member shall serve as chairs. The citizen members, senate members,
102.5 and house of representatives members must select their respective chairs. The chair ~~shall~~
102.6 must preside and convene meetings as often as necessary to conduct duties prescribed by
102.7 this chapter.

102.8 ~~(e)~~ (f) Appointed legislative members ~~shall~~ serve on the commission for two-year terms,
102.9 beginning in January of each odd-numbered year and continuing through the end of December
102.10 of the next even-numbered year. Appointed citizen members ~~shall~~ serve four-year terms,
102.11 beginning in January of the first year and continuing through the end of December of the
102.12 final year. Citizen and legislative members continue to serve until their successors are
102.13 appointed.

102.14 ~~(f)~~ (g) A citizen member may be removed by an appointing authority for cause. Vacancies
102.15 occurring on the commission ~~shall~~ do not affect the authority of the remaining members of
102.16 the commission to carry out their duties, and vacancies ~~shall~~ must be filled for the remainder
102.17 of the term in the same manner under paragraphs (a) to (c).

102.18 ~~(g)~~ (h) Legislative members are entitled to reimbursement for per diem expenses plus
102.19 travel expenses incurred in the services of the commission. Citizen members are entitled to
102.20 per diem and reimbursement for expenses incurred in the services of the commission, as
102.21 provided in section 15.059, subdivision 3, except that a citizen member may be compensated
102.22 at the rate of up to \$125 a day.

102.23 ~~(h) The governor's appointments are subject to the advice and consent of the senate.~~

102.24 (i) A citizen member may serve no more than eight years, except as necessary to fill a
102.25 vacancy. A citizen member may not serve more than ten years if serving additional time to
102.26 fill a vacancy.

102.27 **EFFECTIVE DATE.** This section is effective January 1, 2026.

102.28 Sec. 4. Minnesota Statutes 2022, section 116P.05, subdivision 1a, is amended to read:

102.29 Subd. 1a. **Citizen selection committee.** (a) The governor ~~shall~~ must appoint a Trust
102.30 Fund Citizen Selection Committee of five members who come from different regions of
102.31 the state and who have knowledge and experience of state environment and natural resource
102.32 issues to provide recommendations for appointments under subdivision 1, paragraph (c),
102.33 clause (1).

- 103.1 (b) The duties of the Trust Fund Citizen Selection Committee ~~shall be~~ are to:
- 103.2 (1) identify citizen candidates to be members of the commission as part of the open
- 103.3 appointments process under section 15.0597;
- 103.4 (2) request and review citizen candidate applications to be members of the commission;
- 103.5 and
- 103.6 (3) interview the citizen candidates and recommend an adequate pool of candidates to
- 103.7 be selected for commission membership by the governor, ~~the senate, and the house of~~
- 103.8 ~~representatives.~~
- 103.9 (c) Members serve three-year terms and are entitled to ~~travel expenses incurred to fulfill~~
- 103.10 ~~their duties under this subdivision as provided in section 15.059, subdivision 6~~ per diem
- 103.11 and reimbursement for expenses incurred in the services of the committee, as provided in
- 103.12 section 15.059, subdivision 3, except that a citizen selection committee member may be
- 103.13 compensated at the rate of up to \$125 a day.
- 103.14 (d) A member appointed under this subdivision may not be a registered lobbyist.

103.15 **EFFECTIVE DATE.** This section is effective January 1, 2025.

103.16 Sec. 5. Minnesota Statutes 2022, section 116P.05, subdivision 2, is amended to read:

103.17 Subd. 2. **Duties.** (a) The commission ~~shall~~ must recommend an annual or biennial

103.18 legislative bill for appropriations from the environment and natural resources trust fund and

103.19 ~~shall~~ must adopt a strategic plan as provided in section 116P.08. Except as provided under

103.20 section 116P.09, subdivision 6, paragraph (b), approval of the recommended legislative bill

103.21 requires an affirmative vote of at least ~~12~~ 11 members of the commission.

103.22 (b) It is a condition of acceptance of the appropriations made from the Minnesota

103.23 environment and natural resources trust fund, and oil overcharge money under section 4.071,

103.24 subdivision 2, that the agency or entity receiving the appropriation must submit a work plan

103.25 and annual or semiannual progress reports in the form determined by the Legislative-Citizen

103.26 Commission on Minnesota Resources, and comply with applicable reporting requirements

103.27 under section 116P.16. None of the money provided may be spent unless the commission

103.28 has approved the pertinent work plan. Modifications to the approved work plan and budget

103.29 expenditures ~~shall~~ must be made through the amendment process established by the

103.30 commission. The commission ~~shall~~ must ensure that the expenditures and outcomes described

103.31 in the work plan for appropriations funded by the environment and natural resources trust

103.32 fund are met.

104.1 (c) The peer review procedures created under section 116P.08 must also be used to
104.2 review, comment, and report to the commission on research proposals applying for an
104.3 appropriation from the oil overcharge money under section 4.071, subdivision 2.

104.4 (d) The commission may adopt operating procedures to fulfill its duties under this chapter.

104.5 (e) As part of the operating procedures, the commission ~~shall~~ must:

104.6 (1) ensure that members' expectations are to participate in all meetings related to funding
104.7 decision recommendations;

104.8 (2) recommend adequate funding for increased citizen outreach and communications
104.9 for trust fund expenditure planning;

104.10 (3) allow administrative expenses as part of individual project expenditures based on
104.11 need;

104.12 (4) provide for project outcome evaluation;

104.13 (5) keep the grant application, administration, and review process as simple as possible;
104.14 and

104.15 (6) define and emphasize the leveraging of additional sources of money that project
104.16 proposers should consider when making trust fund proposals.

104.17 **EFFECTIVE DATE.** This section is effective January 1, 2026.

104.18 Sec. 6. Minnesota Statutes 2022, section 116P.09, subdivision 6, is amended to read:

104.19 Subd. 6. **Conflict of interest.** (a) A commission member, a technical advisory committee
104.20 member, a peer reviewer, or an employee of the commission may not participate in or vote
104.21 on a decision of the commission, advisory committee, or peer review relating to an
104.22 organization in which the member, peer reviewer, or employee has either a direct or indirect
104.23 personal financial interest. While serving on the commission or technical advisory committee
104.24 or as a peer reviewer or while an employee of the commission, a person ~~shall~~ must avoid
104.25 any potential conflict of interest.

104.26 (b) A commission member may not vote on a motion regarding the final recommendations
104.27 of the commission required under section 116P.05, subdivision 2, paragraph (a), if the
104.28 motion relates to an organization in which the member has a direct personal financial interest.
104.29 If a commission member is prohibited from voting under this paragraph, the number of
104.30 affirmative votes required under section 116P.05, subdivision 2, paragraph (a), is reduced
104.31 by the number of members ineligible to vote under this paragraph.

105.1 **EFFECTIVE DATE.** This section is effective January 1, 2026.

105.2 Sec. 7. Minnesota Statutes 2022, section 116P.11, is amended to read:

105.3 **116P.11 AVAILABILITY OF FUNDS FOR DISBURSEMENT.**

105.4 (a) The amount annually available from the trust fund for the legislative bill developed
105.5 by the commission is as defined in the Minnesota Constitution, article XI, section 14.

105.6 (b) ~~Any appropriated funds not encumbered in the biennium in which they are~~
105.7 ~~appropriated cancel and must be credited to the principal of the trust fund.~~

105.8 Sec. 8. Minnesota Statutes 2022, section 116P.15, is amended to read:

105.9 **116P.15 CAPITAL CONSTRUCTION AND LAND ACQUISITION;**
105.10 **RESTRICTIONS.**

105.11 Subdivision 1. **Scope.** A recipient of an appropriation from the trust fund or the Minnesota
105.12 future resources fund who acquires an interest in real property with the appropriation must
105.13 comply with ~~this section~~ subdivision 2. ~~For the purposes of this section, "interest in real~~
105.14 ~~property" includes, but is not limited to, an easement or fee title to property.~~ A recipient of
105.15 an appropriation from the trust fund who uses any portion of the appropriation for a capital
105.16 construction project with a total cost of \$10,000 or more must comply with subdivision 3.

105.17 Subd. 2. **Land acquisition restrictions; modification procedure.** (a) An easement, fee
105.18 title, or other interest in real property acquired with an appropriation from the trust fund or
105.19 the Minnesota future resources fund must be used in perpetuity or for the specific term of
105.20 an easement interest for the purpose for which the appropriation was made. The ownership
105.21 of the interest in real property transfers to the state if: (1) the holder of the interest in real
105.22 property fails to comply with the terms and conditions of the grant agreement or work plan;
105.23 or (2) restrictions are placed on the land that preclude its use for the intended purpose as
105.24 specified in the appropriation.

105.25 (b) A recipient of funding who acquires an interest in real property subject to this section
105.26 may not alter the intended use of the interest in real property or convey any interest in the
105.27 real property acquired with the appropriation without the prior review and approval of the
105.28 commission or its successor. The commission shall notify the chairs and ranking minority
105.29 members of the legislative committees and divisions with jurisdiction over the trust fund
105.30 or Minnesota future resources fund at least 15 business days before approval under this
105.31 paragraph. The commission shall establish procedures to review requests from recipients
105.32 to alter the use of or convey an interest in real property. These procedures shall allow for

106.1 the replacement of the interest in real property with another interest in real property meeting
106.2 the following criteria:

106.3 (1) the interest must be at least equal in fair market value, as certified by the commissioner
106.4 of natural resources, to the interest being replaced; and

106.5 (2) the interest must be in a reasonably equivalent location, and have a reasonably
106.6 equivalent useful conservation purpose compared to the interest being replaced, taking into
106.7 consideration all effects from fragmentation of the whole habitat.

106.8 (c) A recipient of funding who acquires an interest in real property under paragraph (a)
106.9 must separately record a notice of funding restrictions in the appropriate local government
106.10 office where the conveyance of the interest in real property is filed. The notice of funding
106.11 agreement must contain:

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

106.13 (2) a reference to the underlying funding agreement;

106.14 (3) a reference to this section; and

106.15 (4) the following statement:

106.16 "This interest in real property shall be administered in accordance with the terms,
106.17 conditions, and purposes of the grant agreement controlling the acquisition of the property.
106.18 The interest in real property, or any portion of the interest in real property, shall not be sold,
106.19 transferred, pledged, or otherwise disposed of or further encumbered without obtaining the
106.20 prior written approval of the Legislative-Citizen Commission on Minnesota Resources or
106.21 its successor. The ownership of the interest in real property transfers to the state if: (1) the
106.22 holder of the interest in real property fails to comply with the terms and conditions of the
106.23 grant agreement or work plan; or (2) restrictions are placed on the land that preclude its use
106.24 for the intended purpose as specified in the appropriation."

106.25 Subd. 3. Capital construction restrictions; modification procedure. (a) A recipient
106.26 of an appropriation from the trust fund who uses the appropriation to wholly or partially
106.27 construct a building, trail, campground, or other capital asset may not alter the intended use
106.28 of the capital asset or convey any interest in the capital asset for 25 years from the date the
106.29 project is completed without the prior review and approval of the commission or its successor.
106.30 The commission must notify the chairs and ranking minority members of the legislative
106.31 committees and divisions with jurisdiction over the trust fund at least 15 business days
106.32 before approval under this paragraph. The commission must establish procedures to review

107.1 requests from recipients to alter the use of or convey an interest in a capital asset under this
107.2 paragraph. These procedures must require that:

107.3 (1) the sale price must be at least fair market value; and

107.4 (2) the trust fund must be repaid a portion of the sale price equal to the percentage of
107.5 the total funding provided by the fund for constructing the capital asset.

107.6 (b) The commission or its successor may waive the requirements under paragraph (a),
107.7 clauses (1) and (2), by recommendation to the legislature if the transfer allows for a continued
107.8 use of the asset in a manner consistent with the original appropriation purpose or with the
107.9 purposes of the trust fund.

107.10 (c) If both a capital asset and the real property on which the asset is located were wholly
107.11 or partially purchased with an appropriation from the trust fund and the commission approves
107.12 a request to alter the use of or convey an interest in the real property under subdivision 2,
107.13 a separate approval under this subdivision to alter the use of the capital asset is not required.

107.14 (d) A recipient of an appropriation from the trust fund who uses the appropriation to
107.15 wholly or partially construct a building, trail, campground, or other capital asset must
107.16 separately record a notice of funding restrictions in the appropriate local government office.
107.17 The notice of funding restrictions must contain:

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

107.19 (2) a reference to the underlying funding agreement;

107.20 (3) a reference to this subdivision; and

107.21 (4) the following statement:

107.22 "This interest in real property must be administered in accordance with the terms,
107.23 conditions, and purposes of the grant agreement controlling the improvement of the property.
107.24 The interest in real property, or any portion of the interest in real property, must not be
107.25 altered from its intended use or be sold, transferred, pledged, or otherwise disposed of or
107.26 further encumbered without obtaining the prior written approval of the Legislative-Citizen
107.27 Commission on Minnesota Resources or its successor."

107.28 **EFFECTIVE DATE.** This section is effective July 1, 2025, and applies to money
107.29 appropriated on or after that date.

108.1 Sec. 9. Minnesota Statutes 2022, section 116P.16, is amended to read:

108.2 **116P.16 REAL PROPERTY INTERESTS; REPORT.**

108.3 (a) By December 1 each year, a recipient of an appropriation from the trust fund, that
108.4 is used for the acquisition of an interest in real property, including, but not limited to, an
108.5 easement or fee title, or for the construction of a building, trail, campground, or other capital
108.6 asset with a total cost of \$10,000 or more must submit annual reports on the status of the
108.7 real property to the Legislative-Citizen Commission on Minnesota Resources or its successor
108.8 in a form determined by the commission. The responsibility for reporting under this section
108.9 may be transferred by the recipient of the appropriation to another person who holds the
108.10 interest in the real property. To complete the transfer of reporting responsibility, the recipient
108.11 of the appropriation must:

108.12 (1) inform the person to whom the responsibility is transferred of that person's reporting
108.13 responsibility;

108.14 (2) inform the person to whom the responsibility is transferred of the property restrictions
108.15 under section 116P.15; and

108.16 (3) provide written notice to the commission of the transfer of reporting responsibility,
108.17 including contact information for the person to whom the responsibility is transferred.

108.18 (b) After the transfer, the person who holds the interest in the real property is responsible
108.19 for reporting requirements under this section.

108.20 (c) The annual reporting requirements on the status of a building, trail, campground, or
108.21 other capital asset with a total cost of \$10,000 or more and that was constructed with an
108.22 appropriation from the trust fund expire 25 years after the date the final progress report
108.23 under section 116P.05, subdivision 2, paragraph (b), is approved.

108.24 **EFFECTIVE DATE.** This section is effective July 1, 2025, and applies to money
108.25 appropriated on or after that date.

108.26 Sec. 10. Minnesota Statutes 2022, section 116P.18, is amended to read:

108.27 **116P.18 LANDS IN PUBLIC DOMAIN.**

108.28 Money appropriated from the trust fund must not be used to purchase any land in fee
108.29 title or a permanent conservation easement if the land in question is fully or partially owned
108.30 by the state or a political subdivision of the state or was acquired fully or partially with state
108.31 money, unless:

109.1 (1) the purchase creates additional direct benefit to the protection, conservation,
109.2 preservation, and enhancement of the state's air, water, land, fish, wildlife, and other natural
109.3 resources; and

109.4 (2) the purchase is approved, prior to the acquisition, by an affirmative vote of at least
109.5 ~~12~~ 11 members of the commission.

109.6 **EFFECTIVE DATE.** This section is effective January 1, 2026.

109.7 Sec. 11. **[116P.21] ADDITIONAL CAPITAL CONSTRUCTION PROJECT**
109.8 **REQUIREMENTS.**

109.9 **Subdivision 1. Full funding.** If an appropriation from the trust fund for a capital
109.10 construction project or project phase is not alone sufficient to complete the project or project
109.11 phase and a commitment from sources other than the trust fund is required:

109.12 (1) the commitment must be in an amount that, when added to the appropriation from
109.13 the trust fund, is sufficient to complete the project or project phase; and

109.14 (2) the agency administering the appropriation from the trust fund must not distribute
109.15 the money until the commitment is determined to be sufficient. In determining the sufficiency
109.16 of a commitment under this clause, the agency must apply the standards and principles
109.17 applied by the commissioner of management and budget under section 16A.502.

109.18 **Subd. 2. Match.** A recipient of money appropriated from the trust fund for a capital
109.19 construction project must provide a cash or in-kind match from nontrust fund sources of at
109.20 least 50 percent of the total costs to complete the project or project phase.

109.21 **Subd. 3. Sustainable building guidelines.** The sustainable building guidelines established
109.22 under sections 16B.325 and 216B.241, subdivision 9, apply to new buildings and major
109.23 renovations funded from the trust fund. A recipient of money appropriated from the trust
109.24 fund for a new building or major renovation must ensure that the project complies with the
109.25 guidelines.

109.26 **Subd. 4. Applicability.** (a) Subdivisions 1, 2, and 3 do not apply to:

109.27 (1) a capital construction project with a total cost of less than \$10,000; or

109.28 (2) a land acquisition project.

109.29 (b) If land is acquired with trust fund money for the purpose of capital construction, the
109.30 land acquisition is not exempted under paragraph (a), clause (2).

110.1 Subd. 5. Other capital construction statutes. The following statutes also apply to
 110.2 recipients of appropriations from the trust fund: sections 16B.32; 16B.326; 16B.335,
 110.3 subdivisions 3 and 4; 16C.054; 16C.16; 16C.28; 16C.285; 138.40; 138.665; 138.666; 177.41
 110.4 to 177.44; and 471.345.

110.5 EFFECTIVE DATE. This section is effective July 1, 2025, and applies to money
 110.6 appropriated on or after that date.

110.7 Sec. 12. Laws 2022, chapter 94, section 2, subdivision 5, is amended to read:

110.8 **Subd. 5. Environmental Education** -0- 4,269,000

110.9 **(a) Teacher Field School: Stewardship through**
 110.10 **Nature-Based Education**

110.11 \$500,000 the second year is from the trust
 110.12 fund to the commissioner of natural resources
 110.13 for an agreement with Hamline University to
 110.14 create an immersive, research-backed field
 110.15 school for teachers to use nature-based
 110.16 education to benefit student well-being and
 110.17 academic outcomes while increasing
 110.18 stewardship habits.

110.19 **(b) Increasing K-12 Student Learning to Develop**
 110.20 **Environmental Awareness, Appreciation, and**
 110.21 **Interest**

110.22 \$1,602,000 the second year is from the trust
 110.23 fund to the commissioner of natural resources
 110.24 for an agreement with Osprey Wilds
 110.25 Environmental Learning Center to partner with
 110.26 Minnesota's five other accredited residential
 110.27 environmental learning centers to provide
 110.28 needs-based scholarships to ~~at least 25,000~~
 110.29 K-12 students statewide for immersive
 110.30 multiday environmental learning experiences.

110.31 **(c) Expanding Access to Wildlife Learning Bird**
 110.32 **by Bird**

110.33 \$276,000 the second year is from the trust
 110.34 fund to the commissioner of natural resources

- 111.1 to engage young people from diverse
111.2 communities in wildlife conservation through
111.3 bird-watching in schools, outdoor leadership
111.4 training, and participating in neighborhood
111.5 bird walks.
- 111.6 **(d) Engaging a Diverse Public in Environmental**
111.7 **Stewardship**
- 111.8 \$300,000 the second year is from the trust
111.9 fund to the commissioner of natural resources
111.10 for an agreement with Great River Greening
111.11 to increase participation in natural resources
111.12 restoration efforts through volunteer,
111.13 internship, and youth engagement activities
111.14 that target diverse audiences more accurately
111.15 reflecting local demographic and
111.16 socioeconomic conditions in Minnesota.
- 111.17 **(e) Bugs Below Zero: Engaging Citizens in**
111.18 **Winter Research**
- 111.19 \$198,000 the second year is from the trust
111.20 fund to the Board of Regents of the University
111.21 of Minnesota to raise awareness about the
111.22 winter life of bugs, inspire learning about
111.23 stream food webs, and engage citizen scientists
111.24 in research and environmental stewardship.
- 111.25 **(f) ESTEP: Earth Science Teacher Education**
111.26 **Project**
- 111.27 \$495,000 the second year is from the trust
111.28 fund to the commissioner of natural resources
111.29 for an agreement with the Minnesota Science
111.30 Teachers Association to provide professional
111.31 development for Minnesota science teachers
111.32 in environmental and earth science to
111.33 strengthen environmental education in schools.
- 111.34 **(g) YES! Students Take Action to Complete Eco**
111.35 **Projects**

112.1 \$199,000 the second year is from the trust
112.2 fund to the commissioner of natural resources
112.3 for an agreement with Prairie Woods
112.4 Environmental Learning Center, in partnership
112.5 with Ney Nature Center and Laurentian
112.6 Environmental Center, to empower Minnesota
112.7 youth to connect with natural resource experts,
112.8 identify ecological challenges, and take action
112.9 to complete innovative projects in their
112.10 communities.

112.11 **(h) Increasing Diversity in Environmental**
112.12 **Careers**

112.13 \$500,000 the second year is from the trust
112.14 fund to the commissioner of natural resources,
112.15 in cooperation with Conservation Corps
112.16 Minnesota and Iowa, to encourage a diversity
112.17 of students to pursue careers in the
112.18 environment and natural resources through
112.19 internships, mentorships, and fellowships with
112.20 the Department of Natural Resources, the
112.21 Board of Water and Soil Resources, and the
112.22 Pollution Control Agency.

112.23 **(i) Diversity and Access to Wildlife-Related**
112.24 **Opportunities**

112.25 \$199,000 the second year is from the trust
112.26 fund to the Board of Regents of the University
112.27 of Minnesota to broaden the state's
112.28 conservation constituency by researching
112.29 diverse communities' values about nature and
112.30 wildlife experiences and identifying barriers
112.31 to engagement.

113.1 Sec. 13. Laws 2022, chapter 94, section 2, subdivision 8, is amended to read:

113.2 Subd. 8. **Methods to Protect, Restore, and**
 113.3 **Enhance Land, Water, and Habitat** -0- 11,294,000

113.4 **(a) Minnesota's Volunteer Rare Plant**
 113.5 **Conservation Corps**

113.6 \$859,000 the second year is from the trust
 113.7 fund to the Board of Regents of the University
 113.8 of Minnesota for the Minnesota Landscape
 113.9 Arboretum to partner with the Department of
 113.10 Natural Resources and the Minnesota Native
 113.11 Plant Society to establish and train a volunteer
 113.12 corps to survey, monitor, and bank seed from
 113.13 Minnesota's rare plant populations and
 113.14 enhance the effectiveness and efficiencies of
 113.15 conservation efforts.

113.16 **(b) Conservation Corps Veterans Service Corps**
 113.17 **Program**

113.18 \$1,339,000 the second year is from the trust
 113.19 fund to the commissioner of natural resources
 113.20 for an agreement with Conservation Corps
 113.21 Minnesota to create a Veterans Service Corps
 113.22 program to accelerate natural resource
 113.23 restorations in Minnesota while providing
 113.24 workforce development opportunities for the
 113.25 state's veterans.

113.26 **(c) Creating Seed Sources of Early-Blooming**
 113.27 **Plants for Pollinators**

113.28 \$200,000 the second year is from the trust
 113.29 fund to the commissioner of natural resources
 113.30 to establish new populations of early-season
 113.31 flowers by hand-harvesting and propagating
 113.32 species that are currently lacking in prairie
 113.33 restorations and that are essential to pollinator
 113.34 health. This appropriation is available until

114.1 June 30, 2026, by which time the project must
114.2 be completed and final products delivered.

114.3 **(d) Hastings Lake Rebecca Park Area**

114.4 \$1,000,000 the second year is from the trust
114.5 fund to the commissioner of natural resources
114.6 for an agreement with the city of Hastings to
114.7 develop an ecological-based master plan for
114.8 Lake Rebecca Park and to enhance habitat
114.9 quality and construct passive recreational
114.10 facilities consistent with the master plan. No
114.11 funds for implementation may be spent until
114.12 the master plan is complete.

114.13 **(e) Pollinator Plantings and the Redistribution**
114.14 **of Soil Toxins**

114.15 \$610,000 the second year is from the trust
114.16 fund to the Board of Regents of the University
114.17 of Minnesota to map urban and suburban soil
114.18 toxins of concern, such as heavy metals and
114.19 microplastics, and to test whether pollinator
114.20 plantings can redistribute these toxins in the
114.21 soil of yards, parks, and community gardens
114.22 and reduce exposure to humans and wildlife.

114.23 **(f) PFAS Fungal-Wood Chip Filtering System**

114.24 \$189,000 the second year is from the trust
114.25 fund to the Board of Regents of the University
114.26 of Minnesota to identify, develop, and
114.27 field-test various types of waste wood chips
114.28 and fungi to sequester and degrade PFAS
114.29 leachate from contaminated waste sites. This
114.30 appropriation is subject to Minnesota Statutes,
114.31 section 116P.10.

114.32 **(g) Phytoremediation for Extracting Deicing**
114.33 **Salt**

115.1 \$451,000 the second year is from the trust
115.2 fund to the Board of Regents of the University
115.3 of Minnesota to protect lands and waters from
115.4 contamination by collaborating with the
115.5 Department of Transportation to develop
115.6 methods for using native plants to remediate
115.7 roadside deicing salt.

115.8 **(h) Mustinka River Fish and Wildlife Habitat**
115.9 **Corridor Rehabilitation**

115.10 \$2,692,000 the second year is from the trust
115.11 fund to the commissioner of natural resources
115.12 for an agreement with the Bois de Sioux
115.13 Watershed District to permanently rehabilitate
115.14 a straightened reach of the Mustinka River to
115.15 a naturally functioning stream channel and
115.16 floodplain corridor for water, fish, and wildlife
115.17 benefits.

115.18 **(i) Bohemian Flats Savanna Restoration**

115.19 \$286,000 the second year is from the trust
115.20 fund to the commissioner of natural resources
115.21 for an agreement with Minneapolis Park and
115.22 Recreation Board to restore an area of
115.23 compacted urban turf within Bohemian Flats
115.24 Park and adjacent to the Mississippi River to
115.25 an oak savanna ecosystem.

115.26 **(j) Watershed and Forest Restoration: What a**
115.27 **Match!**

115.28 \$3,318,000 the second year is from the trust
115.29 fund to the Board of Water and Soil
115.30 Resources, in cooperation with soil and water
115.31 conservation districts, the Mille Lacs Band of
115.32 Ojibwe, and the Department of Natural
115.33 Resources, to acquire interests in land and to
115.34 accelerate tree planting on ~~privately owned~~,
115.35 protected lands for water-quality protection

116.1 and carbon sequestration. Notwithstanding
 116.2 subdivision 14, paragraph (e), this
 116.3 appropriation may be spent to reforest lands
 116.4 protected through long-term contracts as
 116.5 provided in the approved work plan.

116.6 **(k) River Habitat Restoration and Recreation**
 116.7 **in Melrose**

116.8 \$350,000 the second year is from the trust
 116.9 fund to the commissioner of natural resources
 116.10 for an agreement with the city of Melrose to
 116.11 conduct habitat restoration and create fishing,
 116.12 canoeing, and camping opportunities along a
 116.13 segment of the Sauk River within the city of
 116.14 Melrose and to provide public education about
 116.15 stream restoration, fish habitat, and the
 116.16 importance of natural areas.

116.17 Sec. 14. Laws 2022, chapter 94, section 2, subdivision 9, is amended to read:

116.18 Subd. 9. **Habitat and Recreation** -0- 26,179,000

116.19 **(a) Mesabi Trail: Wahlsten Road (CR 26) to**
 116.20 **toward Tower**

116.21 \$1,307,000 the second year is from the trust
 116.22 fund to the commissioner of natural resources
 116.23 for an agreement with the St. Louis and Lake
 116.24 Counties Regional Railroad Authority to
 116.25 acquire easements, engineer, and construct a
 116.26 segment of the Mesabi Trail beginning at the
 116.27 intersection of Wahlsten Road (CR 26) and
 116.28 Benson Road in Embarrass and extending to
 116.29 toward Tower.

116.30 **(b) Environmental Learning Classroom with**
 116.31 **Trails**

116.32 \$82,000 the second year is from the trust fund
 116.33 to the commissioner of natural resources for
 116.34 an agreement with Mountain Iron-Buhl Public

117.1 Schools to build an outdoor classroom
117.2 pavilion, accessible trails, and a footbridge
117.3 within the Mountain Iron-Buhl School Forest
117.4 to conduct environmental education that
117.5 cultivates a lasting conservation ethic.

117.6 **(c) Local Parks, Trails, and Natural Areas Grant**
117.7 **Programs**

117.8 \$3,560,000 the second year is from the trust
117.9 fund to the commissioner of natural resources
117.10 to solicit, rank, and fund competitive matching
117.11 grants for local parks, trail connections, and
117.12 natural and scenic areas under Minnesota
117.13 Statutes, section 85.019. This appropriation is
117.14 for local nature-based recreation, connections
117.15 to regional and state natural areas, and
117.16 recreation facilities and may not be used for
117.17 athletic facilities such as sport fields, courts,
117.18 and playgrounds.

117.19 **(d) St. Louis River Re-Connect**

117.20 \$500,000 the second year is from the trust
117.21 fund to the commissioner of natural resources
117.22 for an agreement with the city of Duluth to
117.23 expand recreational access along the St. Louis
117.24 River and estuary by implementing the St.
117.25 Louis River National Water Trail outreach
117.26 plan, designing and constructing upgrades and
117.27 extensions to the Waabizheshikana Trail, and
117.28 installing interpretive features that describe
117.29 the cultural and ecological significance of the
117.30 area.

117.31 **(e) Native Prairie Stewardship and Prairie Bank**
117.32 **Easement Acquisition**

117.33 \$1,353,000 the second year is from the trust
117.34 fund to the commissioner of natural resources
117.35 to provide technical stewardship assistance to

118.1 private landowners, restore and enhance native
118.2 prairie protected by easements in the native
118.3 prairie bank, and acquire easements for the
118.4 native prairie bank in accordance with
118.5 Minnesota Statutes, section 84.96, including
118.6 preparing initial baseline property assessments.
118.7 Up to \$60,000 of this appropriation may be
118.8 deposited in the natural resources conservation
118.9 easement stewardship account created under
118.10 Minnesota Statutes, section 84.69, proportional
118.11 to the number of easements acquired.

118.12 **(f) Minnesota State Parks and State Trails**
118.13 **Maintenance and Development**

118.14 \$1,600,000 the second year is from the trust
118.15 fund to the commissioner of natural resources
118.16 for maintenance and development at state
118.17 parks, recreation areas, and trails to protect
118.18 Minnesota's natural heritage, enhance outdoor
118.19 recreation, and improve the efficiency of
118.20 public land management.

118.21 **(g) Minnesota State Trails Development**

118.22 \$7,387,000 the second year is from the trust
118.23 fund to the commissioner of natural resources
118.24 to expand recreational opportunities on
118.25 Minnesota state trails by rehabilitating and
118.26 enhancing existing state trails and replacing
118.27 or repairing existing state trail bridges.

118.28 **(h) SNA Habitat Restoration and Public**
118.29 **Engagement**

118.30 \$5,000,000 the second year is from the trust
118.31 fund to the commissioner of natural resources
118.32 for the scientific and natural areas (SNA)
118.33 program to restore and enhance exceptional
118.34 habitat on SNAs and increase public
118.35 involvement and outreach.

119.1 **(i) The Missing Link: Gull Lake Trail, Fairview**
119.2 **Township**

119.3 \$1,394,000 the second year is from the trust
119.4 fund to the commissioner of natural resources
119.5 for an agreement with Fairview Township to
119.6 complete the Gull Lake Trail by engineering
119.7 and constructing the trail's final segment
119.8 through Fairview Township in the Brainerd
119.9 Lakes area.

119.10 **(j) Silver Bay Multimodal Trailhead Project**

119.11 \$1,000,000 the second year is from the trust
119.12 fund to the commissioner of natural resources
119.13 for an agreement with the city of Silver Bay
119.14 to develop a multimodal trailhead center to
119.15 provide safe access to the Superior,
119.16 Gitchi-Gami, and C.J. Ramstad/North Shore
119.17 trails; Black Beach Park; and other
119.18 recreational destinations.

119.19 **(k) Brookston Campground, Boat Launch, and**
119.20 **Outdoor Recreational Facility**

119.21 \$453,000 the second year is from the trust
119.22 fund to the commissioner of natural resources
119.23 for an agreement with the city of Brookston
119.24 to build a campground, boat launch, and
119.25 outdoor recreation area on the banks of the St.
119.26 Louis River in northeastern Minnesota. Before
119.27 any trust fund dollars are spent, the city must
119.28 demonstrate that all funds to complete the
119.29 project are secured and a fiscal agent must be
119.30 approved in the work plan.

119.31 **(l) Silver Lake Trail Connection**

119.32 \$727,000 the second year is from the trust
119.33 fund to the commissioner of natural resources
119.34 for an agreement with the city of Virginia to
119.35 design, engineer, and construct a multiuse trail

120.1 that will connect Silver Lake Trail to a new
120.2 Miners Entertainment and Convention Center
120.3 and provide lighting on Bailey Lake Trail.

120.4 **(m) Floodwood Campground Improvement**
120.5 **Project**

120.6 \$816,000 the second year is from the trust
120.7 fund to the commissioner of natural resources
120.8 for an agreement with the city of Floodwood
120.9 to upgrade the Floodwood Campground and
120.10 connecting trails to provide high-quality nature
120.11 and recreation experience for people of all
120.12 ages.

120.13 **(n) Ranier Safe Harbor/Transient Dock - Phase**
120.14 **2**

120.15 \$1,000,000 the second year is from the trust
120.16 fund to the commissioner of natural resources
120.17 for an agreement with the city of Ranier to
120.18 construct a safe harbor and transient dock to
120.19 accommodate watercraft of many sizes to
120.20 improve public access for boat recreation on
120.21 Rainy Lake. Before trust fund dollars are
120.22 spent, a fiscal agent must be approved in the
120.23 work plan. Before any trust fund dollars are
120.24 spent, the city must demonstrate that all funds
120.25 to complete the project are secured. Any
120.26 revenue generated from selling products or
120.27 assets developed or acquired with this
120.28 appropriation must be repaid to the trust fund
120.29 unless a plan is approved for reinvestment of
120.30 income in the project as provided under
120.31 Minnesota Statutes, section 116P.10.

120.32 **Sec. 15. INITIAL CITIZEN APPOINTMENTS AND FIRST MEETING.**

120.33 **(a) Initial citizen appointments to the Legislative-Citizen Commission on Minnesota**
120.34 **Resources as amended in this act must be made by February 1, 2026. The first meeting of**

121.1 the revised Legislative-Citizen Commission on Minnesota Resources must be convened by
121.2 the chair or a designee of the Legislative Coordinating Commission by June 15, 2026. The
121.3 Legislative-Citizen Commission on Minnesota Resources must select cochairs from its
121.4 membership at its first meeting.

121.5 (b) Citizen members of the Legislative-Citizen Commission on Minnesota Resources
121.6 must initially be appointed according to the following schedule of terms:

121.7 (1) two citizen members appointed by the governor for a term ending the first Monday
121.8 in January 2028;

121.9 (2) three citizen members appointed by the governor, including the member from a
121.10 federally recognized Tribe, for a term ending the first Monday in January 2030;

121.11 (3) one citizen member appointed by the senate majority leader for a term ending the
121.12 first Monday in January 2028;

121.13 (4) one citizen member appointed by the senate majority leader for a term ending the
121.14 first Monday in January 2030;

121.15 (5) one citizen member appointed by the speaker of the house for a term ending the first
121.16 Monday in January 2028; and

121.17 (6) one citizen member appointed by the speaker of the house for a term ending the first
121.18 Monday in January 2030.

121.19 (c) Notwithstanding the law in effect at the time of their appointment, the terms of all
121.20 incumbent citizen members appointed before the effective date of this act are terminated
121.21 effective January 1, 2026. An incumbent citizen member whose appointment is terminated
121.22 by this paragraph may apply for reappointment as provided in this act.

121.23 **EFFECTIVE DATE.** This section is effective January 1, 2026.

121.24 Sec. 16. **APPROPRIATIONS GIVEN EFFECT ONCE.**

121.25 If an appropriation or transfer in this article is enacted more than once during the 2023
121.26 regular session, the appropriation or transfer must be given effect once.

121.27 Sec. 17. **EFFECTIVE DATE.**

121.28 Unless otherwise provided, this article is effective the day following final enactment.

122.1

ARTICLE 3

122.2

POLLUTION CONTROL

122.3 Section 1. Minnesota Statutes 2022, section 16A.151, subdivision 2, is amended to read:

122.4 Subd. 2. **Exceptions.** (a) If a state official litigates or settles a matter on behalf of specific
122.5 injured persons or entities, this section does not prohibit distribution of money to the specific
122.6 injured persons or entities on whose behalf the litigation or settlement efforts were initiated.
122.7 If money recovered on behalf of injured persons or entities cannot reasonably be distributed
122.8 to those persons or entities because they cannot readily be located or identified or because
122.9 the cost of distributing the money would outweigh the benefit to the persons or entities, the
122.10 money must be paid into the general fund.

122.11 (b) Money recovered on behalf of a fund in the state treasury other than the general fund
122.12 may be deposited in that fund.

122.13 (c) This section does not prohibit a state official from distributing money to a person or
122.14 entity other than the state in litigation or potential litigation in which the state is a defendant
122.15 or potential defendant.

122.16 (d) State agencies may accept funds as directed by a federal court for any restitution or
122.17 monetary penalty under United States Code, title 18, section 3663(a)(3), or United States
122.18 Code, title 18, section 3663A(a)(3). Funds received must be deposited in a special revenue
122.19 account and are appropriated to the commissioner of the agency for the purpose as directed
122.20 by the federal court.

122.21 (e) Tobacco settlement revenues as defined in section 16A.98, subdivision 1, paragraph
122.22 (t), may be deposited as provided in section 16A.98, subdivision 12.

122.23 (f) Any money received by the state resulting from a settlement agreement or an assurance
122.24 of discontinuance entered into by the attorney general of the state, or a court order in litigation
122.25 brought by the attorney general of the state, on behalf of the state or a state agency, related
122.26 to alleged violations of consumer fraud laws in the marketing, sale, or distribution of opioids
122.27 in this state or other alleged illegal actions that contributed to the excessive use of opioids,
122.28 must be deposited in the settlement account established in the opiate epidemic response
122.29 fund under section 256.043, subdivision 1. This paragraph does not apply to attorney fees
122.30 and costs awarded to the state or the Attorney General's Office, to contract attorneys hired
122.31 by the state or Attorney General's Office, or to other state agency attorneys.

122.32 (g) Notwithstanding paragraph (f), if money is received from a settlement agreement or
122.33 an assurance of discontinuance entered into by the attorney general of the state or a court

123.1 order in litigation brought by the attorney general of the state on behalf of the state or a state
123.2 agency against a consulting firm working for an opioid manufacturer or opioid wholesale
123.3 drug distributor, the commissioner shall deposit any money received into the settlement
123.4 account established within the opiate epidemic response fund under section 256.042,
123.5 subdivision 1. Notwithstanding section 256.043, subdivision 3a, paragraph (a), any amount
123.6 deposited into the settlement account in accordance with this paragraph shall be appropriated
123.7 to the commissioner of human services to award as grants as specified by the opiate epidemic
123.8 response advisory council in accordance with section 256.043, subdivision 3a, paragraph
123.9 (d).

123.10 (h) If the Minnesota Pollution Control Agency, through litigation or settlement of a
123.11 matter that could have resulted in litigation, recovers \$250,000 or more in a civil penalty
123.12 from violations of a permit issued by the agency, then 40 percent of the money recovered
123.13 must be distributed to the community health board, as defined in section 145A.02, where
123.14 the permitted facility is located. Within 30 days of a final court order in the litigation or the
123.15 effective date of the settlement agreement, the commissioner of the Minnesota Pollution
123.16 Control Agency must notify the applicable community health board that the litigation has
123.17 concluded or a settlement has been reached. The commissioner must collect the money and
123.18 transfer it to the applicable community health board. The community health board must
123.19 meet directly with the residents potentially affected by the pollution that was the subject of
123.20 the litigation or settlement to identify the residents' concerns and incorporate those concerns
123.21 into a project that benefits the residents. The project must be implemented by the community
123.22 health board and funded as directed in this paragraph. The community health board may
123.23 recover the reasonable costs it incurs to administer this paragraph from the funds transferred
123.24 to the board under this paragraph. This paragraph directs the transfer and use of money only
123.25 and does not create a right of intervention in the litigation or settlement of the enforcement
123.26 action for any person or entity. A supplemental environmental project funded as part of a
123.27 settlement agreement is not part of a civil penalty and must not be included in calculating
123.28 the amount of funds required to be distributed to a community health board under this
123.29 paragraph. For the purposes of this paragraph, "supplemental environmental project" means
123.30 a project that benefits the environment or public health that a regulated facility agrees to
123.31 undertake, though not legally required to do so, as part of a settlement with respect to an
123.32 enforcement action taken by the Minnesota Pollution Control Agency to resolve
123.33 noncompliance.

124.1 **EFFECTIVE DATE.** This section is effective the day following final enactment and
124.2 applies to all litigation actions or settlements from which the Minnesota Pollution Control
124.3 Agency recovers \$250,000 or more on or after that date.

124.4 Sec. 2. Minnesota Statutes 2022, section 115.01, is amended by adding a subdivision to
124.5 read:

124.6 Subd. 8a. **Microplastics.** "Microplastics" means particles of plastic less than 500
124.7 micrometers in size.

124.8 Sec. 3. Minnesota Statutes 2022, section 115.01, is amended by adding a subdivision to
124.9 read:

124.10 Subd. 8b. **Nanoplastics.** "Nanoplastics" means plastic particles less than or equal to 100
124.11 nanometers in size.

124.12 Sec. 4. Minnesota Statutes 2022, section 115.01, is amended by adding a subdivision to
124.13 read:

124.14 Subd. 10a. **Plastic.** "Plastic" means a synthetic material made from linking monomers
124.15 through a chemical reaction to create a polymer chain that can be molded or extruded at
124.16 high heat into various solid forms that retain their defined shapes during their life cycle and
124.17 after disposal. Plastic does not mean natural polymers that have not been chemically
124.18 modified.

124.19 Sec. 5. Minnesota Statutes 2022, section 115.03, subdivision 1, is amended to read:

124.20 Subdivision 1. **Generally.** (a) The agency commissioner is hereby given and charged
124.21 with the following powers and duties:

124.22 ~~(a)~~ (1) to administer and enforce all laws relating to the pollution of any of the waters
124.23 of the state;

124.24 ~~(b)~~ (2) to investigate the extent, character, and effect of the pollution of the waters of
124.25 this state and to gather data and information necessary or desirable in the administration or
124.26 enforcement of pollution laws, and to make such classification of the waters of the state as
124.27 it may deem advisable;

124.28 ~~(c)~~ (3) to establish and alter such reasonable pollution standards for any waters of the
124.29 state in relation to the public use to which they are or may be put as it shall deem necessary

125.1 for the purposes of this chapter and, with respect to the pollution of waters of the state,
125.2 chapter 116;

125.3 ~~(d)~~ (4) to encourage waste treatment, including advanced waste treatment, instead of
125.4 stream low-flow augmentation for dilution purposes to control and prevent pollution;

125.5 ~~(e)~~ (5) to adopt, issue, reissue, modify, deny, or revoke, enter into or enforce reasonable
125.6 orders, permits, variances, standards, rules, schedules of compliance, and stipulation
125.7 agreements, under such conditions as it may prescribe, in order to prevent, control or abate
125.8 water pollution, or for the installation or operation of disposal systems or parts thereof, or
125.9 for other equipment and facilities:

125.10 ~~(1)~~ (i) requiring the discontinuance of the discharge of sewage, industrial waste or other
125.11 wastes into any waters of the state resulting in pollution in excess of the applicable pollution
125.12 standard established under this chapter;

125.13 ~~(2)~~ (ii) prohibiting or directing the abatement of any discharge of sewage, industrial
125.14 waste, or other wastes, into any waters of the state or the deposit thereof or the discharge
125.15 into any municipal disposal system where the same is likely to get into any waters of the
125.16 state in violation of this chapter and, with respect to the pollution of waters of the state,
125.17 chapter 116, or standards or rules promulgated or permits issued pursuant thereto, and
125.18 specifying the schedule of compliance within which such prohibition or abatement must be
125.19 accomplished;

125.20 ~~(3)~~ (iii) prohibiting the storage of any liquid or solid substance or other pollutant in a
125.21 manner which does not reasonably assure proper retention against entry into any waters of
125.22 the state that would be likely to pollute any waters of the state;

125.23 ~~(4)~~ (iv) requiring the construction, installation, maintenance, and operation by any person
125.24 of any disposal system or any part thereof, or other equipment and facilities, or the
125.25 reconstruction, alteration, or enlargement of its existing disposal system or any part thereof,
125.26 or the adoption of other remedial measures to prevent, control or abate any discharge or
125.27 deposit of sewage, industrial waste or other wastes by any person;

125.28 ~~(5)~~ (v) establishing, and from time to time revising, standards of performance for new
125.29 sources taking into consideration, among other things, classes, types, sizes, and categories
125.30 of sources, processes, pollution control technology, cost of achieving such effluent reduction,
125.31 and any nonwater quality environmental impact and energy requirements. Said standards
125.32 of performance for new sources shall encompass those standards for the control of the
125.33 discharge of pollutants which reflect the greatest degree of effluent reduction which the
125.34 agency determines to be achievable through application of the best available demonstrated

126.1 control technology, processes, operating methods, or other alternatives, including, where
126.2 practicable, a standard permitting no discharge of pollutants. New sources shall encompass
126.3 buildings, structures, facilities, or installations from which there is or may be the discharge
126.4 of pollutants, the construction of which is commenced after the publication by the agency
126.5 of proposed rules prescribing a standard of performance which will be applicable to such
126.6 source. Notwithstanding any other provision of the law of this state, any point source the
126.7 construction of which is commenced after May 20, 1973, and which is so constructed as to
126.8 meet all applicable standards of performance for new sources shall, consistent with and
126.9 subject to the provisions of section 306(d) of the Amendments of 1972 to the Federal Water
126.10 Pollution Control Act, not be subject to any more stringent standard of performance for new
126.11 sources during a ten-year period beginning on the date of completion of such construction
126.12 or during the period of depreciation or amortization of such facility for the purposes of
126.13 section 167 or 169, or both, of the Federal Internal Revenue Code of 1954, whichever period
126.14 ends first. Construction shall encompass any placement, assembly, or installation of facilities
126.15 or equipment, including contractual obligations to purchase such facilities or equipment, at
126.16 the premises where such equipment will be used, including preparation work at such
126.17 premises;

126.18 ~~(6)~~ (vi) establishing and revising pretreatment standards to prevent or abate the discharge
126.19 of any pollutant into any publicly owned disposal system, which pollutant interferes with,
126.20 passes through, or otherwise is incompatible with such disposal system;

126.21 ~~(7)~~ (vii) requiring the owner or operator of any disposal system or any point source to
126.22 establish and maintain such records, make such reports, install, use, and maintain such
126.23 monitoring equipment or methods, including where appropriate biological monitoring
126.24 methods, sample such effluents in accordance with such methods, at such locations, at such
126.25 intervals, and in such a manner as the agency shall prescribe, and providing such other
126.26 information as the agency may reasonably require;

126.27 ~~(8)~~ (viii) notwithstanding any other provision of this chapter, and with respect to the
126.28 pollution of waters of the state, chapter 116, requiring the achievement of more stringent
126.29 limitations than otherwise imposed by effluent limitations in order to meet any applicable
126.30 water quality standard by establishing new effluent limitations, based upon section 115.01,
126.31 subdivision 13, clause (b), including alternative effluent control strategies for any point
126.32 source or group of point sources to insure the integrity of water quality classifications,
126.33 whenever the agency determines that discharges of pollutants from such point source or
126.34 sources, with the application of effluent limitations required to comply with any standard
126.35 of best available technology, would interfere with the attainment or maintenance of the

127.1 water quality classification in a specific portion of the waters of the state. Prior to
127.2 establishment of any such effluent limitation, the agency shall hold a public hearing to
127.3 determine the relationship of the economic and social costs of achieving such limitation or
127.4 limitations, including any economic or social dislocation in the affected community or
127.5 communities, to the social and economic benefits to be obtained and to determine whether
127.6 or not such effluent limitation can be implemented with available technology or other
127.7 alternative control strategies. If a person affected by such limitation demonstrates at such
127.8 hearing that, whether or not such technology or other alternative control strategies are
127.9 available, there is no reasonable relationship between the economic and social costs and
127.10 the benefits to be obtained, such limitation shall not become effective and shall be adjusted
127.11 as it applies to such person;

127.12 ~~(9)~~ (ix) modifying, in its discretion, any requirement or limitation based upon best
127.13 available technology with respect to any point source for which a permit application is filed
127.14 after July 1, 1977, upon a showing by the owner or operator of such point source satisfactory
127.15 to the agency that such modified requirements will represent the maximum use of technology
127.16 within the economic capability of the owner or operator and will result in reasonable further
127.17 progress toward the elimination of the discharge of pollutants; and

127.18 ~~(10)~~ (x) requiring that applicants for wastewater discharge permits evaluate in their
127.19 applications the potential reuses of the discharged wastewater;

127.20 ~~(f)~~ (6) to require to be submitted and to approve plans and specifications for disposal
127.21 systems or point sources, or any part thereof and to inspect the construction thereof for
127.22 compliance with the approved plans and specifications thereof;

127.23 ~~(g)~~ (7) to prescribe and alter rules, not inconsistent with law, for the conduct of the
127.24 agency and other matters within the scope of the powers granted to and imposed upon it by
127.25 this chapter and, with respect to pollution of waters of the state, in chapter 116, provided
127.26 that every rule affecting any other department or agency of the state or any person other
127.27 than a member or employee of the agency shall be filed with the secretary of state;

127.28 ~~(h)~~ (8) to conduct such investigations, issue such notices, public and otherwise, and hold
127.29 such hearings as are necessary or which it may deem advisable for the discharge of its duties
127.30 under this chapter and, with respect to the pollution of waters of the state, under chapter
127.31 116, including, but not limited to, the issuance of permits, and to authorize any member,
127.32 employee, or agent appointed by it to conduct such investigations or, issue such notices and
127.33 hold such hearings;

128.1 ~~(9)~~ (9) for the purpose of water pollution control planning by the state and pursuant to
128.2 the Federal Water Pollution Control Act, as amended, to establish and revise planning areas,
128.3 adopt plans and programs and continuing planning processes, including, but not limited to,
128.4 basin plans and areawide waste treatment management plans, and to provide for the
128.5 implementation of any such plans by means of, including, but not limited to, standards, plan
128.6 elements, procedures for revision, intergovernmental cooperation, residual treatment process
128.7 waste controls, and needs inventory and ranking for construction of disposal systems;

128.8 ~~(10)~~ (10) to train water pollution control personnel; and charge ~~such~~ training fees ~~therefor~~
128.9 as are necessary to cover the agency's costs. All such fees received ~~shall~~ must be paid into
128.10 the state treasury and credited to the Pollution Control Agency training account;

128.11 (11) to provide chloride reduction training and charge training fees as necessary to cover
128.12 the agency's costs. All training fees received must be paid into the state treasury and credited
128.13 to the Pollution Control Agency training account;

128.14 ~~(12)~~ (12) to impose as additional conditions in permits to publicly owned disposal systems
128.15 appropriate measures to insure compliance by industrial and other users with any pretreatment
128.16 standard, including, but not limited to, those related to toxic pollutants, and any system of
128.17 user charges ratably as is hereby required under state law or said Federal Water Pollution
128.18 Control Act, as amended, or any regulations or guidelines promulgated thereunder;

128.19 ~~(13)~~ (13) to set a period not to exceed five years for the duration of any national pollutant
128.20 discharge elimination system permit or not to exceed ten years for any permit issued as a
128.21 state disposal system permit only;

128.22 ~~(14)~~ (14) to require each governmental subdivision identified as a permittee for a
128.23 wastewater treatment works to evaluate in every odd-numbered year the condition of its
128.24 existing system and identify future capital improvements that will be needed to attain or
128.25 maintain compliance with a national pollutant discharge elimination system or state disposal
128.26 system permit; and

128.27 ~~(15)~~ (15) to train subsurface sewage treatment system personnel, including persons who
128.28 design, construct, install, inspect, service, and operate subsurface sewage treatment systems,
128.29 and charge fees as necessary to pay the agency's costs. All fees received must be paid into
128.30 the state treasury and credited to the agency's training account. Money in the account is
128.31 appropriated to the agency to pay expenses related to training.

128.32 (b) The information required in paragraph (a), clause ~~(m)~~ (14), must be submitted in
128.33 every odd-numbered year to the commissioner on a form provided by the commissioner.

129.1 The commissioner shall provide technical assistance if requested by the governmental
129.2 subdivision.

129.3 (c) The powers and duties given the agency in this subdivision also apply to permits
129.4 issued under chapter 114C.

129.5 Sec. 6. Minnesota Statutes 2022, section 115.03, is amended by adding a subdivision to
129.6 read:

129.7 Subd. 12. **Biofuel plants.** A national pollutant discharge elimination system or state
129.8 disposal system permit issued by the agency to an ethanol plant, as defined in section 41A.09,
129.9 subdivision 2a; a biodiesel plant; or an advanced biofuel plant must, as a condition of the
129.10 permit, require the monitoring of wastewater for the presence of neonicotinoid pesticides
129.11 and perfluoroalkyl or polyfluoroalkyl substances. The permittee's monitoring system must
129.12 be capable of providing a permanent record of monitoring results which the permittee must
129.13 make available upon request of the commissioner or any person. The commissioner must
129.14 periodically inspect a permittee's monitoring system to verify accuracy.

129.15 Sec. 7. Minnesota Statutes 2022, section 115.061, is amended to read:

129.16 **115.061 DUTY TO NOTIFY; AVOIDING WATER POLLUTION.**

129.17 (a) Except as provided in paragraph (b), it is the duty of every person to notify the agency
129.18 immediately of the discharge, accidental or otherwise, of any substance or material under
129.19 its control which, if not recovered, may cause pollution of waters of the state, and the
129.20 responsible person shall recover as rapidly and as thoroughly as possible such substance or
129.21 material and take immediately such other action as may be reasonably possible to minimize
129.22 or abate pollution of waters of the state caused thereby.

129.23 (b) Notification is not required under paragraph (a) for a discharge of five gallons or
129.24 less of petroleum, as defined in section 115C.02, subdivision 10. This paragraph does not
129.25 affect the other requirements of paragraph (a).

129.26 (c) Promptly after notifying the agency of a discharge under paragraph (a), a publicly
129.27 owned treatment works or a publicly or privately owned domestic sewer system owner must
129.28 provide notice to the potentially impacted public and to any downstream drinking water
129.29 facility that may be impacted by the discharge. Notice to the public and to any drinking
129.30 water facility must be made using the most efficient communications system available to
129.31 the facility owner such as in person, telephone call, radio, social media, web page, or another
129.32 expedited form. In addition, signage must be posted at all impacted public use areas within

130.1 the same jurisdiction or notification must be provided to the entity that has jurisdiction over
130.2 any impacted public use areas. A notice under this paragraph must include the date and time
130.3 of the discharge, a description of the material released, a warning of the potential public
130.4 health risk, and the permittee's contact information.

130.5 (d) The agency must provide guidance that includes but is not limited to methods and
130.6 protocols for providing timely notice under this section.

130.7 Sec. 8. Minnesota Statutes 2022, section 115A.03, is amended by adding a subdivision to
130.8 read:

130.9 Subd. 37a. **Waste treated seed.** "Waste treated seed" means seed that is treated, as
130.10 defined in section 21.81, subdivision 28, and that is withdrawn from sale or that the end
130.11 user considers unusable or otherwise a waste.

130.12 Sec. 9. Minnesota Statutes 2022, section 115A.1415, is amended to read:

130.13 **115A.1415 ARCHITECTURAL PAINT; PRODUCT STEWARDSHIP PROGRAM;**
130.14 **STEWARDSHIP PLAN.**

130.15 Subdivision 1. **Definitions.** For purposes of this section, the following terms have the
130.16 meanings given:

130.17 (1) "architectural paint" means interior and exterior architectural coatings sold in
130.18 containers of five gallons or less. Architectural paint does not include industrial coatings,
130.19 original equipment coatings, or specialty coatings;

130.20 (2) "brand" means a name, symbol, word, or mark that identifies architectural paint,
130.21 rather than its components, and attributes the paint to the owner or licensee of the brand as
130.22 the producer;

130.23 (3) "discarded paint" means architectural paint that is no longer used for its manufactured
130.24 purpose;

130.25 (4) "producer" means a person that:

130.26 (i) has legal ownership of the brand, brand name, or cobrand of architectural paint sold
130.27 in the state;

130.28 (ii) imports architectural paint branded by a producer that meets item (i) when the
130.29 producer has no physical presence in the United States;

130.30 (iii) if items (i) and (ii) do not apply, makes unbranded architectural paint that is sold in
130.31 the state; or

131.1 (iv) sells architectural paint at wholesale or retail, does not have legal ownership of the
131.2 brand, and elects to fulfill the responsibilities of the producer for the architectural paint by
131.3 certifying that election in writing to the commissioner;

131.4 (5) "recycling" means the process of collecting and preparing recyclable materials and
131.5 reusing the materials in their original form or using them in manufacturing processes that
131.6 do not cause the destruction of recyclable materials in a manner that precludes further use;

131.7 (6) "retailer" means any person who offers architectural paint for sale at retail in the
131.8 state;

131.9 (7) "reuse" means donating or selling collected architectural paint back into the market
131.10 for its original intended use, when the architectural paint retains its original purpose and
131.11 performance characteristics;

131.12 (8) "sale" or "sell" means transfer of title of architectural paint for consideration, including
131.13 a remote sale conducted through a sales outlet, catalog, website, or similar electronic means.
131.14 Sale or sell includes a lease through which architectural paint is provided to a consumer by
131.15 a producer, wholesaler, or retailer;

131.16 (9) "stewardship assessment" means the amount added to the purchase price of
131.17 architectural paint sold in the state ~~that is necessary to cover the cost of collecting,~~
131.18 ~~transporting, and processing postconsumer architectural paint by the producer or stewardship~~
131.19 ~~organization pursuant to a product stewardship program~~ to implement a product stewardship
131.20 program according to an approved stewardship plan;

131.21 (10) "stewardship organization" means an organization appointed by one or more
131.22 producers to act as an agent on behalf of the producer to design, submit, and administer a
131.23 product stewardship program under this section; and

131.24 (11) "stewardship plan" means a detailed plan describing the manner in which a product
131.25 stewardship program under subdivision 2 will be implemented.

131.26 Subd. 2. **Product stewardship program.** For architectural paint sold in the state,
131.27 producers must, individually or through a stewardship organization, implement and finance
131.28 a statewide product stewardship program that manages the architectural paint by reducing
131.29 the paint's waste generation, promoting its reuse and recycling, and providing for negotiation
131.30 and execution of agreements to collect, transport, and process the architectural paint for
131.31 end-of-life recycling and reuse.

131.32 Subd. 3. **Participation required to sell.** (a) ~~On and after July 1, 2014, or three months~~
131.33 ~~after program plan approval, whichever is sooner,~~ No producer, wholesaler, or retailer may

132.1 sell or offer for sale in the state architectural paint unless the paint's producer participates
132.2 in an approved stewardship plan, either individually or through a stewardship organization.

132.3 (b) Each producer must operate a product stewardship program approved by the ~~agency~~
132.4 commissioner or enter into an agreement with a stewardship organization to operate, on the
132.5 producer's behalf, a product stewardship program approved by the ~~agency~~ commissioner.

132.6 Subd. 4. **Stewardship plan required.** (a) ~~On or before March 1, 2014, and~~ Before
132.7 offering architectural paint for sale in the state, a producer must submit a stewardship plan
132.8 to the ~~agency~~ commissioner and receive approval of the plan or must submit documentation
132.9 to the ~~agency~~ commissioner that demonstrates the producer has entered into an agreement
132.10 with a stewardship organization to be an active participant in an approved product
132.11 stewardship program as described in subdivision 2. A stewardship plan must include all
132.12 elements required under subdivision 5.

132.13 (b) ~~An~~ A proposed amendment to the plan, if determined necessary by the commissioner,
132.14 must be submitted to the commissioner for review and approval or rejection every five
132.15 years.

132.16 (c) ~~It is the responsibility of~~ The entities responsible for each stewardship plan ~~to~~ must
132.17 notify the ~~agency~~ commissioner within 30 days of any significant proposed changes ~~or~~
132.18 ~~modifications~~ to the plan or its implementation. Within 30 days of the notification, a written
132.19 proposed plan revision amendment must be submitted to the ~~agency~~ commissioner for
132.20 review and approval or rejection.

132.21 Subd. 5. **Plan content.** A stewardship plan must contain:

132.22 (1) certification that the product stewardship program will accept all discarded paint
132.23 regardless of which producer produced the architectural paint and its individual components;

132.24 (2) contact information for the individual and the entity submitting the stewardship plan,
132.25 a list of all producers participating in the product stewardship program, and the brands
132.26 covered by the product stewardship program;

132.27 (3) a description of the methods by which the discarded paint will be collected in all
132.28 areas in the state without relying on end-of-life fees, including an explanation of how the
132.29 collection system will be convenient and adequate to serve the needs of small businesses
132.30 and residents in both urban and rural areas on an ongoing basis and a discussion of how the
132.31 existing household hazardous waste infrastructure will be considered when selecting
132.32 collection sites;

133.1 (4) a description of how the adequacy of the collection program will be monitored and
133.2 maintained;

133.3 (5) the names and locations of collectors, transporters, and recyclers that will manage
133.4 discarded paint;

133.5 (6) a description of how the discarded paint and the paint's components will be safely
133.6 and securely transported, tracked, and handled from collection through final recycling and
133.7 processing;

133.8 (7) a description of the method that will be used to reuse, deconstruct, or recycle the
133.9 discarded paint to ensure that the paint's components, to the extent feasible, are transformed
133.10 or remanufactured into finished products for use;

133.11 (8) a description of the promotion and outreach activities that will be used to encourage
133.12 participation in the collection and recycling programs and how the activities' effectiveness
133.13 will be evaluated and the program modified, if necessary;

133.14 (9) the proposed stewardship assessment. ~~The producer or stewardship organization~~
133.15 ~~shall propose a uniform stewardship assessment for any architectural paint sold in the state.~~
133.16 ~~The proposed stewardship assessment shall be reviewed by an independent auditor to ensure~~
133.17 ~~that the assessment does not exceed the costs of the product stewardship program and the~~
133.18 ~~independent auditor shall recommend an amount for the stewardship assessment. The agency~~
133.19 ~~must approve the stewardship assessment~~ established according to subdivision 5a;

133.20 (10) evidence of adequate insurance and financial assurance that may be required for
133.21 collection, handling, and disposal operations;

133.22 (11) five-year performance goals, including an estimate of the percentage of discarded
133.23 paint that will be collected, reused, and recycled during each of the first five years of the
133.24 stewardship plan. The performance goals must include a specific goal for the amount of
133.25 discarded paint that will be collected and recycled and reused during each year of the plan.
133.26 The performance goals must be based on:

133.27 (i) the most recent collection data available for the state;

133.28 (ii) the estimated amount of architectural paint disposed of annually;

133.29 (iii) the weight of the architectural paint that is expected to be available for collection
133.30 annually; and

133.31 (iv) actual collection data from other existing stewardship programs.

133.32 The stewardship plan must state the methodology used to determine these goals; and

134.1 (12) a discussion of the status of end markets for collected architectural paint and what,
134.2 if any, additional end markets are needed to improve the functioning of the program.

134.3 Subd. 5a. **Stewardship assessment.** The producer or stewardship organization must
134.4 propose a uniform stewardship assessment for any architectural paint sold in the state that
134.5 covers but does not exceed the costs of developing the stewardship plan, operating and
134.6 administering the program in accordance with the stewardship plan and the requirements
134.7 of this section, and maintaining a financial reserve. A stewardship organization or producer
134.8 must not maintain a financial reserve in excess of 75 percent of the organization's annual
134.9 operating expenses. The producer or stewardship organization must retain an independent
134.10 auditor to review the proposed stewardship assessment to ensure that the assessment meets
134.11 the requirements of this section. The independent auditor must recommend an amount for
134.12 the stewardship assessment. If the financial reserve exceeds 75 percent of the producer or
134.13 stewardship organization's annual operating expenses, the producer or stewardship
134.14 organization must submit a proposed plan amendment according to subdivision 4, paragraph
134.15 (c), to comply with this subdivision. The commissioner must review and approve or reject
134.16 the stewardship assessment according to subdivision 7.

134.17 **Subd. 6. Consultation required.** Each stewardship organization or individual producer
134.18 submitting a stewardship plan or plan amendment must consult with stakeholders including
134.19 retailers, contractors, collectors, recyclers, local government, and customers during the
134.20 development of the plan or plan amendment.

134.21 **Subd. 7. ~~Agency~~ Commissioner review and approval.** (a) Within 90 days after receipt
134.22 ~~of receiving~~ a proposed stewardship plan, the ~~agency shall~~ commissioner must determine
134.23 whether the plan complies with ~~subdivision 4~~ this section. If the ~~agency~~ commissioner
134.24 approves a plan, the ~~agency shall~~ commissioner must notify the applicant of the plan approval
134.25 in writing. If the ~~agency~~ commissioner rejects a plan, the ~~agency shall~~ commissioner must
134.26 notify the applicant in writing of the reasons for rejecting the plan.

134.27 (b) An applicant whose plan is rejected by the ~~agency~~ commissioner must submit a
134.28 revised stewardship plan to the ~~agency~~ commissioner within 60 days after receiving notice
134.29 of rejection. A stewardship organization may submit a revised stewardship plan to the
134.30 commissioner on not more than two consecutive occasions. If, after the second consecutive
134.31 submission, the commissioner determines that the revised stewardship plan still does not
134.32 meet the requirements of this section, the commissioner must modify the stewardship plan
134.33 as necessary to meet the requirements of this section and approve the stewardship plan.

135.1 ~~(b)~~ (c) Any proposed ~~changes~~ amendment to a stewardship plan must be reviewed and
135.2 approved or rejected by the agency commissioner in writing according to this subdivision.

135.3 Subd. 8. **Plan availability.** All ~~draft~~ proposed stewardship plans and amendments and
135.4 approved stewardship plans ~~shall~~ and amendments must be placed on the agency's website
135.5 for at least 30 days and made available at the agency's headquarters for public review and
135.6 comment.

135.7 Subd. 9. **Conduct authorized.** A producer or stewardship organization that organizes
135.8 collection, transport, and processing of architectural paint under this section is immune from
135.9 liability for the conduct under state laws relating to antitrust, restraint of trade, unfair trade
135.10 practices, and other regulation of trade or commerce only to the extent that the conduct is
135.11 necessary to plan and implement the producer's or organization's chosen organized collection
135.12 or recycling system.

135.13 Subd. 10. **Producer responsibilities.** (a) On and after the date of implementation of a
135.14 product stewardship program according to this section, a producer of architectural paint
135.15 must add the stewardship assessment, as established under subdivision ~~5, clause (9)~~ 5a, to
135.16 the cost of architectural paint sold to retailers and distributors in the state by the producer.

135.17 (b) Producers of architectural paint or the stewardship organization ~~shall~~ must provide
135.18 consumers with educational materials regarding the stewardship assessment and product
135.19 stewardship program. The materials must include, but are not limited to, information
135.20 regarding available end-of-life management options for architectural paint offered through
135.21 the product stewardship program and information that notifies consumers that a charge for
135.22 the operation of the product stewardship program is included in the purchase price of
135.23 architectural paint sold in the state.

135.24 Subd. 11. **Retailer responsibilities.** (a) ~~On and after July 1, 2014, or three months after~~
135.25 ~~program plan approval, whichever is sooner,~~ No architectural paint may be sold in the state
135.26 unless the paint's producer is participating in an approved stewardship plan.

135.27 (b) On and after the implementation date of a product stewardship program according
135.28 to this section, each retailer or distributor, as applicable, must ensure that the full amount
135.29 of the stewardship assessment added to the cost of architectural paint by producers under
135.30 subdivision 10 is included in the purchase price of all architectural paint sold in the state.

135.31 (c) Any retailer may participate, on a voluntary basis, as a designated collection point
135.32 pursuant to a product stewardship program under this section and in accordance with
135.33 applicable law.

136.1 (d) No retailer or distributor shall be found to be in violation of this subdivision if, on
136.2 the date the architectural paint was ordered from the producer or its agent, the producer was
136.3 listed as compliant on the agency's website according to subdivision 14.

136.4 Subd. 12. **Stewardship reports.** ~~Beginning October 1, 2015, By April 1 each year,~~
136.5 producers of architectural paint sold in the state must individually or through a stewardship
136.6 organization submit an annual report to the agency commissioner describing the product
136.7 stewardship program for the preceding calendar year. At a minimum, the report must contain:

136.8 (1) a description of the methods used to collect, transport, and process architectural paint
136.9 in all regions of the state;

136.10 (2) the weight of all architectural paint collected in all regions of the state and a
136.11 comparison to the performance goals and recycling rates established in the stewardship
136.12 plan;

136.13 (3) the amount of unwanted architectural paint collected in the state by method of
136.14 disposition, including reuse, recycling, and other methods of processing;

136.15 (4) samples of educational materials provided to consumers and an evaluation of the
136.16 effectiveness of the materials and the methods used to disseminate the materials; and

136.17 (5) an independent financial audit.

136.18 Subd. 13. **Data classification.** Trade secret and sales information, as defined under
136.19 section 13.37, submitted to the agency commissioner under this section are private or
136.20 nonpublic data under section 13.37.

136.21 Subd. 14. **Agency Commissioner responsibilities.** ~~The agency shall~~ commissioner must
136.22 provide, on ~~its~~ the agency's website, a list of all compliant producers and brands participating
136.23 in stewardship plans that the agency commissioner has approved and a list of all producers
136.24 and brands the agency commissioner has identified as noncompliant with this section.

136.25 Subd. 15. **Local government responsibilities.** (a) A city, county, or other public agency
136.26 may choose to participate voluntarily in a product stewardship program.

136.27 (b) Cities, counties, and other public agencies are encouraged to work with producers
136.28 and stewardship organizations to assist in meeting product stewardship program reuse and
136.29 recycling obligations, by providing education and outreach or using other strategies.

136.30 (c) A city, county, or other public agency that participates in a product stewardship
136.31 program must report for the first year of the program to the agency commissioner using the

137.1 reporting form provided by the ~~agency~~ commissioner on the cost savings as a result of
137.2 participation and must describe how the savings were used.

137.3 Subd. 16. **Administrative fee.** (a) The stewardship organization or individual producer
137.4 submitting a stewardship plan ~~shall~~ must pay an annual administrative fee to the
137.5 commissioner. The ~~agency~~ commissioner may establish a variable fee based on relevant
137.6 factors, including, but not limited to, the portion of architectural paint sold in the state by
137.7 members of the organization compared to the total amount of architectural paint sold in the
137.8 state by all organizations submitting a stewardship plan.

137.9 (b) ~~Prior to July 1, 2014, and Before July 1 annually thereafter~~ each year, the ~~agency~~
137.10 ~~shall~~ commissioner must identify the costs ~~it~~ the agency incurs under this section. The
137.11 ~~agency shall~~ commissioner must set the fee at an amount that, when paid by every
137.12 stewardship organization or individual producer that submits a stewardship plan, is adequate
137.13 to reimburse the agency's full costs of administering this section. The total amount of annual
137.14 fees collected under this subdivision must not exceed the amount necessary to reimburse
137.15 costs incurred by the agency to administer this section.

137.16 (c) A stewardship organization or individual producer subject to this subdivision must
137.17 pay the ~~agency's~~ commissioner's administrative fee under paragraph (a) on or before July
137.18 ~~1, 2014, and annually thereafter~~ each year. Each year after the initial payment, the annual
137.19 administrative fee may not exceed five percent of the aggregate stewardship assessment
137.20 added to the cost of all architectural paint sold by producers in the state for the preceding
137.21 calendar year.

137.22 (d) All fees received under this section ~~shall~~ must be deposited in the state treasury and
137.23 credited to a product stewardship account in the special revenue fund. ~~For fiscal years 2014,~~
137.24 ~~2015, 2016, and 2017,~~ The amount collected under this section is annually appropriated to
137.25 the ~~agency~~ commissioner to implement and enforce this section.

137.26 Subd. 17. **Duty to provide information.** Upon request of the commissioner for purposes
137.27 of determining compliance with this section, a person must furnish to the commissioner
137.28 any information that the person has or may reasonably obtain.

137.29 Sec. 10. Minnesota Statutes 2022, section 115A.565, subdivision 1, is amended to read:

137.30 Subdivision 1. **Grant program established.** The commissioner must make competitive
137.31 grants to political subdivisions or federally recognized Tribes ~~to establish curbside recycling~~
137.32 ~~or composting, increase~~ for waste reduction, reuse, recycling or, and composting, reduce
137.33 ~~the amount of recyclable materials entering disposal facilities, or reduce the costs associated~~

138.1 ~~with hauling waste by locating collection sites as close as possible to the site where the~~
138.2 ~~waste is generated~~ of source-separated compostable materials or yard waste. To be eligible
138.3 for grants under this section, a political subdivision or federally recognized Tribe must be
138.4 located outside the seven-county metropolitan area and a city must have a population of
138.5 less than 45,000.

138.6 Sec. 11. Minnesota Statutes 2022, section 115A.565, subdivision 3, is amended to read:

138.7 Subd. 3. **Priorities; eligible projects.** (a) If applications for grants exceed the available
138.8 appropriations, grants must be made for projects that, in the commissioner's judgment,
138.9 provide the highest return in public benefits.

138.10 (b) To be eligible to receive a grant, a project must:

138.11 (1) be locally administered;

138.12 (2) have an educational component and measurable outcomes;

138.13 (3) request \$250,000 or less;

138.14 (4) demonstrate local direct and indirect matching support of at least a quarter amount
138.15 of the grant request; ~~and~~

138.16 (5) include at least one of the following elements:

138.17 ~~(i) transition to residential recycling through curbside or centrally located collection~~
138.18 ~~sites;~~

138.19 ~~(ii) development of local recycling systems to support curbside recycling; or~~

138.20 ~~(iii) development or expansion of local recycling systems to support recycling bulk~~
138.21 ~~materials, including, but not limited to, electronic waste.~~

138.22 (i) waste reduction;

138.23 (ii) reuse;

138.24 (iii) recycling; or

138.25 (iv) composting of source-separated compostable materials or yard waste; and

138.26 (6) demonstrate that the project will reduce waste generation through waste reduction
138.27 or reuse or that the project will increase the amount of recyclable materials or
138.28 source-separated compostable materials diverted from a disposal facility.

139.1 Sec. 12. [115A.566] ZERO-WASTE GRANT PROGRAM.

139.2 Subdivision 1. Definitions. (a) For purposes of this section the following terms have
139.3 the meanings given.

139.4 (b) "Compost" means a product that:

139.5 (1) is manufactured through the controlled aerobic, biological decomposition of
139.6 biodegradable materials; and

139.7 (2) has undergone mesophilic and thermophilic temperatures, which significantly reduces
139.8 the viability of pathogens and weed seeds and stabilizes the carbon such that it is beneficial
139.9 to plant growth.

139.10 (c) "Composting" means the controlled microbial degradation of organic waste to yield
139.11 a humus-like product.

139.12 (d) "Electronics" means any product that is powered by electricity but does not include
139.13 industrial machinery or lead-acid batteries.

139.14 (e) "Eligible entity" means:

139.15 (1) a small business, as defined in section 645.445;

139.16 (2) an organization that is exempt from taxes under section 501(c)(3) of the Internal
139.17 Revenue Code; or

139.18 (3) a Minnesota city, county, public school district, town, or Tribal government.

139.19 (f) "Embodied energy" means energy that was used to create a product or material.

139.20 (g) "Environmental justice area" means one or more census tracts in Minnesota:

139.21 (1) in which, based on the most recent data published by the United States Census Bureau:

139.22 (i) 40 percent or more of the area's total population is nonwhite;

139.23 (ii) 35 percent or more of households in the area have an income that is at or below 200
139.24 percent of the federal poverty level; or

139.25 (iii) 40 percent or more of the population over the age of five has limited English
139.26 proficiency; or

139.27 (2) located in Indian Country, as defined in United States Code, title 18, section 1151.

139.28 (h) "Life-cycle impact" means the environmental impacts of products, processes, or
139.29 services from raw materials through production, usage, and disposal.

140.1 (i) "Living wage" means the minimum income necessary to allow a person working 40
140.2 hours per week to afford the cost of housing, food, and other material necessities.

140.3 (j) "Refurbished" means a product that was used, deemed defective, recycled, or returned
140.4 to the manufacturer or a third party, then tested and repaired by the manufacturer or a third
140.5 party before being sold again.

140.6 (k) "Responsible end market" means a materials market in which recycling materials or
140.7 disposing of contaminants is conducted in a way that benefits the environment and minimizes
140.8 risks to public health and worker health and safety.

140.9 (l) "Reuse" means the repair, repurposing, or multiple use of products and materials in
140.10 a way that extends the useful life of products and materials and decreases the demand for
140.11 new production. Reuse is not recycling and does not alter an object's physical form by
140.12 extracting base materials for processing into a new product.

140.13 (m) "Rural area" means an area outside the boundaries of a city whose population is
140.14 50,000 or more and outside an area contiguous to the city that has a population density
140.15 greater than 100 persons per square mile.

140.16 (n) "Zero waste" means conserving all resources by means of responsible production,
140.17 consumption, reuse, and recovery of products, packaging, and materials without burning
140.18 or otherwise destroying embodied energy, with no discharges to land, water, or air that
140.19 threaten the environment or human health.

140.20 Subd. 2. **Grant program.** The commissioner must establish a competitive grant program
140.21 to award grants to eligible entities to promote projects described in subdivisions 5 to 8 that
140.22 are consistent with zero-waste practices.

140.23 Subd. 3. **Grant application process.** (a) The commissioner must develop administrative
140.24 procedures governing the application and grant award process.

140.25 (b) The commissioner must award grants to eligible entities under this section through
140.26 a competitive grant process. In a request for proposals, the commissioner must:

140.27 (1) specify the maximum grant amount; and

140.28 (2) establish the minimum percentage of total project funds that an applicant must
140.29 contribute to the project. Recycling projects described in subdivisions 5, 7, and 8 must
140.30 demonstrate use of responsible end markets.

140.31 (c) The commissioner must develop, in consultation with the agency's Environmental
140.32 Justice Advisory Group, a streamlined and accessible application process.

141.1 (d) To apply for a grant under this section, an eligible entity must submit a written
141.2 application to the commissioner on a form prescribed by the commissioner.

141.3 (e) The application must include specific source reduction, recycling, or composting
141.4 targets or estimate reductions in life-cycle impacts to be achieved by the project.

141.5 (f) A project awarded a grant under this section must be completed within three years
141.6 of the award.

141.7 (g) A recycling project awarded a grant under this section must not include energy
141.8 recovery or energy generation by any means, including but not limited to combustion,
141.9 incineration, pyrolysis, gasification, solvolysis, thermal desorption, or waste to fuel, or
141.10 landfill disposal of discarded material or discarded product component materials, including
141.11 the use of materials as landfill cover.

141.12 Subd. 4. **Grant award process; priorities.** In awarding grants under this section, the
141.13 commissioner must:

141.14 (1) award at least 60 percent of available money to eligible entities whose projects are
141.15 located in environmental justice areas and at least 30 percent of available funds to eligible
141.16 entities whose projects are located in rural areas; and

141.17 (2) give priority to eligible entities whose projects:

141.18 (i) achieve source reduction;

141.19 (ii) develop reuse systems;

141.20 (iii) support existing or create new jobs that pay a living wage, with additional priority
141.21 given to projects that create jobs for individuals with barriers to employment, as determined
141.22 by the commissioner;

141.23 (iv) minimize any negative environmental consequences of the proposed project;

141.24 (v) demonstrate a need for additional investment in infrastructure and projects to achieve
141.25 source reduction, recycling, or composting targets set by the local unit of government
141.26 responsible for waste and recycling programs in the project area;

141.27 (vi) encourage further investment in source reduction, recycling, or composting projects;
141.28 or

141.29 (vii) incorporate multistakeholder involvement, including nonprofit, commercial, and
141.30 public sector partners.

142.1 Subd. 5. **Electronics grants.** (a) The commissioner may award grants under this
142.2 subdivision to source reduction and recycling projects that address electronics. Grants may
142.3 be used to fund recycling technology or infrastructure, research and development projects,
142.4 and electronics repair or refurbishment.

142.5 (b) No grant may be awarded under this subdivision:

142.6 (1) for an electronic waste buy-back program that pays consumers for used electronics
142.7 in the form of credits that may be used to purchase additional electronics; or

142.8 (2) to recyclers who are not certified by an organization accredited by the American
142.9 National Standards Institute National Accreditation Board as having achieved the e-Stewards
142.10 Standard for Responsible Recycling and Reuse of Electronic Equipment.

142.11 Subd. 6. **Source reduction and reuse grants.** The commissioner may award grants
142.12 under this subdivision to projects that promote source reduction or reuse. Grants may be
142.13 used:

142.14 (1) to redesign products in ways that reduce their life-cycle impacts while not increasing
142.15 the toxicity of those impacts, including reducing the amount of packaging; or

142.16 (2) for education and outreach activities that encourage consumers to change their product
142.17 purchasing, use, or disposal behaviors in ways that promote source reduction or reuse.

142.18 Subd. 7. **Market development grants.** (a) The commissioner may award grants under
142.19 this subdivision to projects that promote and strengthen markets for reuse, recycling, and
142.20 composting, including projects that increase demand for sorted recyclable commodities,
142.21 refurbished goods, or compost.

142.22 (b) Projects seeking grants under this subdivision must target materials that are
142.23 disproportionately disposed of in landfills or incinerated and must reduce the volume, weight,
142.24 or toxicity of waste and waste by-products.

142.25 (c) Projects seeking grants under this subdivision to expand recycling markets must
142.26 target easily or commonly recycled materials.

142.27 (d) Projects seeking grants under this subdivision must not conflict with other laws or
142.28 requirements identified by the commissioner.

142.29 Subd. 8. **Recycling and composting infrastructure grants.** (a) Grants awarded under
142.30 this subdivision may be used for facilities, machinery, equipment, and other physical
142.31 infrastructure or supplies required to collect or process materials for recycling and
142.32 composting.

143.1 (b) Grants awarded under this subdivision must result in increased capacity to process
143.2 residential and commercial source-separated organics, yard waste, and recyclable materials.
143.3 Grants awarded to increase the capacity of composting infrastructure must generate a usable
143.4 product that has demonstrable environmental benefits.

143.5 (c) No grant may be awarded under this subdivision to support composting material
143.6 derived from mixed municipal solid waste.

143.7 Subd. 9. **Reporting.** By January 15, 2025, and each January 15 through 2027, the
143.8 commissioner must submit a written report to the chairs and ranking minority members of
143.9 the legislative committees having jurisdiction over economic development and environment
143.10 that describes the use of grant money under this section. The report must include, at a
143.11 minimum:

143.12 (1) a list of grant recipients, grant amounts, and project descriptions; and

143.13 (2) a narrative of progress made toward grant project goals.

143.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

143.15 **Sec. 13. [115A.993] PROHIBITED DISPOSAL METHODS.**

143.16 A person must not dispose of waste treated seed in a manner inconsistent with the product
143.17 label, where applicable, or by:

143.18 (1) burial near a drinking water source or any creek, stream, river, lake, or other surface
143.19 water;

143.20 (2) composting; or

143.21 (3) incinerating within a home or other dwelling.

143.22 **Sec. 14. Minnesota Statutes 2022, section 115B.17, subdivision 14, is amended to read:**

143.23 **Subd. 14. **Requests for review, investigation, and oversight.**** (a) The commissioner
143.24 may, upon request, assist a person in determining whether real property has been the site
143.25 of a release or threatened release of a hazardous substance, pollutant, or contaminant. The
143.26 commissioner may also assist in, or supervise, the development and implementation of
143.27 reasonable and necessary response actions. Assistance may include review of agency records
143.28 and files, and review and approval of a requester's investigation plans and reports and
143.29 response action plans and implementation.

143.30 (b) Except as otherwise provided in this paragraph, the person requesting assistance
143.31 under this subdivision shall pay the agency for the agency's cost, as determined by the

144.1 commissioner, of providing assistance. A state agency, political subdivision, or other public
144.2 entity is not required to pay for the agency's cost to review agency records and files. ~~Money~~
144.3 ~~received by the agency for assistance under this section~~ The first \$350,000 received annually
144.4 by the agency for assistance under this subdivision from persons who are not otherwise
144.5 responsible under sections 115B.01 to 115B.18 must be deposited in the remediation fund
144.6 and is exempt from section 16A.1285. Money received after the first \$350,000 must be
144.7 deposited in the state treasury and credited to an account in the special revenue fund. Money
144.8 in the account is annually appropriated to the commissioner for the purposes of administering
144.9 this subdivision.

144.10 (c) When a person investigates a release or threatened release in accordance with an
144.11 investigation plan approved by the commissioner under this subdivision, the investigation
144.12 does not associate that person with the release or threatened release for the purpose of section
144.13 115B.03, subdivision 3, paragraph (a), clause (4).

144.14 Sec. 15. Minnesota Statutes 2022, section 115B.171, subdivision 3, is amended to read:

144.15 Subd. 3. **Test reporting.** (a) By ~~January~~ March 15 each year, the commissioner of the
144.16 Pollution Control Agency must report to each community in the east metropolitan area a
144.17 summary of the results of the testing for private wells in the community. The report must
144.18 include information on the number of wells tested and trends of PFC contamination in
144.19 private wells in the community. Reports to communities under this section must also be
144.20 published on the Pollution Control Agency's website.

144.21 (b) By ~~January~~ March 15 each year, the commissioner of the Pollution Control Agency
144.22 must report to the legislature, as provided in section 3.195, on the testing for private wells
144.23 conducted in the east metropolitan area, including copies of the community reports required
144.24 in paragraph (a), the number of requests for well testing in each community, and the total
144.25 amount spent for testing private wells in each community.

144.26 Sec. 16. Minnesota Statutes 2022, section 115B.52, subdivision 4, is amended to read:

144.27 Subd. 4. **Reporting.** The commissioner of the Pollution Control Agency and the
144.28 commissioner of natural resources must jointly submit:

144.29 (1) by April 1, 2019, an implementation plan detailing how the commissioners will:

144.30 (i) determine how the priorities in the settlement will be met and how the spending will
144.31 move from the first priority to the second priority and the second priority to the third priority
144.32 outlined in the settlement; and

145.1 (ii) evaluate and determine what projects receive funding;

145.2 (2) by ~~February 1 and August 1~~ October 1 each year, a ~~biannual~~ report to the chairs and
145.3 ranking minority members of the legislative policy and finance committees with jurisdiction
145.4 over environment and natural resources on expenditures from the water quality and
145.5 sustainability account during the previous ~~six months~~ fiscal year; and

145.6 (3) by ~~August~~ October 1, 2019 2023, and each year thereafter, a report to the legislature
145.7 on expenditures from the water quality and sustainability account during the previous fiscal
145.8 year and a spending plan for anticipated expenditures from the account during the current
145.9 fiscal year.

145.10 Sec. 17. Minnesota Statutes 2022, section 116.02, is amended to read:

145.11 **116.02 POLLUTION CONTROL AGENCY; CREATION AND POWERS.**

145.12 Subdivision 1. **Creation.** A pollution control agency, designated as the Minnesota
145.13 Pollution Control Agency, ~~is hereby created~~ consists of the commissioner and eight members
145.14 appointed by the governor, by and with the advice and consent of the senate.

145.15 Subd. 2a. **Terms, compensation, removal, vacancies.** The membership terms,
145.16 compensation, removal of members, and filling of vacancies on the agency is as provided
145.17 in section 15.0575.

145.18 Subd. 3a. **Membership.** (a) The membership of the Pollution Control Agency must be
145.19 broadly representative of the skills and experience necessary to effectuate the policy of
145.20 sections 116.01 to 116.075, except that no member other than the commissioner may be an
145.21 officer or employee of the state or federal government.

145.22 (b) The membership of the Pollution Control Agency must reflect the diversity of the
145.23 state of Minnesota in terms of race, gender, and geography.

145.24 (c) Only two members at one time may be officials or employees of a municipality or
145.25 any governmental subdivision, but neither may be a member ex-officio or otherwise on the
145.26 management board of a municipal sanitary sewage disposal system.

145.27 (d) Membership must include:

145.28 (1) at least one enrolled member of one of the 11 federally recognized Tribes in the state;

145.29 (2) at least three members who live in environmental justice communities and identify
145.30 as American Indian or Alaska Natives, Black or African American, Hispanic or Latino,
145.31 Asian, Pacific Islander, members of a community of color, or low-income. An environmental
145.32 justice community means a community with significant representation of communities of

146.1 color, low-income communities, or Tribal and Indigenous communities that experience, or
146.2 are at risk of experiencing, higher instances of or more adverse human health or
146.3 environmental effects;

146.4 (3) at least one farmer of livestock or crops, or both, with fewer than 200 head of livestock
146.5 or 500 acres of cropland, or both; and

146.6 (4) at least one member of a labor union.

146.7 Subd. 4a. **Chair.** The commissioner serves as chair of the agency. The agency elects
146.8 other officers as the agency deems necessary.

146.9 Subd. 5. **Agency successor to commission.** The Minnesota Pollution Control Agency
146.10 is the successor of the Water Pollution Control Commission, and all powers and duties now
146.11 vested in or imposed upon said commission by chapter 115, or any act amendatory thereof
146.12 or supplementary thereto, are hereby transferred to, imposed upon, and vested in the
146.13 commissioner of the Minnesota Pollution Control Agency.

146.14 Subd. 6a. **Required decisions.** (a) The agency must make final decisions on the following
146.15 matters:

146.16 (1) a petition for preparing an environmental assessment worksheet, if the project proposer
146.17 or a person commenting on the proposal requests that the decision be made by the agency
146.18 and the agency requests that it make the decision under subdivision 8a;

146.19 (2) the need for an environmental impact statement following preparation of an
146.20 environmental assessment worksheet under applicable rules, if:

146.21 (i) the agency has received a request for an environmental impact statement;

146.22 (ii) the project proposer or a person commenting on the proposal requests that the
146.23 declaration be made by the agency and the agency requests that it make the decision under
146.24 subdivision 8a; or

146.25 (iii) the commissioner is recommending preparation of an environmental impact
146.26 statement;

146.27 (3) the scope and adequacy of environmental impact statements;

146.28 (4) issuing, reissuing, modifying, or revoking a permit;

146.29 (5) final adoption or amendment of agency rules for which a public hearing is required
146.30 under section 14.25 or for which the commissioner decides to proceed directly to a public
146.31 hearing under section 14.14, subdivision 1;

147.1 (6) approving or denying an application for a variance from an agency rule; and

147.2 (7) whether to reopen, rescind, or reverse a decision of the agency.

147.3 (b) In reviewing projects, the agency must consider whether there has been free prior
147.4 and informed consent via government-to-government consultation with Tribal Nations and
147.5 the way a project will impact the ability of communities to exercise rights guaranteed by
147.6 treaties.

147.7 Subd. 7a. **Additional decisions.** The commissioner may request that the agency make
147.8 additional decisions or provide advice to the commissioner.

147.9 Subd. 8a. **Other actions.** (a) Any other action not specifically within the authority of
147.10 the commissioner must be made by the agency if:

147.11 (1) before the commissioner's final decision on the action, one or more members of the
147.12 agency notify the commissioner of their request that the decision be made by the agency;
147.13 or

147.14 (2) any person submits a petition to the commissioner requesting that the decision be
147.15 made by the agency and the commissioner grants the petition.

147.16 (b) If the commissioner denies a petition submitted under paragraph (a), clause (2), the
147.17 commissioner must advise the agency and the petitioner of the reasons for the denial.

147.18 Subd. 9a. **Providing information.** (a) The commissioner must inform interested persons
147.19 as appropriate in public notices, and other public documents, of their right to request that
147.20 the agency make decisions in specific matters according to subdivision 6a and the right of
147.21 agency members to request that decisions be made by the agency according to subdivision
147.22 8a.

147.23 (b) The commissioner must regularly inform the agency of activities that have broad
147.24 policy implications or potential environmental significance and of activities in which the
147.25 public has exhibited substantial interest.

147.26 Subd. 11. **Changing decisions.** (a) The agency must not reopen, rescind, or reverse a
147.27 decision of the agency except upon:

147.28 (1) the affirmative vote of two-thirds of the agency; or

147.29 (2) a finding that there was an irregularity in a hearing related to the decision, an error
147.30 of law, or a newly discovered material issue of fact.

147.31 (b) The requirements in paragraph (a) are minimum requirements and do not limit the
147.32 agency's authority under sections 14.06 and 116.07, subdivision 3, to adopt rules:

148.1 (1) applying the requirement in paragraph (a), clause (1) or (2), to certain decisions of
148.2 the agency; or

148.3 (2) establishing additional or more stringent requirements for reopening, rescinding, or
148.4 reversing decisions of the agency.

148.5 Subd. 12. **Conflict of interest.** A public member of the Pollution Control Agency must
148.6 not participate in the discussion or decision on a matter in which the member or an immediate
148.7 family member has a financial interest.

148.8 Sec. 18. Minnesota Statutes 2022, section 116.03, subdivision 1, is amended to read:

148.9 Subdivision 1. **Office.** (a) The Office of Commissioner of the Pollution Control Agency
148.10 is created and is under the supervision and control of the commissioner, who is appointed
148.11 by the governor under the provisions of section 15.06.

148.12 (b) The commissioner may appoint a deputy commissioner and assistant commissioners
148.13 who ~~shall be~~ are in the unclassified service.

148.14 (c) The commissioner shall make all decisions on behalf of the agency that are not
148.15 required to be made by the agency under section 116.02.

148.16 Sec. 19. Minnesota Statutes 2022, section 116.03, subdivision 2a, is amended to read:

148.17 Subd. 2a. **Mission; efficiency.** It is part of the agency's mission that within the agency's
148.18 resources, the commissioner and the members of the agency shall endeavor to:

148.19 (1) prevent the waste or unnecessary spending of public money;

148.20 (2) use innovative fiscal and human resource practices to manage the state's resources
148.21 and operate the agency as efficiently as possible;

148.22 (3) coordinate the agency's activities wherever appropriate with the activities of other
148.23 governmental agencies;

148.24 (4) use technology where appropriate to increase agency productivity, improve customer
148.25 service, increase public access to information about government, and increase public
148.26 participation in the business of government;

148.27 (5) ~~utilize~~ use constructive and cooperative labor-management practices to the extent
148.28 otherwise required by chapters 43A and 179A;

149.1 (6) report to the legislature on the performance of agency operations and the
149.2 accomplishment of agency goals in the agency's biennial budget according to section 16A.10,
149.3 subdivision 1; and

149.4 (7) recommend to the legislature appropriate changes in law necessary to carry out the
149.5 mission and improve the performance of the agency.

149.6 Sec. 20. Minnesota Statutes 2022, section 116.06, subdivision 1, is amended to read:

149.7 Subdivision 1. **Applicability.** The definitions given in this section shall obtain for the
149.8 purposes of sections 116.01 to ~~116.075~~ 116.076 except as otherwise expressly provided or
149.9 indicated by the context.

149.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

149.11 Sec. 21. Minnesota Statutes 2022, section 116.06, is amended by adding a subdivision to
149.12 read:

149.13 Subd. 6a. **Commissioner.** "Commissioner" means the commissioner of the Pollution
149.14 Control Agency.

149.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

149.16 Sec. 22. Minnesota Statutes 2022, section 116.06, is amended by adding a subdivision to
149.17 read:

149.18 Subd. 10a. **Environmental justice.** "Environmental justice" means that:

149.19 (1) communities of color, Indigenous communities, and low-income communities have
149.20 a healthy environment and are treated fairly when environmental statutes, rules, and policies
149.21 are developed, adopted, implemented, and enforced; and

149.22 (2) in all decisions that have the potential to affect the environment of an environmental
149.23 justice area or the public health of its residents, due consideration is given to the history of
149.24 the area's and its residents' cumulative exposure to pollutants and to any current
149.25 socioeconomic conditions that increase the physical sensitivity of those residents to additional
149.26 exposure to pollutants.

149.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

150.1 Sec. 23. Minnesota Statutes 2022, section 116.06, is amended by adding a subdivision to
150.2 read:

150.3 Subd. 10b. **Environmental justice area.** "Environmental justice area" means one or
150.4 more census tracts in Minnesota:

150.5 (1) in which, based on the most recent data published by the United States Census Bureau:

150.6 (i) 40 percent or more of the population is nonwhite;

150.7 (ii) 35 percent or more of the households have an income at or below 200 percent of the
150.8 federal poverty level; or

150.9 (iii) 40 percent or more of the population over the age of five has limited English
150.10 proficiency; or

150.11 (2) located within Indian Country, as defined in United States Code, title 18, section
150.12 1151.

150.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

150.14 Sec. 24. **[116.062] AIR TOXICS EMISSIONS REPORTING.**

150.15 (a) The commissioner must require owners and operators of a facility issued an air quality
150.16 permit by the agency, except a facility issued an Option B registration permit under
150.17 Minnesota Rules, part 7007.1120, to annually report the facility's air toxics emissions to
150.18 the agency, including a facility not required as a condition of its air quality permit to keep
150.19 records of air toxics emissions. The commissioner must determine the method to be used
150.20 by a facility to directly measure or estimate air toxics emissions. The commissioner must
150.21 amend permits and complete rulemaking, and may enter into enforceable agreements with
150.22 facility owners and operators, in order to make the reporting requirements under this section
150.23 enforceable.

150.24 (b) For the purposes of this section, "air toxics" means chemical compounds or compound
150.25 classes that are emitted into the air by a permitted facility and that are:

150.26 (1) hazardous air pollutants listed under the federal Clean Air Act, United States Code,
150.27 title 42, section 7412, as amended;

150.28 (2) chemicals reported as released into the atmosphere by a facility located in the state
150.29 for the Toxic Release Inventory under the federal Emergency Planning and Community
150.30 Right-to-Know Act, United States Code, title 42, section 11023, as amended;

151.1 (3) chemicals for which the Department of Health has developed health-based values
151.2 or risk assessment advice;

151.3 (4) chemicals for which the risk to human health has been assessed by either the federal
151.4 Environmental Protection Agency's Integrated Risk Information System or its Provisional
151.5 Peer-Reviewed Toxicity Values; or

151.6 (5) chemicals reported by facilities in the agency's most recent triennial emissions
151.7 inventory.

151.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

151.9 Sec. 25. **[116.064] ODOR MANAGEMENT.**

151.10 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
151.11 the meanings given.

151.12 (b) "Objectionable odor" means pollution of the ambient air beyond the property line of
151.13 a facility consisting of an odor that, considering its characteristics, intensity, frequency, and
151.14 duration:

151.15 (1) is, or can reasonably be expected to be, injurious to public health or welfare; or

151.16 (2) unreasonably interferes with the enjoyment of life or the use of property of persons
151.17 exposed to the odor.

151.18 (c) "Odor complaint" means a notification received and recorded by the agency or by a
151.19 political subdivision from an identifiable person that describes the nature, duration, and
151.20 location of the odor.

151.21 Subd. 2. **Prohibition.** No person may cause or allow emission into the ambient air of
151.22 any substance or combination of substances in quantities that produce an objectionable odor
151.23 beyond the property line of the facility that is the source of the odor.

151.24 Subd. 3. **Odor complaints; investigation.** (a) The agency must conduct a site
151.25 investigation of any facility against which six or more verifiable odor complaints have been
151.26 submitted to the agency or to local government officials within 48 hours. The investigation
151.27 must include:

151.28 (1) an interview with the owner or operator of the facility against which the complaint
151.29 was made;

152.1 (2) a physical examination of the facilities, equipment, operations, conditions, methods,
152.2 storage areas for material inputs, chemicals and waste, and any other factors that may
152.3 contribute to or are designed to mitigate the emission of odors; and

152.4 (3) testing at locations identified in the odor complaints and at other locations beyond
152.5 the property line of the facility that is the source of the odor using a precision instrument
152.6 capable of measuring odors in ambient air.

152.7 (b) The commissioner, based upon the agency's site investigation and the results of odor
152.8 testing and considering the nature, intensity, frequency, and duration of the odor and other
152.9 relevant factors, shall determine whether the odor emitted from the facility constitutes an
152.10 objectionable odor. In making the determination, the commissioner may consider the opinions
152.11 of a random sample of persons exposed to samples of the odor taken from ambient air
152.12 beyond the property line of the facility that is the source of the odor.

152.13 (c) The agency must notify officials in local jurisdictions:

152.14 (1) of odor complaints filed with the agency regarding properties within the local
152.15 jurisdiction;

152.16 (2) of any investigation of an odor complaint conducted by the agency at a facility within
152.17 the local jurisdiction and the results of the investigation;

152.18 (3) that odor complaints filed with respect to properties located within those jurisdictions
152.19 must be forwarded to the agency within three business days of being filed; and

152.20 (4) of any additional actions taken by the agency with respect to the complaints.

152.21 Subd. 4. **Objectionable odor; management plan.** (a) If the commissioner determines
152.22 under subdivision 3 that the odor emitted from a facility is an objectionable odor, the
152.23 commissioner shall require the owner of the facility to develop and submit to the agency
152.24 for review within 90 days an odor management plan designed to mitigate odor emissions.
152.25 The agency must provide technical assistance to the property owner in developing a
152.26 management plan, including:

152.27 (1) identifying odor control technology and equipment that may reduce odor emissions;
152.28 and

152.29 (2) identifying alternative methods of operation or alternative materials that may reduce
152.30 odor emissions.

152.31 The commissioner may grant an extension for submission of the odor management plan for
152.32 up to an additional 90 days for good cause.

153.1 (b) An odor management plan must contain, at a minimum, for each odor source
153.2 contributing to odor emissions:

153.3 (1) a description of plant operations and materials that generate odors;

153.4 (2) proposed changes in equipment, operations, or materials that are designed to mitigate
153.5 odor emissions;

153.6 (3) the estimated effectiveness of the plan in reducing odor emissions;

153.7 (4) the estimated cost of implementing the plan; and

153.8 (5) a schedule of plan implementation activities.

153.9 (c) The commissioner may accept, reject, or modify an odor management plan submitted
153.10 under this subdivision.

153.11 (d) If the commissioner, based upon the same factors considered under subdivision 3,
153.12 paragraph (b), determines that implementation of the odor management plan has failed to
153.13 reduce the facility's odor emissions to a level where they are no longer objectionable odors,
153.14 the commissioner shall order the facility owner to revise the odor management plan within
153.15 90 days of receipt of the commissioner's order. If the revised odor management plan is not
153.16 acceptable to the commissioner or is implemented but fails to reduce the property's odor
153.17 emissions to a level where they are no longer objectionable odors, the commissioner may
153.18 impose penalties under section 115.071 or may modify or revoke the facility's permit under
153.19 section 116.07, subdivision 4a, paragraph (d).

153.20 Subd. 5. Exemptions. This section does not apply to:

153.21 (1) on-farm animal and agricultural operations;

153.22 (2) motor vehicles and transportation facilities;

153.23 (3) municipal wastewater treatment plants;

153.24 (4) single-family dwellings not used for commercial purposes;

153.25 (5) materials odorized for safety purposes;

153.26 (6) painting and coating operations that are not required to be licensed;

153.27 (7) restaurants; and

153.28 (8) temporary activities and operations.

153.29 Subd. 6. Rulemaking required. (a) The commissioner must adopt rules to implement
153.30 this section, and section 14.125 does not apply.

154.1 (b) The commissioner must comply with chapter 14 and must complete the statement
154.2 of need and reasonableness according to chapter 14 and section 116.07, subdivision 2,
154.3 paragraph (f).

154.4 (c) The rules must include:

154.5 (1) an odor standard or standards for air pollution that may qualify as an objectionable
154.6 odor under subdivision 1, paragraph (b), clause (2);

154.7 (2) a process for determining if an odor is objectionable;

154.8 (3) a process for investigating and addressing odor complaints;

154.9 (4) guidance for developing odor-management plans; and

154.10 (5) procedures and criteria for determining the success or failure of an odor-management
154.11 plan.

154.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

154.13 Sec. 26. **[116.065] CUMULATIVE IMPACTS ANALYSIS; PERMIT DECISIONS**
154.14 **IN ENVIRONMENTAL JUSTICE AREAS.**

154.15 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
154.16 the meanings given.

154.17 (b) "Commissioner" means the commissioner of the Minnesota Pollution Control Agency.

154.18 (c) "Compelling public interest" means a factor or condition that is necessary to serve
154.19 an essential environmental, health, or safety need of residents of an environmental justice
154.20 area and that cannot reasonably be met by alternative available means.

154.21 (d) "Cumulative impacts" means the impacts of aggregated levels of past and current
154.22 air, water, and land pollution in a defined geographic area to which current residents are
154.23 exposed.

154.24 (e) "Environmental justice" means:

154.25 (1) communities of color, Indigenous communities, and low-income communities have
154.26 a healthy environment and are treated fairly when environmental statutes, rules, and policies
154.27 are developed, adopted, implemented, and enforced; and

154.28 (2) in all decisions that have the potential to affect the environment of an environmental
154.29 justice area or the public health of its residents, due consideration is given to the history of
154.30 the area's and its residents' cumulative exposure to pollutants and to any current

155.1 socioeconomic conditions that could increase harm to those residents from additional
155.2 exposure to pollutants.

155.3 (f) "Environmental justice area" means one or more census tracts in Minnesota:

155.4 (1) in which, based on the most recent data published by the United States Census Bureau:

155.5 (i) 40 percent or more of the population is nonwhite;

155.6 (ii) 35 percent or more of the households have an income at or below 200 percent of the
155.7 federal poverty level; or

155.8 (iii) 40 percent or more of the population over the age of five has limited English
155.9 proficiency; or

155.10 (2) located within Indian Country, as defined in United States Code, title 18, section
155.11 1151.

155.12 (g) "Environmental stressors" means factors that may make residents of an environmental
155.13 justice area susceptible to harm from exposure to pollutants. Environmental stressors include:

155.14 (1) environmental effects on health from exposure to past and current pollutants in the
155.15 environmental justice area, including any biomonitoring information from residents; and

155.16 (2) social and environmental factors, including but not limited to poverty, substandard
155.17 housing, food insecurity, elevated rates of disease, and poor access to health insurance and
155.18 medical care.

155.19 Subd. 2. **Applicability.** This section applies to applications for the following types of
155.20 new construction permits, permits required for facility expansions, and reissuances of
155.21 existing permits for which the commissioner has determined under subdivision 3 that issuance
155.22 of the permit as proposed may impact the environment or the health of residents in an
155.23 environmental justice area:

155.24 (1) a major source air permit, as defined in Minnesota Rules, part 7007.0200; and

155.25 (2) a state air permit required under Minnesota Rules, part 7007.0250, subparts 2 to 6.

155.26 Subd. 3. **Cumulative impacts analysis; determination of need.** (a) The commissioner
155.27 is responsible for determining whether a proposed permit action may impact the environment
155.28 or health of the residents of an environmental justice area.

155.29 (b) A permit application must indicate whether the permit action sought is likely to
155.30 impact the environment or the health of residents of an environmental justice area and must
155.31 include the data used by the applicant to make the determination.

156.1 (c) In making a determination whether a cumulative analysis is required, the commissioner
156.2 must:

156.3 (1) review the permit application and the applicant's assessment of the need to conduct
156.4 a cumulative analysis;

156.5 (2) assess whether the proposed permit exceeds any of the benchmarks for conducting
156.6 a cumulative impact analysis established in rules adopted under subdivision 6;

156.7 (3) review any comments and material evidence submitted by members of the public
156.8 regarding the necessity for a cumulative impact analysis; and

156.9 (4) review any other information the commissioner deems relevant.

156.10 (d) An applicant must conduct a cumulative impacts analysis if:

156.11 (1) the potential impacts of the permit issuance exceed any of the benchmarks for
156.12 conducting a cumulative impacts analysis established in rules adopted under subdivision 6;

156.13 (2) the commissioner determines that issuance of the permit may impact the environment
156.14 or health of the residents of an environmental justice area; or

156.15 (3) material evidence accompanying a petition signed by at least 50 individuals residing
156.16 or owning property in the environmental justice area potentially affected by the permit
156.17 issuance demonstrates that issuance of the permit may impact the environment or health of
156.18 the residents of the environmental justice area.

156.19 Subd. 4. **Public meeting requirements.** (a) A permit applicant or permit holder required
156.20 to conduct a cumulative impacts analysis under subdivision 2 must hold at least two public
156.21 meetings in the environmental justice area impacted by the facility before the commissioner
156.22 issues or denies a permit. The first public meeting must be held before conducting a
156.23 cumulative impacts analysis, and the second must be held after conducting the analysis.

156.24 (b) The permit applicant or permit holder must:

156.25 (1) publish notice containing the date, time, and location of the public meetings and a
156.26 brief description of the permit or project in a newspaper of general circulation in the
156.27 environmental justice area at least 30 days before the meetings;

156.28 (2) post physical signage in the environmental justice area impacted, as directed by the
156.29 commissioner; and

156.30 (3) provide the commissioner with notice of the public meeting and a copy of the
156.31 cumulative impacts analysis at least 45 days before the second public meeting.

157.1 (c) The commissioner must post the notice and cumulative impacts analysis on the
157.2 agency website at least 30 days before the second public meeting.

157.3 (d) The permit applicant or permit holder must:

157.4 (1) provide an opportunity for robust public and Tribal engagement at the public meetings;

157.5 (2) accept written and oral comments, as directed by the commissioner, from any
157.6 interested party; and

157.7 (3) provide an electronic copy of all written comments and a transcript of all oral
157.8 comments to the agency within 30 days of the public meetings.

157.9 (e) If the permit applicant or permit holder is applying for more than one permit that
157.10 may affect the same environmental justice area, the permit applicant or permit holder may
157.11 request that the commissioner require that the facility hold two public meetings that address
157.12 all of the permits sought. The commissioner may approve or deny the request.

157.13 (f) The commissioner may incorporate conditions in a permit for a facility located in or
157.14 affecting an environmental justice area to hold multiple in-person meetings with residents
157.15 of the environmental justice area affected by the facility to share information and discuss
157.16 community concerns.

157.17 Subd. 5. **Environmental justice area; permit decisions.** (a) In determining whether to
157.18 issue or deny a permit, the commissioner must consider the cumulative impacts analysis
157.19 conducted, the testimony presented, and comments submitted in public meetings held under
157.20 subdivision 4. The permit may be issued no earlier than 30 days following the last public
157.21 meeting.

157.22 (b) The commissioner must deny an application for a permit subject to this section for
157.23 a facility in an environmental justice area if the cumulative impacts analysis determines that
157.24 issuing the permit, in combination with the environmental stressors present in the
157.25 environmental justice area, would contribute to adverse cumulative environmental stressors
157.26 or adverse cumulative impacts in the environmental justice area, unless:

157.27 (1) the commissioner enters into a community benefit agreement with the facility owner
157.28 or operator, in consultation with community-based organizations representing the interests
157.29 of residents of the environmental justice area; and

157.30 (2) there is a compelling public interest to issue the permit, as determined by the
157.31 commissioner, based on criteria established in rules adopted under subdivision 6.

158.1 (c) If the commissioner determines that a compelling public interest exists and the
158.2 applicant enters into a community benefit agreement with the commissioner, the agency
158.3 may grant a permit that imposes conditions on the construction and operation of the facility
158.4 to protect public health and the environment.

158.5 (d) The commissioner must prepare a written document containing the reasons for the
158.6 commissioner's decision regarding the need for a cumulative impacts analysis made under
158.7 this subdivision and describing how various pieces of evidence were weighed and balanced
158.8 to arrive at the decision. The commissioner must provide a copy of the document to the
158.9 permit applicant and to any person who submitted material evidence to the commissioner
158.10 for consideration in making the decision and must post the document on the agency website.

158.11 (e) Issuance of a permit under this section must include a requirement that the facility
158.12 provide information to the community describing the health risks that the facility poses.

158.13 (f) A community benefit agreement must be signed on or before the date a new or reissued
158.14 permit is issued in an environmental justice area.

158.15 (g) The commissioner must publish and maintain on the agency website a list of
158.16 environmental justice areas in the state.

158.17 (h) The agency must maintain an updated database of the identified stressors in specific
158.18 census tracts and make this database accessible to the public.

158.19 Subd. 6. **Rulemaking.** (a) The commissioner must adopt rules under chapter 14 to
158.20 implement and govern the cumulative impacts analysis and issuance or denial of permits
158.21 for facilities that impact environmental justice areas as provided in this section.
158.22 Notwithstanding section 14.125, the agency must publish notice of intent to adopt rules
158.23 within 36 months of the effective date of this act, or the authority for the rules expires.

158.24 (b) During the rulemaking process, the Pollution Control Agency must engage in robust
158.25 public engagement, including public meetings, and Tribal consultation.

158.26 (c) Rules adopted under this section must:

158.27 (1) establish benchmarks to assist the commissioner's determination regarding the need
158.28 for a cumulative impacts analysis;

158.29 (2) establish the required content of a cumulative impacts analysis, including sources
158.30 of public information that an applicant can access regarding environmental stressors that
158.31 are present in an environmental justice area;

- 159.1 (3) define conditions, criteria, or circumstances that qualify as a compelling public
159.2 interest, which:
- 159.3 (i) must include, with respect to economic considerations, only those that directly and
159.4 substantially benefit residents of the environmental justice area;
- 159.5 (ii) must include noneconomic considerations that directly benefit the residents of the
159.6 environmental justice area; and
- 159.7 (iii) must take into account public comments made at public meetings held under
159.8 subdivision 4;
- 159.9 (4) establish the content of a community benefit agreement and procedures for entering
159.10 into community benefit agreements, which must include:
- 159.11 (i) meaningful consultation with members of the public and community-based
159.12 organizations or coalitions representing the interests of residents within the environmental
159.13 justice area;
- 159.14 (ii) at least one public meeting held within the environmental justice area; and
- 159.15 (iii) a formal petition showing support from 50 community members that is signed after
159.16 a public meeting; and
- 159.17 (5) establish a petition process and form submitted to the agency by environmental
159.18 justice area residents to support the need for a cumulative impact analysis, including criteria
159.19 defining potential adverse cumulative impacts on the environment or health of the residents.
- 159.20 (d) The agency must provide translation services and translated materials upon request
159.21 during rulemaking meetings.
- 159.22 (e) The agency must provide public notice on the agency website at least 30 days before
159.23 public meetings held on the rulemaking. The notice must include the date, time, and location
159.24 of the meeting. The agency must use multiple communication methods to inform residents
159.25 of environmental justice areas in the public meetings held for the rulemaking.
- 159.26 Subd. 7. **Review.** Any person aggrieved by a final decision on the need for a cumulative
159.27 impacts analysis or the issuance or denial of a permit under this section is entitled to judicial
159.28 review of the decision under sections 14.63 to 14.68. A petition for a writ of certiorari by
159.29 an aggrieved person for judicial review under sections 14.63 to 14.68 must be filed with
159.30 the court of appeals and served on all parties to the contested case not more than 30 days
159.31 after the party receives the final decision and order of the agency.

160.1 Subd. 8. **Compliance costs.** A permit applicant is responsible for the cost of complying
160.2 with this section. The reasonable costs of the agency to comply with this section are to be
160.3 borne by permit applicants subject to this section, as required under section 116.07,
160.4 subdivision 4d, paragraph (b).

160.5 Sec. 27. Minnesota Statutes 2022, section 116.07, is amended by adding a subdivision to
160.6 read:

160.7 Subd. 4m. **Nonexpiring state individual permits; public informational meeting.** (a)
160.8 For each facility issued a nonexpiring state individual air quality permit by the agency, the
160.9 agency must hold a separate public informational meeting at regular intervals to allow the
160.10 public to make comments or inquiries regarding any aspect of the permit, including but not
160.11 limited to permit conditions, testing results, the facility's operations, and permit compliance.
160.12 The public informational meeting must be held at a location near the permitted facility and
160.13 convenient to the public. Individuals employed at the facility who are responsible for the
160.14 facility meeting the conditions of the permit and agency officials must be present at the
160.15 public informational meeting. For nonexpiring state individual air quality permits issued or
160.16 reissued after December 31, 2018, a public informational meeting must be held under this
160.17 subdivision no later than five years after the permit is issued or reissued and every five years
160.18 thereafter. For nonexpiring state individual air quality permits issued on or before December
160.19 31, 2018, a public informational meeting must be held under this subdivision no later than
160.20 December 31, 2024, and every five years thereafter.

160.21 (b) For the purposes of this section, "state individual air quality permit" means an air
160.22 quality permit that:

160.23 (1) is issued to an individual facility that is required to obtain a permit under Minnesota
160.24 Rules, part 7007.0250, subparts 2 to 6; and

160.25 (2) is not a general permit issued under Minnesota Rules, part 7007.1100.

160.26 (c) As required under subdivision 4d, the agency's direct and indirect reasonable costs
160.27 of conducting the activities under this subdivision must be recovered through air quality
160.28 permit fees.

160.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

161.1 Sec. 28. Minnesota Statutes 2022, section 116.07, is amended by adding a subdivision to
161.2 read:

161.3 Subd. 4n. **Permit review denial.** If the commissioner determines that a person's request
161.4 for the agency to review an existing permit is not warranted, the commissioner must state
161.5 the reasons for the determination in writing within 15 days of the determination.

161.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

161.7 Sec. 29. Minnesota Statutes 2022, section 116.07, is amended by adding a subdivision to
161.8 read:

161.9 Subd. 4o. **Aboveground storage tanks; fees.** (a) The commissioner must collect permit
161.10 fees for aboveground storage tank facilities in amounts not greater than necessary to cover
161.11 the reasonable costs of developing, reviewing, and acting upon applications for agency
161.12 permits and implementing and enforcing the conditions of the permits. The fee schedule
161.13 must reflect reasonable and routine direct and indirect costs associated with permitting,
161.14 implementation, enforcement, and other activities necessary to operate the aboveground
161.15 storage tank program.

161.16 (b) Each fiscal year, the commissioner must adjust the fees as necessary to maintain an
161.17 annual income that covers the legislative appropriation needed to administer the aboveground
161.18 storage tank program according to paragraph (a). The commissioner must adjust fees
161.19 according to the criteria established under paragraph (c) and as required under paragraph
161.20 (d). Fees established under this subdivision are exempt from section 16A.1285.

161.21 (c) The commissioner must adopt rules that specify criteria for establishing:

161.22 (1) an annual fee from permitted aboveground storage tank facilities; and

161.23 (2) a permit application fee for aboveground storage tank facility permit applications.

161.24 (d) The commissioner must annually increase the fees under this subdivision by the
161.25 percentage, if any, by which the Consumer Price Index for the most recent calendar year
161.26 ending before the beginning of the year the fee is collected exceeds the Consumer Price
161.27 Index for calendar year 2022. For purposes of this paragraph, the Consumer Price Index for
161.28 any calendar year is the average of the Consumer Price Index for all urban consumers
161.29 published by the United States Department of Labor as of the close of the 12-month period
161.30 ending on August 31 of each calendar year. The revision of the Consumer Price Index that
161.31 is most consistent with the Consumer Price Index for calendar year 2022 must be used.

162.1 (e) Fees collected under this subdivision must be deposited in the state treasury and
162.2 credited to the environmental fund and must be used for the purposes specified in paragraph
162.3 (a).

162.4 (f) This paragraph expires when the commissioner adopts the initial rules required under
162.5 paragraph (c). Until the commissioner adopts the initial rules under paragraph (c):

162.6 (1) the annual fee for major aboveground storage tank facilities is equal to the quotient
162.7 of dividing the legislative appropriation under paragraph (b) by the number of major
162.8 aboveground storage tank facilities; and

162.9 (2) there is no permit application fee for aboveground storage tank facilities.

162.10 Sec. 30. Minnesota Statutes 2022, section 116.07, subdivision 6, is amended to read:

162.11 **Subd. 6. Pollution Control Agency; exercise of powers.** In exercising all its powers
162.12 the Pollution Control Agency ~~shall give due consideration to~~ must:

162.13 (1) consider the establishment, maintenance, operation and expansion of business,
162.14 commerce, trade, industry, traffic, and other economic factors and other material matters
162.15 affecting the feasibility and practicability of any proposed action, including, but not limited
162.16 to, the burden on a municipality of any tax which may result therefrom, and ~~shall~~ must take
162.17 or provide for such action as may be reasonable, feasible, and practical under the
162.18 circumstances; and

162.19 (2) to the extent reasonable, feasible, and practical under the circumstances:

162.20 (i) ensure that actions or programs that have a direct, indirect, or cumulative impact on
162.21 environmental justice areas incorporate community-focused practices and procedures in
162.22 agency processes, including communication, outreach, engagement, and education to enhance
162.23 meaningful, timely, and transparent community access;

162.24 (ii) collaborate with other state agencies to identify, develop, and implement means to
162.25 eliminate and reverse environmental and health inequities and disparities;

162.26 (iii) promote the utility and availability of environmental data and analysis for
162.27 environmental justice areas, other agencies, federally recognized Tribal governments, and
162.28 the public;

162.29 (iv) encourage coordination and collaboration with residents of environmental justice
162.30 areas to address environmental and health inequities and disparities; and

162.31 (v) ensure environmental justice values are represented to the agency from a
162.32 commissioner-appointed environmental justice advisory committee that is composed of

163.1 diverse members and that is developed and operated in a manner open to the public and in
163.2 accordance with the duties described in the bylaws and charter adopted and maintained by
163.3 the commissioner.

163.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

163.5 Sec. 31. Minnesota Statutes 2022, section 116.07, is amended by adding a subdivision to
163.6 read:

163.7 Subd. 7f. **Financial assurance.** (a) Before the commissioner issues or renews a permit
163.8 for a feedlot with a capacity of 1,000 or more animal units, the permit applicant must submit
163.9 to the commissioner proof of financial assurance that satisfies the requirements under this
163.10 subdivision. Financial assurance must be of an amount sufficient to pay the closure costs
163.11 determined under paragraph (c) for the feedlot and manure storage area, with all terms and
163.12 conditions of the financial assurance instrument approved by the commissioner. The
163.13 commissioner, in evaluating financial assurance, may consult individuals with documented
163.14 experience in the analysis. The applicant must pay all costs incurred by the commissioner
163.15 to obtain the analysis.

163.16 (b) A permittee must maintain sufficient financial assurance for the duration of the permit
163.17 and demonstrate to the commissioner's satisfaction that:

163.18 (1) money will be available and made payable to the commissioner if the commissioner
163.19 determines the permittee is not in full compliance with the closure requirements established
163.20 by the commissioner in rule for feedlots and manure storage areas;

163.21 (2) the financial assurance instrument is fully valid, binding, and enforceable under state
163.22 and federal law;

163.23 (3) the financial assurance instrument is not dischargeable through bankruptcy; and

163.24 (4) the financial assurance provider will give the commissioner at least 120 days' notice
163.25 before canceling the financial assurance instrument.

163.26 (c) The permit applicant must submit to the commissioner a documented estimate of
163.27 costs required to implement the closure requirements established by the commissioner in
163.28 rule for feedlots and manure storage areas. Cost estimates must incorporate current dollar
163.29 values at the time of the estimate and any additional costs required by the commissioner to
163.30 oversee and hire a third party to implement the closure requirements. The applicant must
163.31 not incorporate the estimated salvage or market value of manure, animals, structures,
163.32 equipment, land, or other assets. The commissioner must evaluate and may modify the
163.33 applicant's cost estimates and may consult individuals with documented experience in feedlot

164.1 or manure storage area closure or remediation. The applicant must pay all costs incurred
164.2 by the commissioner to obtain the consultation.

164.3 Sec. 32. Minnesota Statutes 2022, section 116.07, is amended by adding a subdivision to
164.4 read:

164.5 Subd. 7g. **Abandoned manure storage areas.** At least annually, the commissioner must
164.6 compile a list of abandoned manure storage areas in the state. A list compiled under this
164.7 subdivision is not a feedlot inventory for purposes of subdivision 7b. For purposes of this
164.8 subdivision, "abandoned manure storage areas" means solid and liquid manure storage areas
164.9 that have been previously registered with the state as a feedlot with a manure storage area
164.10 and have:

164.11 (1) permanently ceased operation and are subject to, but not in compliance with, the
164.12 closure requirements established by the commissioner in rule for feedlots and manure storage
164.13 areas; or

164.14 (2) been unused for at least three years.

164.15 Sec. 33. **[116.076] ENVIRONMENTAL JUSTICE AREAS; BOUNDARIES; MAPS.**

164.16 (a) No later than December 1, 2023, the commissioner must determine the boundaries
164.17 of all environmental justice areas in Minnesota. The determination of the geographic
164.18 boundaries of an environmental justice area may be appealed by filing a petition that contains
164.19 evidence to support amending the commissioner's determination. The petition must be
164.20 signed by at least 50 residents of census tracts within or adjacent to the environmental justice
164.21 area, as determined by the commissioner. The commissioner may, after reviewing the
164.22 petition, amend the boundaries of an environmental justice area.

164.23 (b) The commissioner must post updated maps of each environmental justice area in the
164.24 state on the agency website.

164.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

164.26 Sec. 34. **[116.196] GREEN INFRASTRUCTURE GRANT PROGRAM.**

164.27 Subdivision 1. **Establishment of program.** The commissioner must establish a green
164.28 infrastructure grant program to provide grants for green infrastructure projects.

164.29 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
164.30 meanings given.

164.31 (b) "Commissioner" means the commissioner of the Pollution Control Agency.

165.1 (c) "Green infrastructure" has the meaning given in United States Code, title 33, section
165.2 1362, as amended through December 31, 2019, and also includes trails, bridges, roads, and
165.3 recreational amenities designed to mitigate stormwater impacts.

165.4 (d) "Political subdivision" means a county, home rule charter or statutory city, town, or
165.5 other political subdivision of the state.

165.6 (e) "Project" means a green infrastructure project or stormwater infrastructure project
165.7 to be owned and administered by a political subdivision.

165.8 (f) "Stormwater infrastructure" means a project that does one or more of the following:

165.9 (1) increases stormwater capacity or stormwater storage;

165.10 (2) addresses environmental damage caused by weather extremes;

165.11 (3) prevents localized flooding;

165.12 (4) creates stormwater systems that can manage flows from heavy rains;

165.13 (5) addresses public safety concerns caused by undersized stormwater systems; or

165.14 (6) ensures continuation of critical services during severe weather.

165.15 Subd. 3. **Eligibility.** A political subdivision is eligible to apply for and receive a grant
165.16 under this section.

165.17 Subd. 4. **Application.** An application by a political subdivision for a grant under this
165.18 section must be made at the time and in the form and manner prescribed by the commissioner.

165.19 Subd. 5. **Eligible project.** A grant may be used to acquire land or an interest in land,
165.20 predesign, design, renovate, construct, furnish, and equip a project.

165.21 Subd. 6. **Grants.** To be eligible for a grant under this section, a political subdivision
165.22 must timely submit an application to the commissioner and pass a resolution in support of
165.23 the project. The commissioner may give priority to a political subdivision that provides a
165.24 local match of funds for the project.

165.25 Sec. 35. **[116.943] PRODUCTS CONTAINING PFAS.**

165.26 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
165.27 the meanings given.

165.28 (b) "Adult mattress" means a mattress other than a crib mattress or toddler mattress.

166.1 (c) "Air care product" means a chemically formulated consumer product labeled to
166.2 indicate that the purpose of the product is to enhance or condition the indoor environment
166.3 by eliminating odors or freshening the air.

166.4 (d) "Automotive maintenance product" means a chemically formulated consumer product
166.5 labeled to indicate that the purpose of the product is to maintain the appearance of a motor
166.6 vehicle, including products for washing, waxing, polishing, cleaning, or treating the exterior
166.7 or interior surfaces of motor vehicles. Automotive maintenance product does not include
166.8 automotive paint or paint repair products.

166.9 (e) "Carpet or rug" means a fabric marketed or intended for use as a floor covering.

166.10 (f) "Cleaning product" means a finished product used primarily for domestic, commercial,
166.11 or institutional cleaning purposes, including but not limited to an air care product, an
166.12 automotive maintenance product, a general cleaning product, or a polish or floor maintenance
166.13 product.

166.14 (g) "Commissioner" means the commissioner of the Pollution Control Agency.

166.15 (h) "Cookware" means durable houseware items used to prepare, dispense, or store food,
166.16 foodstuffs, or beverages. Cookware includes but is not limited to pots, pans, skillets, grills,
166.17 baking sheets, baking molds, trays, bowls, and cooking utensils.

166.18 (i) "Cosmetic" means articles, excluding soap:

166.19 (1) intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise
166.20 applied to the human body or any part thereof for the purpose of cleansing, beautifying,
166.21 promoting attractiveness, or altering the appearance; and

166.22 (2) intended for use as a component of any such article.

166.23 (j) "Currently unavoidable use" means a use of PFAS that the commissioner has
166.24 determined by rule under this section to be essential for health, safety, or the functioning
166.25 of society and for which alternatives are not reasonably available.

166.26 (k) "Fabric treatment" means a substance applied to fabric to give the fabric one or more
166.27 characteristics, including but not limited to stain resistance or water resistance.

166.28 (l) "Intentionally added" means PFAS deliberately added during the manufacture of a
166.29 product where the continued presence of PFAS is desired in the final product or one of the
166.30 product's components to perform a specific function.

166.31 (m) "Juvenile product" means a product designed or marketed for use by infants and
166.32 children under 12 years of age:

167.1 (1) including but not limited to a baby or toddler foam pillow; bassinet; bedside sleeper;
167.2 booster seat; changing pad; child restraint system for use in motor vehicles and aircraft;
167.3 co-sleeper; crib mattress; highchair; highchair pad; infant bouncer; infant carrier; infant
167.4 seat; infant sleep positioner; infant swing; infant travel bed; infant walker; nap cot; nursing
167.5 pad; nursing pillow; play mat; playpen; play yard; polyurethane foam mat, pad, or pillow;
167.6 portable foam nap mat; portable infant sleeper; portable hook-on chair; soft-sided portable
167.7 crib; stroller; and toddler mattress; and

167.8 (2) not including a children's electronic product such as a personal computer, audio and
167.9 video equipment, calculator, wireless phone, game console, handheld device incorporating
167.10 a video screen, or any associated peripheral such as a mouse, keyboard, power supply unit,
167.11 or power cord; a medical device; or an adult mattress.

167.12 (n) "Manufacturer" means the person that creates or produces a product or whose brand
167.13 name is affixed to the product. In the case of a product imported into the United States,
167.14 manufacturer includes the importer or first domestic distributor of the product if the person
167.15 that manufactured or assembled the product or whose brand name is affixed to the product
167.16 does not have a presence in the United States.

167.17 (o) "Medical device" has the meaning given "device" under United States Code, title
167.18 21, section 321, subsection (h).

167.19 (p) "Perfluoroalkyl and polyfluoroalkyl substances" or "PFAS" means a class of
167.20 fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

167.21 (q) "Product" means an item manufactured, assembled, packaged, or otherwise prepared
167.22 for sale to consumers, including but not limited to its product components, sold or distributed
167.23 for personal, residential, commercial, or industrial use, including for use in making other
167.24 products.

167.25 (r) "Product component" means an identifiable component of a product, regardless of
167.26 whether the manufacturer of the product is the manufacturer of the component.

167.27 (s) "Ski wax" means a lubricant applied to the bottom of snow runners, including but
167.28 not limited to skis and snowboards, to improve their grip or glide properties. Ski wax includes
167.29 related tuning products.

167.30 (t) "Textile" means an item made in whole or part from a natural or synthetic fiber, yarn,
167.31 or fabric. Textile includes but is not limited to leather, cotton, silk, jute, hemp, wool, viscose,
167.32 nylon, and polyester.

168.1 (u) "Textile furnishings" means textile goods of a type customarily used in households
168.2 and businesses, including but not limited to draperies, floor coverings, furnishings, bedding,
168.3 towels, and tablecloths.

168.4 (v) "Upholstered furniture" means an article of furniture that is designed to be used for
168.5 sitting, resting, or reclining and that is wholly or partly stuffed or filled with any filling
168.6 material.

168.7 Subd. 2. **Information required.** (a) On or before January 1, 2026, a manufacturer of a
168.8 product sold, offered for sale, or distributed in the state that contains intentionally added
168.9 PFAS must submit to the commissioner information that includes:

168.10 (1) a brief description of the product, including a universal product code (UPC), stock
168.11 keeping unit (SKU), or other numeric code assigned to the product;

168.12 (2) the purpose for which PFAS are used in the product, including in any product
168.13 components;

168.14 (3) the amount of each PFAS, identified by its chemical abstracts service registry number,
168.15 in the product, reported as an exact quantity determined using commercially available
168.16 analytical methods or as falling within a range approved for reporting purposes by the
168.17 commissioner;

168.18 (4) the name and address of the manufacturer and the name, address, and phone number
168.19 of a contact person for the manufacturer; and

168.20 (5) any additional information requested by the commissioner as necessary to implement
168.21 the requirements of this section.

168.22 (b) With the approval of the commissioner, a manufacturer may supply the information
168.23 required in paragraph (a) for a category or type of product rather than for each individual
168.24 product.

168.25 (c) A manufacturer must submit the information required under this subdivision whenever
168.26 a new product is sold, offered for sale, or distributed in the state and update and revise the
168.27 information whenever there is significant change in the information or when requested to
168.28 do so by the commissioner.

168.29 (d) A person may not sell, offer for sale, or distribute for sale in the state a product
168.30 containing intentionally added PFAS if the manufacturer has failed to provide the information
168.31 required under this subdivision and the person has received notification under subdivision
168.32 4.

169.1 Subd. 3. **Information requirement waivers; extensions.** (a) The commissioner may
169.2 waive all or part of the information requirement under subdivision 2 if the commissioner
169.3 determines that substantially equivalent information is already publicly available.

169.4 (b) The commissioner may enter into an agreement with one or more other states or
169.5 political subdivisions of a state to collect information and may accept information to a shared
169.6 system as meeting the information requirement under subdivision 2.

169.7 (c) The commissioner may extend the deadline for submission by a manufacturer of the
169.8 information required under subdivision 2 if the commissioner determines that more time is
169.9 needed by the manufacturer to comply with the submission requirement.

169.10 (d) The commissioner may grant a waiver under this subdivision to a manufacturer or
169.11 a group of manufacturers for multiple products or a product category.

169.12 Subd. 4. **Testing required and certificate of compliance.** (a) If the commissioner has
169.13 reason to believe that a product contains intentionally added PFAS and the product is being
169.14 offered for sale in the state, the commissioner may direct the manufacturer of the product
169.15 to, within 30 days, provide the commissioner with testing results that demonstrate the amount
169.16 of each of the PFAS, identified by its chemical abstracts service registry number, in the
169.17 product, reported as an exact quantity determined using commercially available analytical
169.18 methods or as falling within a range approved for reporting purposes by the commissioner.

169.19 (b) If testing demonstrates that the product does not contain intentionally added PFAS,
169.20 the manufacturer must provide the commissioner a certificate attesting that the product does
169.21 not contain intentionally added PFAS, including testing results and any other relevant
169.22 information.

169.23 (c) If testing demonstrates that the product contains intentionally added PFAS, the
169.24 manufacturer must provide the commissioner with the testing results and the information
169.25 required under subdivision 2.

169.26 (d) A manufacturer must notify persons who sell or offer for sale a product prohibited
169.27 under subdivision 2 or 5 that the sale of that product is prohibited in this state and provide
169.28 the commissioner with a list of the names and addresses of those notified.

169.29 (e) The commissioner may notify persons who sell or offer for sale a product prohibited
169.30 under subdivision 2 or 5 that the sale of that product is prohibited in this state.

169.31 Subd. 5. **Prohibitions.** (a) Beginning January 1, 2025, a person may not sell, offer for
169.32 sale, or distribute for sale in this state the following products if the product contains
169.33 intentionally added PFAS:

170.1 (1) carpets or rugs;

170.2 (2) cleaning products;

170.3 (3) cookware;

170.4 (4) cosmetics;

170.5 (5) dental floss;

170.6 (6) fabric treatments;

170.7 (7) juvenile products;

170.8 (8) menstruation products;

170.9 (9) textile furnishings;

170.10 (10) ski wax; or

170.11 (11) upholstered furniture.

170.12 (b) The commissioner may by rule identify products by category or use that may not be
170.13 sold, offered for sale, or distributed for sale in this state if they contain intentionally added
170.14 PFAS and designate effective dates. Effective dates must begin no earlier than January 1,
170.15 2025, and no later than January 2, 2032. The commissioner must prioritize the prohibition
170.16 of the sale of product categories that, in the commissioner's judgment, are most likely to
170.17 contaminate or harm the state's environment and natural resources if they contain intentionally
170.18 added PFAS. The commissioner may exempt products by rule when the use of PFAS is a
170.19 currently unavoidable use as determined by the commissioner.

170.20 (c) Beginning January 1, 2032, a person may not sell, offer for sale, or distribute for sale
170.21 in this state any product that contains intentionally added PFAS, unless the commissioner
170.22 has determined by rule that the use of PFAS in the product is a currently unavoidable use.
170.23 The commissioner may specify specific products or product categories for which the
170.24 commissioner has determined the use of PFAS is a currently unavoidable use.

170.25 Subd. 6. Fees. The commissioner may establish by rule a fee payable by a manufacturer
170.26 to the commissioner upon submission of the information required under subdivision 2 to
170.27 cover the agency's reasonable costs to implement this section. Fees collected under this
170.28 subdivision must be deposited in an account in the environmental fund.

170.29 Subd. 7. Enforcement. (a) The commissioner may enforce this section under sections
170.30 115.071 and 116.072. The commissioner may coordinate with the commissioners of
170.31 commerce and health in enforcing this section.

171.1 (b) When requested by the commissioner, a person must furnish to the commissioner
 171.2 any information that the person may have or may reasonably obtain that is relevant to show
 171.3 compliance with this section.

171.4 Subd. 8. Exemptions. This section does not apply to:

171.5 (1) a product for which federal law governs the presence of PFAS in the product in a
 171.6 manner that preempts state authority;

171.7 (2) a product regulated under section 325F.072 or 325F.075; or

171.8 (3) the sale or resale of a used product.

171.9 Subd. 9. Rules. The commissioner may adopt rules necessary to implement this section.

171.10 Section 14.125 does not apply to the commissioner's rulemaking authority under this section.

171.11 Sec. 36. Minnesota Statutes 2022, section 116C.03, subdivision 2a, is amended to read:

171.12 Subd. 2a. **Public members.** The membership terms, compensation, removal, and filling
 171.13 of vacancies of public members of the board shall be as provided in section 15.0575, except
 171.14 that a public member may be compensated at the rate of up to \$125 a day.

171.15 Sec. 37. Minnesota Statutes 2022, section 325E.046, is amended to read:

171.16 **325E.046 STANDARDS FOR LABELING PLASTIC BAGS, FOOD OR**
 171.17 **BEVERAGE PRODUCTS, AND PACKAGING.**

171.18 Subdivision 1. **"Biodegradable" label.** A manufacturer, distributor, or wholesaler may
 171.19 not sell or offer for sale and any other person may not knowingly sell or offer for sale in
 171.20 this state a ~~plastic bag covered product~~ labeled "biodegradable," "degradable,"
 171.21 "decomposable," or any form of those terms, or in any way imply that the ~~bag covered~~
 171.22 product will ~~chemically decompose into innocuous elements in a reasonably short period~~
 171.23 ~~of time in a landfill, composting, or other terrestrial environment unless a scientifically~~
 171.24 ~~based standard for biodegradability is developed and the bags are certified as meeting the~~
 171.25 ~~standard. break down, fragment, degrade, biodegrade, or decompose in a landfill or other~~
 171.26 environment, unless an ASTM standard specification is adopted for the term claimed and
 171.27 the product is certified as meeting the specification in compliance with the provisions of
 171.28 subdivision 2a.

171.29 Subd. 2. **"Compostable" label.** (a) A manufacturer, distributor, or wholesaler may not
 171.30 sell or offer for sale and any other person may not knowingly sell or offer for sale in this

172.1 state a ~~plastic bag~~ covered product labeled "compostable" unless, at the time of sale or offer
172.2 for sale, the bag covered product:

172.3 (1) meets the ASTM Standard Specification for ~~Compostable~~ Labeling of Plastics
172.4 Designed to be Aerobically Composted in Municipal or Industrial Facilities (D6400). Each
172.5 ~~bag must be labeled to reflect that it meets the standard. For purposes of this subdivision,~~
172.6 ~~"ASTM" has the meaning given in section 296A.01, subdivision 6. or its successor or the~~
172.7 ASTM Standard Specification for Labeling of End Items that Incorporate Plastics and
172.8 Polymers as Coatings or Additives with Paper and Other Substrates Designed to be
172.9 Aerobically Composted in Municipal or Industrial Facilities (D6868) or its successor, and
172.10 the covered product is labeled to reflect that it meets the specification;

172.11 (2) is comprised of only wood without any coatings or additives; or

172.12 (3) is comprised of only paper without any coatings or additives.

172.13 (b) A covered product labeled "compostable" and meeting the criteria under paragraph
172.14 (a) must be clearly and prominently labeled on the product, or on the product's smallest unit
172.15 of sale, to reflect that it is intended for an industrial or commercial compost facility. The
172.16 label required under this paragraph must be in a legible text size and font.

172.17 Subd. 2a. **Certification of products.** Beginning January 1, 2026, a manufacturer,
172.18 distributor, or wholesaler may not sell or offer for sale and any other person may not
172.19 knowingly sell or offer for sale in this state a covered product labeled as "biodegradable"
172.20 or "compostable" unless the covered product is certified as meeting the requirements of
172.21 subdivision 1 or 2, as applicable, by an entity that:

172.22 (1) is a nonprofit corporation;

172.23 (2) as its primary focus of operation, promotes the production, use, and appropriate end
172.24 of life for materials and products that are designed to fully biodegrade in specific biologically
172.25 active environments such as industrial composting; and

172.26 (3) is technically capable of and willing to perform analysis necessary to determine a
172.27 product's compliance with subdivision 1 or 2, as applicable.

172.28 Subd. 3. **Enforcement; civil penalty; injunctive relief.** (a) A ~~manufacturer, distributor,~~
172.29 ~~or wholesaler person~~ who violates ~~subdivision 1 or 2~~ this section is subject to a civil or
172.30 administrative penalty of \$100 for each prepackaged saleable unit sold or offered for sale
172.31 up to a maximum of \$5,000 and may be enjoined from those violations.

172.32 (b) The attorney general may bring an action in the name of the state in a court of
172.33 competent jurisdiction for recovery of civil penalties or for injunctive relief as provided in

173.1 this subdivision. The attorney general may accept an assurance of discontinuance of acts
173.2 in violation of ~~subdivision 1 or 2~~ this section in the manner provided in section 8.31,
173.3 subdivision 2b.

173.4 (c) The commissioner of the Pollution Control Agency may enforce this section under
173.5 sections 115.071 and 116.072. The commissioner may coordinate with the commissioners
173.6 of commerce and health in enforcing this section.

173.7 (d) When requested by the commissioner of the Pollution Control Agency, a person
173.8 selling or offering for sale a covered product labeled as "compostable" must furnish to the
173.9 commissioner any information that the person may have or may reasonably obtain that is
173.10 relevant to show compliance with this section.

173.11 Subd. 4. Definitions. For purposes of this section, the following terms have the meanings
173.12 given:

173.13 (1) "ASTM" has the meaning given in section 296A.01, subdivision 6;

173.14 (2) "covered product" means a bag, food or beverage product, or packaging;

173.15 (3) "food or beverage product" means a product that is used to wrap, package, contain,
173.16 serve, store, prepare, or consume a food or beverage, such as plates, bowls, cups, lids, trays,
173.17 straws, utensils, and hinged or lidded containers; and

173.18 (4) "packaging" has the meaning given in section 115A.03, subdivision 22b.

173.19 **EFFECTIVE DATE.** This section is effective January 1, 2025.

173.20 **Sec. 38. [325E.3892] LEAD AND CADMIUM IN CONSUMER PRODUCTS;**
173.21 **PROHIBITION.**

173.22 Subdivision 1. Definitions. For purposes of this section, "covered product" means any
173.23 of the following products or product components:

173.24 (1) jewelry;

173.25 (2) toys;

173.26 (3) cosmetics and personal care products;

173.27 (4) puzzles, board games, card games, and similar games;

173.28 (5) play sets and play structures;

173.29 (6) outdoor games;

173.30 (7) school supplies;

- 174.1 (8) pots and pans;
- 174.2 (9) cups, bowls, and other food containers;
- 174.3 (10) craft supplies and jewelry-making supplies;
- 174.4 (11) chalk, crayons, paints, and other art supplies;
- 174.5 (12) fidget spinners;
- 174.6 (13) costumes, costume accessories, and children's and seasonal party supplies;
- 174.7 (14) keys, key chains, and key rings; and
- 174.8 (15) clothing, footwear, headwear, and accessories.
- 174.9 Subd. 2. **Prohibition.** (a) A person must not import, manufacture, sell, hold for sale, or
- 174.10 distribute or offer for use in this state any covered product containing:
- 174.11 (1) lead at more than 0.009 percent by total weight (90 parts per million); or
- 174.12 (2) cadmium at more than 0.0075 percent by total weight (75 parts per million).
- 174.13 (b) This section does not apply to covered products containing lead or cadmium, or both,
- 174.14 when regulation is preempted by federal law.
- 174.15 Subd. 3. **Enforcement.** (a) The commissioners of the Pollution Control Agency,
- 174.16 commerce, and health may coordinate to enforce this section. The commissioner of the
- 174.17 Pollution Control Agency or commerce may, with the attorney general, enforce any federal
- 174.18 restrictions on the sale of products containing lead or cadmium, or both, as allowed under
- 174.19 federal law. The commissioner of the Pollution Control Agency may enforce this section
- 174.20 under sections 115.071 and 116.072. The commissioner of commerce may enforce this
- 174.21 section under sections 45.027, subdivisions 1 to 6; 325F.10 to 325F.12; and 325F.14 to
- 174.22 325F.16. The attorney general may enforce this section under section 8.31.
- 174.23 (b) When requested by the commissioner of the Pollution Control Agency, the
- 174.24 commissioner of commerce, or the attorney general, a person must furnish to the
- 174.25 commissioner or attorney general any information that the person may have or may
- 174.26 reasonably obtain that is relevant to show compliance with this section.
- 174.27 Sec. 39. Minnesota Statutes 2022, section 325F.072, subdivision 1, is amended to read:
- 174.28 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
- 174.29 the meanings given.

175.1 (b) "Class B firefighting foam" means foam designed ~~for flammable liquid fires~~ to
175.2 prevent or extinguish a fire in flammable liquids, combustible liquids, petroleum greases,
175.3 tars, oils, oil-based paints, solvents, lacquers, alcohols, and flammable gases.

175.4 (c) "PFAS chemicals" or "perfluoroalkyl and polyfluoroalkyl substances" means, ~~for~~
175.5 ~~the purposes of firefighting agents,~~ a class of fluorinated organic chemicals containing at
175.6 least one fully fluorinated carbon atom ~~and designed to be fully functional in class B~~
175.7 ~~firefighting foam formulations.~~

175.8 (d) "Political subdivision" means a county, city, town, or a metropolitan airports
175.9 commission organized and existing under sections 473.601 to 473.679.

175.10 (e) "State agency" means an agency as defined in section 16B.01, subdivision 2.

175.11 (f) "Testing" means calibration testing, conformance testing, and fixed system testing.

175.12 Sec. 40. Minnesota Statutes 2022, section 325F.072, subdivision 3, is amended to read:

175.13 Subd. 3. **Prohibition of testing and training.** (a) ~~Beginning July 1, 2020,~~ No person,
175.14 political subdivision, or state agency shall ~~discharge class B firefighting foam that contains~~
175.15 ~~intentionally added~~ manufacture or knowingly sell, offer for sale, distribute for sale, or
175.16 distribute for use in this state, and no person shall use in this state, class B firefighting foam
175.17 containing PFAS chemicals.

175.18 ~~(1) for testing purposes, unless the testing facility has implemented appropriate~~
175.19 ~~containment, treatment, and disposal measures to prevent releases of foam to the environment;~~
175.20 ~~or~~

175.21 ~~(2) for training purposes, unless otherwise required by law, and with the condition that~~
175.22 ~~the training event has implemented appropriate containment, treatment, and disposal measures~~
175.23 ~~to prevent releases of foam to the environment. For training purposes, class B foam that~~
175.24 ~~contains intentionally added PFAS chemicals shall not be used.~~

175.25 ~~(b) This section does not restrict:~~

175.26 ~~(1) the manufacture, sale, or distribution of class B firefighting foam that contains~~
175.27 ~~intentionally added PFAS chemicals; or~~

175.28 ~~(2) the discharge or other use of class B firefighting foams that contain intentionally~~
175.29 ~~added PFAS chemicals in emergency firefighting or fire prevention operations.~~

175.30 (b) This subdivision does not apply to the manufacture, sale, distribution, or use of class
175.31 B firefighting foam for which the inclusion of PFAS chemicals is required by federal law,
175.32 including but not limited to Code of Federal Regulations, title 14, section 139.317. If a

176.1 federal requirement to include PFAS chemicals in class B firefighting foam is revoked after
176.2 January 1, 2024, class B firefighting foam subject to the revoked requirements is no longer
176.3 exempt under this paragraph effective one year after the day of revocation.

176.4 (c) This subdivision does not apply to the manufacture, sale, distribution, or use of class
176.5 B firefighting foam for purposes of use at an airport, as defined under section 360.013,
176.6 subdivision 39, until the state fire marshal makes a determination that:

176.7 (1) the Federal Aviation Administration has provided policy guidance on the transition
176.8 to fluorine-free firefighting foam;

176.9 (2) a fluorine-free firefighting foam product is included in the Federal Aviation
176.10 Administration's Qualified Product Database; and

176.11 (3) a firefighting foam product included in the database under clause (2) is commercially
176.12 available in quantities sufficient to reliably meet the requirements under Code of Federal
176.13 Regulations, title 14, part 139.

176.14 (d) Until the state fire marshal makes a determination under paragraph (c), the operator
176.15 of an airport using class B firefighting foam containing PFAS chemicals must, on or before
176.16 December 31 each calendar year, submit a report to the state fire marshal regarding the
176.17 status of the airport's conversion to class B firefighting foam products without intentionally
176.18 added PFAS, the disposal of class B firefighting foam products with intentionally added
176.19 PFAS, and an assessment of the factors listed in paragraph (c) as applied to the airport.

176.20 **EFFECTIVE DATE.** This section is effective January 1, 2024.

176.21 Sec. 41. Minnesota Statutes 2022, section 325F.072, is amended by adding a subdivision
176.22 to read:

176.23 Subd. 3a. **Discharge for testing and training.** A person, political subdivision, or state
176.24 agency exempted from the prohibitions under subdivision 3 may not discharge class B
176.25 firefighting foam that contains intentionally added PFAS chemicals for:

176.26 (1) testing purposes, unless the testing facility has implemented appropriate containment,
176.27 treatment, and disposal measures to prevent releases of foam to the environment; or

176.28 (2) training purposes, unless otherwise required by law, and with the condition that the
176.29 training event has implemented appropriate containment, treatment, and disposal measures
176.30 to prevent releases of foam to the environment.

176.31 **EFFECTIVE DATE.** This section is effective January 1, 2024.

177.1 Sec. 42. TREATED SEED WASTE DISPOSAL RULEMAKING.

177.2 The commissioner of the Pollution Control Agency, in consultation with the commissioner
177.3 of agriculture and the University of Minnesota, must adopt rules under Minnesota Statutes,
177.4 chapter 14, providing for the safe and lawful disposal of waste treated seed. The rules must
177.5 clearly identify the regulatory jurisdiction of state agencies and local governments with
177.6 regard to such seed. Additional Department of Agriculture staff will not be hired until
177.7 rulemaking is completed.

177.8 Sec. 43. AIR TOXICS EMISSIONS; RULEMAKING.

177.9 Subdivision 1. Definitions. For the purposes of this section:

177.10 (1) "agency" means the Minnesota Pollution Control Agency;

177.11 (2) "air toxics" has the meaning given in Minnesota Statutes, section 116.062;

177.12 (3) "commissioner" means the commissioner of the Minnesota Pollution Control Agency;

177.13 (4) "continuous emission monitoring system" has the meaning given in Minnesota Rules,
177.14 part 7017.1002, subpart 4;

177.15 (5) "environmental justice area" means one or more census tracts in Minnesota:

177.16 (i) in which, based on the most recent data published by the United States Census Bureau:

177.17 (A) 40 percent or more of the population is nonwhite;

177.18 (B) 35 percent or more of the households have an income at or below 200 percent of the
177.19 federal poverty level; or

177.20 (C) 40 percent or more of the population over the age of five has limited English
177.21 proficiency; or

177.22 (ii) located within Indian Country, as defined in United States Code, title 18, section
177.23 1151;

177.24 (6) "performance test" has the meaning given in Minnesota Rules, part 7017.2005,
177.25 subpart 4; and

177.26 (7) "volatile organic compound" has the meaning given in Minnesota Rules, part
177.27 7005.0100, subpart 45.

177.28 Subd. 2. Rulemaking required. The commissioner shall adopt rules under Minnesota
177.29 Statutes, chapter 14, to implement and govern regulation of facilities that emit air toxics.
177.30 Notwithstanding Minnesota Statutes, section 14.125, the agency must publish notice of

178.1 intent to adopt rules within 36 months of the effective date of this act, or the authority for
178.2 the rules expires.

178.3 Subd. 3. **Content of rules.** (a) The rules required under subdivision 2 must address, at
178.4 a minimum:

178.5 (1) specific air toxics to be regulated, including, at a minimum, those defined in
178.6 subdivision 1;

178.7 (2) types of facilities to be regulated, including, at a minimum, facilities that have been
178.8 issued an air quality permit by the commissioner, other than an Option B registration permit
178.9 under Minnesota Rules, part 7007.1120, and that:

178.10 (i) emit air toxics, whether the emissions are limited in a permit or not; or

178.11 (ii) purchase or use material containing volatile organic compounds;

178.12 (3) performance tests conducted by facilities to measure the volume of air toxics emissions
178.13 and testing methods, procedures, protocols, and frequency;

178.14 (4) required monitoring of air emissions, including using continuous emission monitoring
178.15 systems for certain facilities, and monitoring of production inputs or other production
178.16 parameters;

178.17 (5) requirements for reporting information to the agency to assist the agency in
178.18 determining the amount of the facility's air toxics emissions and the facility's compliance
178.19 with emission limits in the facility's permit;

178.20 (6) record keeping related to air toxics emissions; and

178.21 (7) frequency of facility inspections and inspection activities that provide information
178.22 about air toxics emissions.

178.23 (b) In developing the rules, the commissioner must establish testing, monitoring,
178.24 reporting, record-keeping, and inspection requirements for facilities that reflect:

178.25 (1) the different risks to human health and the environment posed by the specific air
178.26 toxics and amounts emitted by a facility, such that facilities posing greater risks are required
178.27 to provide more frequent evidence of permit compliance, including but not limited to
178.28 performance tests, agency inspections, and reporting;

178.29 (2) the facility's record of compliance with air toxics emission limits and other permit
178.30 conditions; and

179.1 (3) any exposure of residents of an environmental justice area to the facility's air toxics
179.2 emissions.

179.3 Subd. 4. **Modifying permits.** Within three years after adopting the rules required in
179.4 subdivision 2, the commissioner must amend existing air quality permits, including but not
179.5 limited to federal permits, individual state total facility permits, and capped emission permits,
179.6 as necessary to conform with the rules.

179.7 Subd. 5. **Rulemaking cost.** The commissioner must collect the agency's costs to develop
179.8 the rulemaking required under this section and to conduct regulatory activities, including
179.9 but not limited to monitoring, inspection, and data collection and maintenance, required as
179.10 a result of the rulemaking through the annual fee paid by owners or operators of facilities
179.11 required to obtain air quality permits from the agency, as required under Minnesota Statutes,
179.12 section 116.07, subdivision 4d, paragraph (b).

179.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

179.14 Sec. 44. **POSITION ESTABLISHED; POLLUTION CONTROL AGENCY.**

179.15 The commissioner of the Pollution Control Agency must establish a new full-time
179.16 equivalent position of community liaison, funded through air quality permit fees, as specified
179.17 in Minnesota Statutes, section 116.07, subdivision 4d, to conduct the administrative tasks
179.18 necessary to successfully implement the nonexpiring permit public meeting requirements
179.19 under Minnesota Statutes, section 116.07, subdivision 4m, and other regulatory activities
179.20 requiring interaction between the agency and residents in communities exposed to air
179.21 pollutants emitted by facilities permitted by the agency.

179.22 Sec. 45. **COMMUNITY AIR-MONITORING SYSTEMS; PILOT GRANT**
179.23 **PROGRAM.**

179.24 Subdivision 1. **Definitions.** (a) For purposes of this section, the terms in this subdivision
179.25 have the meanings given.

179.26 (b) "Agency" means the Minnesota Pollution Control Agency.

179.27 (c) "Commissioner" means the commissioner of the Minnesota Pollution Control Agency.

179.28 (d) "Community air-monitoring system" means a system of devices monitoring ambient
179.29 air quality at many locations within a small geographic area that is subject to air pollution
179.30 from a variety of stationary and mobile sources in order to obtain frequent measurements
179.31 of pollution levels, to detect differences in exposure to pollution over distances no larger
179.32 than a city block, and to identify areas where pollution levels are inordinately elevated.

- 180.1 (e) "Environmental justice area" means one or more census tracts in Minnesota:
- 180.2 (1) in which, based on the most recent data published by the United States Census Bureau:
- 180.3 (i) 40 percent or more of the population is nonwhite;
- 180.4 (ii) 35 percent or more of the households have an income at or below 200 percent of the
- 180.5 federal poverty level; or
- 180.6 (iii) 40 percent or more of the population over the age of five has limited English
- 180.7 proficiency; or
- 180.8 (2) located within Indian Country, as defined in United State Code, title 18, section 1151.
- 180.9 (f) "Nonprofit organization" means an organization that is exempt from taxation under
- 180.10 section 501(c)(3) of the Internal Revenue Code.
- 180.11 Subd. 2. **Establishing program.** A pilot grant program for community air-monitoring
- 180.12 systems is established in the agency to measure air pollution levels at many locations within
- 180.13 an environmental justice area in Minneapolis.
- 180.14 Subd. 3. **Eligible applicants.** Grants under this section may be awarded to applicants
- 180.15 consisting of a partnership between a nonprofit organization located in or working with
- 180.16 residents located in an environmental justice area in which the community air-monitoring
- 180.17 system is to be deployed and an entity that has experience deploying, operating, and
- 180.18 interpreting data from air-monitoring systems.
- 180.19 Subd. 4. **Eligible projects.** Grants may be awarded under this section to applicants
- 180.20 whose proposals:
- 180.21 (1) use a variety of air-monitoring technologies approved for use by the commissioner,
- 180.22 including but not limited to stationary monitors, sensor-based handheld devices, and mobile
- 180.23 devices that can be attached to vehicles or drones to measure air pollution levels;
- 180.24 (2) obtain data at fixed locations and from handheld monitoring devices that are carried
- 180.25 by residents of the community on designated walking routes in the targeted community and
- 180.26 that can provide high-frequency measurements;
- 180.27 (3) use the monitoring data to generate maps of pollution levels throughout the monitored
- 180.28 area; and
- 180.29 (4) provide monitoring data to the agency to help inform:

181.1 (i) agency decisions, including placement of the agency's stationary air monitors and
181.2 the development of programs to reduce air emissions that impact environmental justice
181.3 areas; and

181.4 (ii) decisions by other governmental bodies regarding transportation or land use planning.

181.5 **Subd. 5. Eligible expenditures.** Grants may be used only for:

181.6 (1) planning the configuration and deployment of the community air-monitoring system;

181.7 (2) purchasing and installing air-monitoring devices as part of the community
181.8 air-monitoring system;

181.9 (3) training and paying persons to operate stationary, handheld, and mobile devices to
181.10 measure air pollution;

181.11 (4) developing data and mapping systems to analyze, organize, and present the
181.12 air-monitoring data collected; and

181.13 (5) writing a final report on the project, as required under subdivision 9.

181.14 **Subd. 6. Application and grant award process.** An eligible applicant must submit an
181.15 application to the commissioner on a form prescribed by the commissioner. The
181.16 commissioner must develop administrative procedures governing the application and grant
181.17 award process. The commissioner must act as fiscal agent for the grant program and is
181.18 responsible for receiving and reviewing grant applications and awarding grants under this
181.19 section.

181.20 **Subd. 7. Grant awards; priorities.** In awarding grants under this section, the
181.21 commissioner must give priority to proposed projects that:

181.22 (1) take place in areas with high rates of illness associated with exposure to air pollution,
181.23 including asthma, chronic obstructive pulmonary disease, heart disease, chronic bronchitis,
181.24 and cancer;

181.25 (2) promote public access to and transparency of air-monitoring data developed through
181.26 the project; and

181.27 (3) conduct outreach activities to promote community awareness of and engagement
181.28 with the project.

181.29 **Subd. 8. Report to agency.** No later than 90 days after a project ends, a grantee must
181.30 submit a written report to the commissioner describing the project's findings and results
181.31 and any recommendations for agency actions, programs, or activities to reduce levels of air

182.1 pollution measured by the community air-monitoring system. The grantee must also submit
182.2 to the commissioner all air-monitoring data developed by the project.

182.3 Subd. 9. **Report to legislature.** No later than March 15, 2025, the commissioner must
182.4 submit a report to the chairs and ranking minority members of the legislative committees
182.5 with primary jurisdiction over environment policy and finance on the results of the grant
182.6 program, including:

182.7 (1) any changes in the agency's air-monitoring network that will occur as a result of data
182.8 developed under the program;

182.9 (2) any actions the agency has taken or proposes to take to reduce levels of pollution
182.10 that impact the environmental justice areas that received grants under the program; and

182.11 (3) any recommendations for legislation, including whether the program should be
182.12 extended or expanded.

182.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

182.14 Sec. 46. **PETROLEUM TANK RELEASE CLEANUP; REPORT.**

182.15 The commissioner of the Pollution Control Agency must perform the duties under clauses
182.16 (1) to (5) with respect to the petroleum tank release cleanup program governed by Minnesota
182.17 Statutes, chapter 115C, and must, no later than January 15, 2025, report the results to the
182.18 chairs and ranking minority members of the senate and house of representatives committees
182.19 with primary jurisdiction over environment policy and finance. The report must include any
182.20 recommendations for legislation. The commissioner must:

182.21 (1) explicitly define the conditions that must be present in order for the commissioner
182.22 to classify a site as posing a low potential risk to public health and the environment and
182.23 ensure that all agency staff use the definition in assessing potential risks. In determining
182.24 the conditions that indicate that a site poses a low risk, the commissioner must consider
182.25 relevant site conditions, including but not limited to the nature of groundwater flow, soil
182.26 type, and proximity of features at or near the site that could potentially become contaminated;

182.27 (2) develop guidelines to incorporate consideration of potential future uses of a
182.28 contaminated property into all agency staff decisions regarding site remediation;

182.29 (3) develop scientifically based and measurable technical standards that allow the quality
182.30 of the agency's performance in remediating petroleum-contaminated properties to be
182.31 evaluated and conduct such evaluations periodically;

183.1 (4) in collaboration with the Petroleum Tank Release Compensation Board and the
183.2 commissioner of commerce, examine whether and how to establish technical qualifications
183.3 for consultants hired to remediate petroleum-contaminated properties as a strategy to improve
183.4 the quality of remediation work and how agencies can share information on consultant
183.5 performance; and

183.6 (5) in collaboration with the commissioner of commerce, make consultants who remediate
183.7 petroleum-contaminated sites more accountable for the quality of their work by:

183.8 (i) requiring a thorough evaluation of the past performance of a contractor being
183.9 considered for hire;

183.10 (ii) developing a formal system of measures and procedures by which to evaluate the
183.11 work; and

183.12 (iii) sharing evaluations with the commissioner of commerce and with responsible parties.

183.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

183.14 **Sec. 47. POLLUTION CONTROL AGENCY PUBLIC MEMBERS; INITIAL**
183.15 **APPOINTMENTS AND TERMS.**

183.16 The governor must appoint public members of the Pollution Control Agency under
183.17 Minnesota Statutes, section 116.02, by August 1, 2023. The governor must designate two
183.18 of the members first appointed to serve a term of one year, two members to serve a term of
183.19 two years, two members to serve a term of three years, and two members to serve a term
183.20 of four years.

183.21 **Sec. 48. FEEDLOT FINANCIAL ASSURANCE REQUIREMENTS COMPLIANCE**
183.22 **SCHEDULE.**

183.23 The commissioner of the Pollution Control Agency may phase in the new financial
183.24 assurance requirements under Minnesota Statutes, section 116.07, subdivision 7f, during
183.25 the next reissuance of the national pollutant discharge elimination system general permit
183.26 for concentrated animal feeding operations, MNG440000. The commissioner must establish
183.27 a schedule for permittees to come into compliance with the requirements. The schedule
183.28 must require 250 permittees per year to comply, beginning with the operations with the
183.29 largest number of animal units.

184.1 **Sec. 49. MANURE STORAGE AREA REPORTS REQUIRED.**

184.2 Subdivision 1. **Reports.** (a) No later than December 15, 2023, the commissioner of the
184.3 Pollution Control Agency must develop a list based on registration data for each county of
184.4 potentially abandoned manure storage areas.

184.5 (b) No later than January 15, 2025, each delegated county must report to the commissioner
184.6 of the Pollution Control Agency a list of abandoned manure storage areas located in the
184.7 county. The report must be submitted by the county feedlot officer.

184.8 (c) No later than January 15, 2025, the Pollution Control Agency regional feedlot staff
184.9 must compile a list of abandoned manure storage areas located in counties under their
184.10 regulatory jurisdiction that do not have delegation agreements with the agency.

184.11 (d) No later than February 15, 2025, the commissioner of the Pollution Control Agency
184.12 must submit a compilation report and list of abandoned manure storage areas to the legislative
184.13 committees with jurisdiction over agriculture and environment. The report must include
184.14 recommendations for remediation. The commissioner must seek advice from the Minnesota
184.15 Association of County Feedlot Officers and livestock associations for recommendations,
184.16 including existing and any proposed options for remediation.

184.17 (e) For purposes of this section, "abandoned manure storage areas" has the meaning
184.18 given in Minnesota Statutes, section 116.07, subdivision 7g.

184.19 (f) Reports and lists required under this section are not feedlot inventories for purposes
184.20 of Minnesota Statutes, section 116.07, subdivision 7b.

184.21 Subd. 2. **Delegated counties.** (a) Except as provided in paragraph (b), during the 2023
184.22 and 2024 delegation years, the commissioner of the Pollution Control Agency must not
184.23 penalize a delegated county for a performance issue or shortcoming attributable to the
184.24 county's reassignment of county feedlot officer resources necessary to comply with the
184.25 additional requirements imposed upon the county under subdivision 1.

184.26 (b) The commissioner may penalize a county during the 2023 or 2024 delegation year
184.27 for a performance issue or shortcoming attributable to the county's reassignment of county
184.28 feedlot officer resources only if the specific penalty is approved by a majority of the board
184.29 of the Minnesota Association of County Feedlot Officers.

184.30 **Sec. 50. PFAS MANUFACTURERS FEE WORK GROUP.**

184.31 The commissioner of the Pollution Control Agency, in cooperation with the
184.32 commissioners of revenue and management and budget, must establish a work group to

185.1 review options for collecting a fee from manufacturers of PFAS in the state. By February
185.2 15, 2024, the commissioner must submit a report to the chairs and ranking minority members
185.3 of the legislative committees and divisions with jurisdiction over environment and natural
185.4 resources with recommendations.

185.5 Sec. 51. **TEMPORARY EXEMPTION FOR TERMINALS AND OIL REFINERIES.**

185.6 Subdivision 1. **Temporary exemption.** Minnesota Statutes, section 325F.072, subdivision
185.7 3, does not apply to the manufacture, sale, distribution, or use of class B firefighting foam
185.8 for the purposes of use at a terminal or oil refinery until January 1, 2026.

185.9 Subd. 2. **Extension; waiver.** (a) A person who operates a terminal or oil refinery may
185.10 apply to the state fire marshal for a waiver to extend the exemption under subdivision 1
185.11 beyond January 1, 2026, as provided in this subdivision.

185.12 (b) The state fire marshal may grant a waiver to extend the exemption under subdivision
185.13 1 for a specific use if the applicant provides all of the following:

185.14 (1) clear and convincing evidence that there is no commercially available replacement
185.15 that does not contain intentionally added PFAS chemicals and that is capable of suppressing
185.16 fire for that specific use;

185.17 (2) information on the amount of firefighting foam containing intentionally added PFAS
185.18 chemicals stored, used, or released on-site on an annual basis;

185.19 (3) a detailed plan, with timelines, for the operator of the terminal or oil refinery to
185.20 transition to firefighting foam that does not contain intentionally added PFAS chemicals
185.21 for that specific use; and

185.22 (4) a plan for meeting the requirements under subdivision 3.

185.23 (c) The state fire marshal must ensure there is an opportunity for public comment during
185.24 the waiver process. The state fire marshal must consider both information provided by the
185.25 applicant and information provided through public comment when making a decision on
185.26 whether to grant a waiver. The term of a waiver must not exceed two years. The state fire
185.27 marshal must not grant a waiver for a specific use if any other terminal or oil refinery is
185.28 known to have transitioned to commercially available class B firefighting foam that does
185.29 not contain intentionally added PFAS chemicals for that specific use. All waivers must
185.30 expire by January 1, 2028. A person that anticipates applying for a waiver for a terminal or
185.31 oil refinery must submit a notice of intent to the state fire marshal by January 1, 2025, in
185.32 order to be considered for a waiver beyond January 1, 2026. The state fire marshal must
185.33 notify the waiver applicant of a decision within six months of the waiver submission date.

186.1 (d) The state fire marshal must provide an applicant for a waiver under this subdivision
186.2 an opportunity to:

186.3 (1) correct deficiencies when applying for a waiver; and

186.4 (2) provide evidence to dispute a determination that another terminal or oil refinery is
186.5 known to have transitioned to commercially available class B firefighting foam that does
186.6 not contain intentionally added PFAS chemicals for that specific use, including evidence
186.7 that the specific use is different.

186.8 Subd. 3. Use requirements. (a) A person that uses class B firefighting foam containing
186.9 intentionally added PFAS chemicals under this section must:

186.10 (1) implement tactics that have been demonstrated to prevent release directly to the
186.11 environment, such as to unsealed ground, soakage pits, waterways, or uncontrolled drains;

186.12 (2) attempt to fully contain all firefighting foams with PFAS on-site using demonstrated
186.13 practices designed to contain all PFAS releases;

186.14 (3) implement containment measures such as bunds and ponds that are controlled, are
186.15 impervious to PFAS chemicals, and do not allow fire water, wastewater, runoff, and other
186.16 wastes to be released to the environment, such as to soils, groundwater, waterways, or
186.17 stormwater; and

186.18 (4) dispose of all fire water, wastewater, runoff, impacted soils, and other wastes in a
186.19 way that prevents releases to the environment.

186.20 (b) A terminal or oil refinery that has received a waiver under this section may provide
186.21 and use class B firefighting foam containing intentionally added PFAS chemicals in the
186.22 form of mutual aid to another terminal or oil refinery at the request of authorities only if
186.23 the other terminal or oil refinery also has a waiver.

186.24 **EFFECTIVE DATE.** This section is effective January 1, 2024.

186.25 Sec. 52. **FIREFIGHTER TURNOUT GEAR; REPORT.**

186.26 (a) The commissioner of the Pollution Control Agency, in cooperation with the
186.27 commissioner of health, must submit a report to the chairs and ranking minority members
186.28 of the legislative committees and divisions with jurisdiction over environment and natural
186.29 resources regarding perfluoroalkyl and polyfluoroalkyl substances (PFAS) in turnout gear
186.30 by January 15, 2024. The report must include:

186.31 (1) current turnout gear requirements and options for eliminating or reducing PFAS in
186.32 turnout gear;

187.1 (2) current turnout gear disposal methods and recommendations for future disposal to
187.2 prevent PFAS contamination; and

187.3 (3) recommendations and protocols for PFAS biomonitoring in firefighters, including
187.4 a process for allowing firefighters to voluntarily register for biomonitoring.

187.5 (b) For the purposes of this section, "turnout gear" is the personal protective equipment
187.6 (PPE) used by firefighters.

187.7 **Sec. 53. PFAS WATER QUALITY STANDARDS.**

187.8 (a) The commissioner of the Pollution Control Agency must adopt rules establishing
187.9 water quality standards for:

187.10 (1) perfluorooctanoic acid (PFOA);

187.11 (2) perfluorooctane sulfonic acid (PFOS);

187.12 (3) perfluorononanoic acid (PFNA);

187.13 (4) hexafluoropropylene oxide dimer acid (HFPO-DA, commonly known as GenX
187.14 chemicals);

187.15 (5) perfluorohexane sulfonic acid (PFHxS); and

187.16 (6) perfluorobutane sulfonic acid (PFBS).

187.17 (b) The commissioner must adopt the rules establishing the water quality standards
187.18 required under this section by July 1, 2026, and Minnesota Statutes, section 14.125, does
187.19 not apply.

187.20 **Sec. 54. HEALTH RISK LIMIT; PERFLUOROOCTANE SULFONATE.**

187.21 By July 1, 2025, the commissioner of health must amend the health risk limit for
187.22 perfluorooctane sulfonate (PFOS) in Minnesota Rules, part 4717.7860, subpart 15, so that
187.23 the health risk limit does not exceed 0.015 parts per billion. In amending the health risk
187.24 limit for PFOS, the commissioner must comply with Minnesota Statutes, section 144.0751,
187.25 requiring a reasonable margin of safety to adequately protect the health of infants, children,
187.26 and adults.

187.27 **Sec. 55. PATH TO ZERO WASTE; REPORT.**

187.28 (a) By July 15, 2025, the commissioner of the Pollution Control Agency must conduct
187.29 a study and prepare a report that includes a pathway to achieve zero waste and submit the

188.1 report to the chairs and ranking minority members of the senate and house of representatives
188.2 committees with jurisdiction over environmental policy and finance and energy policy.

188.3 (b) The commissioner must seek outside technical support from certified zero-waste
188.4 experts to conduct the study and prepare the report. The report must abide by the
188.5 internationally peer-reviewed definition of zero waste and the zero-waste hierarchy as
188.6 codified by the Zero Waste International Alliance, and include:

188.7 (1) an overview of how municipal solid waste is currently managed;

188.8 (2) a summary of infrastructure, programs, and resources needed to reach zero waste
188.9 over a 2021 baseline by 2045 or sooner;

188.10 (3) an analysis that outlines the impact of different strategies to achieve zero waste;

188.11 (4) strategic policy initiatives that will be required to manage waste at the top of the
188.12 zero-waste hierarchy, as the state strives to achieve zero waste;

188.13 (5) a discussion of the feasibility, assumptions, and projected time frame for achieving
188.14 zero waste if proposed policies are implemented and necessary investments are made,
188.15 including the projected need for land disposal capacity based on the estimated growth in
188.16 waste generation and the practicable ability of existing technologies to reduce waste to avoid
188.17 disposal;

188.18 (6) recommendations for reducing the environmental and human health impacts of waste
188.19 disposal during the transition to zero waste, especially across environmental justice areas;

188.20 (7) a life cycle analysis comparing incineration and landfilling ash, direct use of
188.21 landfilling, and zero-waste implementation. This analysis must include, at a minimum, the
188.22 impacts of greenhouse gas emissions; toxic chemical pollutants, including cancer and
188.23 noncancer effects; particulate matter emissions; and smog formation from emissions of
188.24 nitrogen oxides and volatile organic compounds and their impacts on asthma and respiratory
188.25 health. The analysis must present the results so that the global warming and other health
188.26 and environmental impacts can be evaluated side-by-side using the same units, such as a
188.27 monetized social and environmental harm indicator. A separate environmental justice
188.28 analysis must be conducted, analyzing the demographics around any existing and proposed
188.29 waste disposal facilities. Using the best available data, the report must evaluate the costs of
188.30 each option and the impacts on local job support; and

188.31 (8) the role of nonburn alternatives in the destruction of problem materials such as
188.32 invasive species, pharmaceuticals, and perfluoroalkyl and polyfluoroalkyl substances.

189.1 (c) The commissioner must obtain input from counties and cities inside and outside the
189.2 seven-county metropolitan area, recycling and composting facilities, waste haulers,
189.3 environmental organizations, Tribal representatives, and other interested parties in preparing
189.4 the report. The development of the report must include stakeholder input from diverse
189.5 communities located in environmental justice areas that contain a waste facility. The
189.6 commissioner must provide for an open public comment period of at least 60 days on the
189.7 draft report. Written public comments and any commissioner responses must be included
189.8 in the final report.

189.9 **Sec. 56. REPORT REQUIRED; RECYCLING AND REUSING SOLAR**
189.10 **PHOTOVOLTAIC MODULES AND INSTALLATION COMPONENTS.**

189.11 (a) The commissioner of the Pollution Control Agency, in consultation with the
189.12 commissioners of commerce and employment and economic development, must coordinate
189.13 preparation of a report on developing a statewide system to reuse and recycle solar
189.14 photovoltaic modules and installation components in the state.

189.15 (b) The report must include options for a system to collect, reuse, and recycle solar
189.16 photovoltaic modules and installation components at end of life. Any system option included
189.17 in the report must be convenient and accessible throughout the state, recover 100 percent
189.18 of discarded components, and maximize value and materials recovery. Any system option
189.19 developed must include analysis of:

189.20 (1) the reuse and recycling values of solar photovoltaic modules, installation components,
189.21 and recovered materials;

189.22 (2) system infrastructure and technology needs;

189.23 (3) how to maximize in-state employment and economic development;

189.24 (4) net costs for the program; and

189.25 (5) potential benefits and negative impacts of the plan on environmental justice and
189.26 Tribal communities.

189.27 (c) The report must include a survey of solar photovoltaic modules and installation
189.28 components that are currently coming out of service and those projected to come out of
189.29 service in the future in Minnesota. The report must include a description of how solar
189.30 photovoltaic modules and installation components are currently being managed at end of
189.31 life and how they would likely be managed in the future without the proposed reuse and
189.32 recycling system.

190.1 (d) After completing the report, the commissioner must convene a working group to
190.2 advise on developing policy recommendations for a statewide system to manage solar
190.3 photovoltaic modules and installation components. The working group must include, but
190.4 is not limited to:

190.5 (1) the commissioners of commerce and employment and economic development or
190.6 their designees;

190.7 (2) representatives of the solar industry and electric utilities;

190.8 (3) representatives of state, local, and Tribal governments; and

190.9 (4) other relevant stakeholders.

190.10 (e) By January 15, 2025, the commissioner must submit the report and the policy
190.11 recommendations developed under this section to the chairs and ranking minority members
190.12 of the legislative committees and divisions with jurisdiction over environment and natural
190.13 resources policy and finance and energy policy and finance.

190.14 Sec. 57. **REVISOR INSTRUCTION.**

190.15 The revisor of statutes must change the term "master plan" or similar term to "plan"
190.16 wherever the term appears in Minnesota Statutes, sections 473.803 to 473.8441. The revisor
190.17 may make grammatical changes related to the term change.

190.18 Sec. 58. **REPEALER.**

190.19 Minnesota Statutes 2022, sections 115.44, subdivision 9; 116.011; 325E.389; and
190.20 325E.3891, are repealed.

190.21 **ARTICLE 4**

190.22 **NATURAL RESOURCES**

190.23 Section 1. Minnesota Statutes 2022, section 16A.152, subdivision 2, is amended to read:

190.24 Subd. 2. **Additional revenues; priority.** (a) If on the basis of a forecast of general fund
190.25 revenues and expenditures, the commissioner of management and budget determines that
190.26 there will be a positive unrestricted budgetary general fund balance at the close of the
190.27 biennium, the commissioner of management and budget must allocate money to the following
190.28 accounts and purposes in priority order:

190.29 (1) the cash flow account established in subdivision 1 until that account reaches
190.30 \$350,000,000;

191.1 (2) the budget reserve account established in subdivision 1a until that account reaches
191.2 \$2,377,399,000;

191.3 (3) the amount necessary to increase the aid payment schedule for school district aids
191.4 and credits payments in section 127A.45 to not more than 90 percent rounded to the nearest
191.5 tenth of a percent without exceeding the amount available and with any remaining funds
191.6 deposited in the budget reserve;

191.7 (4) the amount necessary to restore all or a portion of the net aid reductions under section
191.8 127A.441 and to reduce the property tax revenue recognition shift under section 123B.75,
191.9 subdivision 5, by the same amount;

191.10 (5) the amount necessary to increase the Minnesota 21st century fund by not more than
191.11 the difference between \$5,000,000 and the sum of the amounts credited and canceled to it
191.12 in the previous 12 months under Laws 2020, chapter 71, article 1, section 11, until the sum
191.13 of all transfers under this section and all amounts credited or canceled under Laws 2020,
191.14 chapter 71, article 1, section 11, equals \$20,000,000; and

191.15 (6) the amount necessary to compensate the permanent school fund for lands in the
191.16 Lowland Conifer Carbon Reserve as required under section 88.85, subdivision 9; and

191.17 ~~(6)~~ (7) for a forecast in November only, the amount remaining after the transfer under
191.18 clause (5) must be used to reduce the percentage of accelerated June liability sales tax
191.19 payments required under section 289A.20, subdivision 4, paragraph (b), until the percentage
191.20 equals zero, rounded to the nearest tenth of a percent. By March 15 following the November
191.21 forecast, the commissioner must provide the commissioner of revenue with the percentage
191.22 of accelerated June liability owed based on the reduction required by this clause. By April
191.23 15 each year, the commissioner of revenue must certify the percentage of June liability
191.24 owed by vendors based on the reduction required by this clause.

191.25 (b) The amounts necessary to meet the requirements of this section are appropriated
191.26 from the general fund within two weeks after the forecast is released or, in the case of
191.27 transfers under paragraph (a), clauses (3) and (4), as necessary to meet the appropriations
191.28 schedules otherwise established in statute.

191.29 (c) The commissioner of management and budget shall certify the total dollar amount
191.30 of the reductions under paragraph (a), clauses (3) and (4), to the commissioner of education.
191.31 The commissioner of education shall increase the aid payment percentage and reduce the
191.32 property tax shift percentage by these amounts and apply those reductions to the current
191.33 fiscal year and thereafter.

192.1 Sec. 2. Minnesota Statutes 2022, section 84.02, is amended by adding a subdivision to
192.2 read:

192.3 Subd. 6c. **Restored prairie.** "Restored prairie" means a restoration that uses at least 25
192.4 representative and biologically diverse native prairie plant species and that occurs on land
192.5 that was previously cropped or used as pasture.

192.6 Sec. 3. Minnesota Statutes 2022, section 84.0274, subdivision 6, is amended to read:

192.7 Subd. 6. **State's responsibilities.** When the state proposes to purchase land for natural
192.8 resources purposes, the commissioner of natural resources and, where applicable, the
192.9 commissioner of administration shall have the following responsibilities:

192.10 (1) the responsibility to deal fairly and openly with the landowner in the purchase of
192.11 property;

192.12 (2) the responsibility to refrain from discussing price with the landowner before an
192.13 appraisal has been made. In addition, the same person shall not both appraise and negotiate
192.14 for purchase of a tract of land. This paragraph does not apply to the state when discussing
192.15 with a landowner the trout stream easement payment determined under section 84.0272,
192.16 subdivision 2, the native prairie bank easement payment determined under section 84.96,
192.17 subdivision 5, or the Camp Ripley's Army compatible use buffer easement payment
192.18 determined under section 84.0277, subdivision 2;

192.19 (3) the responsibility to use private fee appraisers to lower the state's acquisition costs
192.20 to the greatest extent practicable; and

192.21 (4) the responsibility to acquire land in as expeditious a manner as possible. No option
192.22 shall be made for a period of greater than two months if no survey is required or for nine
192.23 months if a survey is required, unless the landowner, in writing, expressly requests a longer
192.24 period of time. ~~Provided that, if county board approval of the transaction is required pursuant~~
192.25 ~~to section 97A.145, no time limits shall apply.~~ If the state elects not to purchase property
192.26 upon which it has an option, it shall pay the landowner \$500 after the expiration of the
192.27 option period. If the state elects to purchase the property, unless the landowner elects
192.28 otherwise, payment to the landowner shall be made no later than 90 days following the
192.29 state's election to purchase the property provided that the title is marketable and the owner
192.30 acts expeditiously to complete the transaction.

193.1 Sec. 4. Minnesota Statutes 2022, section 84.0276, is amended to read:

193.2 **84.0276 LAND TRANSFERS BY A FEDERAL AGENCY.**

193.3 Before the commissioner of natural resources accepts agricultural land or a farm
193.4 homestead transferred in fee by a federal agency, the commissioner must consult with the
193.5 Board of Water and Soil Resources for a determination of marginal land, tillable farmland,
193.6 and farm homestead. ~~The commissioner must comply with the acquisition procedure under~~
193.7 ~~section 97A.145, subdivision 2, if the agricultural land or farm homestead was in an~~
193.8 ~~agricultural preserve as provided in section 40A.10.~~

193.9 Sec. 5. Minnesota Statutes 2022, section 84.415, subdivision 3, is amended to read:

193.10 Subd. 3. **Application, form.** The application for license or permit ~~shall be in~~
193.11 ~~quadruplicate, and shall~~ must include ~~with each copy~~ a legal description of the lands or
193.12 waters affected, a metes and bounds description of the required right-of-way, a map showing
193.13 said features, and a detailed design of any structures necessary, or in lieu thereof shall be
193.14 in such other form, and include such other descriptions, maps or designs, as the commissioner
193.15 may require. The commissioner may at any time order such changes or modifications
193.16 respecting construction or maintenance of structures or other conditions of the license or
193.17 permit as the commissioner deems necessary to protect the public health and safety.

193.18 Sec. 6. Minnesota Statutes 2022, section 84.415, subdivision 6, is amended to read:

193.19 Subd. 6. **Supplemental application fee and monitoring fee.** (a) In addition to the
193.20 application fee and utility crossing fees specified in Minnesota Rules, the commissioner of
193.21 natural resources shall assess the applicant for a utility license the following fees:

193.22 (1) a to cover reasonable costs for reviewing an application and preparing a license,
193.23 supplemental application fee of fees as follows:

193.24 (i) \$1,750 for a public water crossing license and a supplemental application fee of
193.25 \$3,000 for a public lands crossing license, to cover reasonable costs for reviewing the
193.26 application and preparing the license for electric power lines, cables, or conduits of 100
193.27 kilovolts or more and for main pipelines for gas, liquids, or solids in suspension;

193.28 (ii) \$1,000 for a public water crossing license and \$1,000 for a public lands crossing
193.29 license for applications to which item (i) does not apply; and

193.30 (iii) for all applications, an additional \$500 for each water crossing or land crossing in
193.31 excess of two crossings; and

194.1 (2) a monitoring fee to cover the projected reasonable costs for monitoring the
194.2 construction of the utility line and preparing special terms and conditions of the license to
194.3 ensure proper construction. The commissioner must give the applicant an estimate of the
194.4 monitoring fee before the applicant submits the fee.

194.5 (b) The applicant shall pay fees under this subdivision to the commissioner of natural
194.6 resources. The commissioner shall not issue the license until the applicant has paid all fees
194.7 in full.

194.8 (c) Upon completion of construction of the improvement for which the license or permit
194.9 was issued, the commissioner shall refund the unobligated balance from the monitoring fee
194.10 revenue. The commissioner shall not return the application fees, even if the application is
194.11 withdrawn or denied.

194.12 ~~(d) If the fees collected under paragraph (a), clause (1), are not sufficient to cover the~~
194.13 ~~costs of reviewing the applications and preparing the licenses, the commissioner shall~~
194.14 ~~improve efficiencies and otherwise reduce department costs and activities to ensure the~~
194.15 ~~revenues raised under paragraph (a), clause (1), are sufficient, and that no other funds are~~
194.16 ~~necessary to carry out the requirements.~~

194.17 (d) For purposes of this subdivision:

194.18 (1) "water crossing" means each location where the proposed utility will cross a public
194.19 water between banks or shores; and

194.20 (2) "land crossing" means each quarter-quarter section or government lot where the
194.21 proposed utility will cross public land.

194.22 Sec. 7. Minnesota Statutes 2022, section 84.415, subdivision 7, is amended to read:

194.23 Subd. 7. **Application fee exemption.** (a) A utility license for crossing public lands or
194.24 public waters is exempt from all application fees specified ~~in this section and~~ in rules adopted
194.25 under this section.

194.26 (b) This subdivision does not apply to electric power lines, cables, or conduits 100
194.27 kilovolts or greater or to main pipelines for gas, liquids, or solids in suspension.

195.1 Sec. 8. Minnesota Statutes 2022, section 84.415, is amended by adding a subdivision to
195.2 read:

195.3 Subd. 9. Fees for renewing license. At the end of the license period, if both parties wish
195.4 to renew a license, the commissioner must assess the applicant for all fees in this section
195.5 as if the renewal is an application for a new license.

195.6 Sec. 9. Minnesota Statutes 2022, section 84.788, subdivision 5, is amended to read:

195.7 Subd. 5. **Report of ownership transfers; fee.** (a) Application for transfer of ownership
195.8 of an off-highway motorcycle registered under this section must be made to the commissioner
195.9 within 15 days of the date of transfer.

195.10 (b) An application for transfer must be executed by the ~~registered~~ current owner and the
195.11 purchaser using a bill of sale that includes the vehicle serial number.

195.12 (c) The purchaser is subject to the penalties imposed by section 84.774 if the purchaser
195.13 fails to apply for transfer of ownership as provided under this subdivision.

195.14 Sec. 10. Minnesota Statutes 2022, section 84.82, subdivision 2, is amended to read:

195.15 Subd. 2. **Application, issuance, issuing fee.** (a) Application for registration or
195.16 reregistration shall be made to the commissioner or an authorized deputy registrar of motor
195.17 vehicles in a format prescribed by the commissioner and shall state the legal name and
195.18 address of every owner of the snowmobile.

195.19 (b) A person who purchases a snowmobile from a retail dealer shall make application
195.20 for registration to the dealer at the point of sale. The dealer shall issue a dealer temporary
195.21 21-day registration permit to each purchaser who applies to the dealer for registration. The
195.22 temporary permit must contain the dealer's identification number and phone number. Each
195.23 retail dealer shall submit completed registration and fees to the deputy registrar at least once
195.24 a week. No fee may be charged by a dealer to a purchaser for providing the temporary
195.25 permit.

195.26 (c) Upon receipt of the application and the appropriate fee, the commissioner or deputy
195.27 registrar shall issue to the applicant, or provide to the dealer, an assigned registration number
195.28 or a commissioner or deputy registrar temporary 21-day permit. The registration number
195.29 must be printed on a registration decal issued by the commissioner or a deputy registrar.
195.30 Once issued, the registration ~~number~~ decal must be affixed to the snowmobile in a clearly
195.31 visible and permanent manner for enforcement purposes ~~as the commissioner of natural~~
195.32 ~~resources shall prescribe~~ according to subdivision 3b. A dealer subject to paragraph (b)

196.1 shall provide the registration materials or temporary permit to the purchaser within the
196.2 temporary 21-day permit period. The registration is not valid unless signed by at least one
196.3 owner.

196.4 (d) Each deputy registrar of motor vehicles acting pursuant to section 168.33 shall also
196.5 be a deputy registrar of snowmobiles. The commissioner of natural resources in agreement
196.6 with the commissioner of public safety may prescribe the accounting and procedural
196.7 requirements necessary to ensure efficient handling of registrations and registration fees.
196.8 Deputy registrars shall strictly comply with these accounting and procedural requirements.

196.9 (e) In addition to other fees prescribed by law, an issuing fee of \$4.50 is charged for
196.10 each snowmobile registration renewal, duplicate or replacement registration card, and
196.11 replacement decal, and an issuing fee of \$7 is charged for each snowmobile registration and
196.12 registration transfer issued by:

196.13 (1) a registrar or a deputy registrar and must be deposited in the manner provided in
196.14 section 168.33, subdivision 2; or

196.15 (2) the commissioner and must be deposited in the state treasury and credited to the
196.16 snowmobile trails and enforcement account in the natural resources fund.

196.17 Sec. 11. Minnesota Statutes 2022, section 84.82, is amended by adding a subdivision to
196.18 read:

196.19 Subd. 3b. Display of registration decal. (a) A person must not operate or transport a
196.20 snowmobile in the state or allow another to operate the person's snowmobile in the state
196.21 unless the snowmobile has its unexpired registration decal affixed to each side of the
196.22 snowmobile and the decals are legible.

196.23 (b) The registration decal must be affixed:

196.24 (1) for snowmobiles made after June 30, 1972, in the areas provided by the manufacturer
196.25 under section 84.821, subdivision 2; and

196.26 (2) for all other snowmobiles, on each side of the cowling on the upper half of the
196.27 snowmobile.

196.28 (c) When any previously affixed registration decal is destroyed or lost, a duplicate must
196.29 be affixed in the same manner as provided in paragraph (b).

197.1 Sec. 12. Minnesota Statutes 2022, section 84.821, subdivision 2, is amended to read:

197.2 Subd. 2. **Area for registration number.** All snowmobiles made after June 30, 1972,
197.3 and sold in Minnesota, shall be designed and made to provide an area on which to affix the
197.4 registration number decal. ~~This area shall be at a location and of dimensions prescribed by~~
197.5 ~~rule of the commissioner.~~ A clear area must be provided on each side of the cowling with
197.6 a minimum size of 3-1/2 square inches and at least 12 inches from the ground when the
197.7 machine is resting on a hard surface.

197.8 Sec. 13. Minnesota Statutes 2022, section 84.84, is amended to read:

197.9 **84.84 TRANSFER OR TERMINATION OF SNOWMOBILE OWNERSHIP.**

197.10 (a) Within 15 days after the transfer of ownership, or any part thereof, other than a
197.11 security interest, or the destruction or abandonment of any snowmobile, written notice of
197.12 the transfer or destruction or abandonment shall be given to the commissioner in such form
197.13 as the commissioner shall prescribe.

197.14 (b) An application for transfer must be executed by the ~~registered~~ current owner and the
197.15 purchaser using a bill of sale that includes the vehicle serial number.

197.16 (c) The purchaser is subject to the penalties imposed by section 84.88 if the purchaser
197.17 fails to apply for transfer of ownership as provided under this subdivision. Every owner or
197.18 part owner of a snowmobile shall, upon failure to give notice of destruction or abandonment,
197.19 be subject to the penalties imposed by section 84.88.

197.20 Sec. 14. Minnesota Statutes 2022, section 84.86, subdivision 1, is amended to read:

197.21 Subdivision 1. **Required rules, fees, and reports.** (a) With a view of achieving maximum
197.22 use of snowmobiles consistent with protection of the environment the commissioner of
197.23 natural resources shall adopt rules in the manner provided by chapter 14, for the following
197.24 purposes:

197.25 (1) registration of snowmobiles ~~and display of registration numbers;~~

197.26 (2) use of snowmobiles insofar as game and fish resources are affected;

197.27 (3) use of snowmobiles on public lands and waters, or on grant-in-aid trails;

197.28 (4) uniform signs to be used by the state, counties, and cities, which are necessary or
197.29 desirable to control, direct, or regulate the operation and use of snowmobiles;

197.30 (5) specifications relating to snowmobile mufflers; and

198.1 (6) a comprehensive snowmobile information and safety education and training program;
198.2 ~~including that includes~~ but is not limited to ~~the preparation and dissemination of preparing~~
198.3 ~~and disseminating~~ snowmobile information and safety advice to the public, ~~the training of~~
198.4 snowmobile operators, and ~~the issuance of~~ issuing snowmobile safety certificates to
198.5 snowmobile operators who successfully complete the snowmobile safety education and
198.6 training course.

198.7 (b) For the purpose of administering ~~such~~ the program under paragraph (a), clause (6),
198.8 and to defray expenses of training and certifying snowmobile operators, the commissioner
198.9 shall collect a fee from each person who receives the youth or adult training. The
198.10 commissioner shall collect a fee, to include a \$1 issuing fee for licensing agents, for issuing
198.11 a duplicate snowmobile safety certificate. The commissioner shall establish both fees in a
198.12 manner that neither significantly overrecovers nor underrecovers costs, including overhead
198.13 costs, involved in providing the services. The fees are not subject to the rulemaking provisions
198.14 of chapter 14, and section 14.386 does not apply. The fees may be established by the
198.15 commissioner notwithstanding section 16A.1283. The fees, except for the issuing fee for
198.16 licensing agents under this subdivision, shall be deposited in the snowmobile trails and
198.17 enforcement account in the natural resources fund and the amount thereof, except for the
198.18 electronic licensing system commission established by the commissioner under section
198.19 84.027, subdivision 15, and issuing fees collected by the commissioner, is appropriated
198.20 annually to the Enforcement Division of the Department of Natural Resources for ~~the~~
198.21 ~~administration of such~~ administering the programs. In addition to the fee established by the
198.22 commissioner, instructors may charge each person any fee paid by the instructor for the
198.23 person's online training course and up to the established fee amount for class materials and
198.24 expenses. The commissioner shall cooperate with private organizations and associations,
198.25 private and public corporations, and local governmental units in furtherance of the program
198.26 established under ~~this~~ paragraph (a), clause (6). School districts may cooperate with the
198.27 commissioner and volunteer instructors to provide space for the classroom portion of the
198.28 training. The commissioner shall consult with the commissioner of public safety in regard
198.29 to training program subject matter and performance testing that leads to the certification of
198.30 snowmobile operators.

198.31 ~~(7)~~ (c) The operator of any snowmobile involved in an accident resulting in injury
198.32 requiring medical attention or hospitalization to or death of any person or total damage to
198.33 an extent of \$500 or more, shall forward a written report of the accident to the commissioner
198.34 on ~~such~~ a form as prescribed by the commissioner shall prescribe. If the operator is killed

199.1 or is unable to file a report due to incapacitation, any peace officer investigating the accident
199.2 shall file the accident report within ten business days.

199.3 Sec. 15. Minnesota Statutes 2022, section 84.87, subdivision 1, is amended to read:

199.4 Subdivision 1. **Operation on streets and highways.** (a) No person shall operate a
199.5 snowmobile upon the roadway, shoulder, or inside bank or slope of any trunk, county
199.6 state-aid, or county highway in this state and, in the case of a divided trunk or county
199.7 highway, on the right-of-way between the opposing lanes of traffic, except as provided in
199.8 sections 84.81 to 84.90. No person shall operate a snowmobile within the right-of-way of
199.9 any trunk, county state-aid, or county highway between the hours of one-half hour after
199.10 sunset to one-half hour before sunrise, except on the right-hand side of such right-of-way
199.11 and in the same direction as the highway traffic on the nearest lane of the roadway adjacent
199.12 thereto. No snowmobile shall be operated at any time within the right-of-way of any interstate
199.13 highway or freeway within this state.

199.14 (b) Notwithstanding any provision of paragraph (a) to the contrary:

199.15 (1) under conditions prescribed by the commissioner of transportation, the commissioner
199.16 of transportation may allow two-way operation of snowmobiles on either side of the trunk
199.17 highway right-of-way where the commissioner of transportation determines that two-way
199.18 operation will not endanger users of the trunk highway or riders of the snowmobiles using
199.19 the trail;

199.20 (2) under conditions prescribed by a local road authority as defined in section 160.02,
199.21 subdivision 25, the road authority may allow two-way operation of snowmobiles on either
199.22 side of the right-of-way of a street or highway under the road authority's jurisdiction, where
199.23 the road authority determines that two-way operation will not endanger users of the street
199.24 or highway or riders of the snowmobiles using the trail;

199.25 (3) the commissioner of transportation under clause (1) and the local road authority
199.26 under clause (2) shall notify the commissioner of natural resources and the local law
199.27 enforcement agencies responsible for the streets or highways of the locations of two-way
199.28 snowmobile trails authorized under this paragraph; and

199.29 (4) two-way snowmobile trails authorized under this paragraph shall be posted for
199.30 two-way operation at the authorized locations.

199.31 (c) A snowmobile may make a direct crossing of a street or highway at any hour of the
199.32 day provided:

200.1 (1) the crossing is made at an angle of approximately 90 degrees to the direction of the
200.2 highway and at a place where no obstruction prevents a quick and safe crossing;

200.3 (2) the snowmobile is brought to a complete stop before crossing the shoulder or main
200.4 traveled way of the highway;

200.5 (3) the driver yields the right-of-way to all oncoming traffic which constitutes an
200.6 immediate hazard;

200.7 (4) in crossing a divided highway, the crossing is made only at an intersection of such
200.8 highway with another public street or highway or at a safe location approved by the road
200.9 authority;

200.10 (5) if the crossing is made between the hours of one-half hour after sunset to one-half
200.11 hour before sunrise or in conditions of reduced visibility, only if both front and rear lights
200.12 are on; and

200.13 (6) a snowmobile may be operated upon a bridge, other than a bridge that is part of the
200.14 main traveled lanes of an interstate highway, when required for the purpose of avoiding
200.15 obstructions to travel when no other method of avoidance is possible; provided the
200.16 snowmobile is operated in the extreme right-hand lane, the entrance to the roadway is made
200.17 within 100 feet of the bridge and the crossing is made without undue delay.

200.18 (d) No snowmobile shall be operated upon a public street or highway unless it is equipped
200.19 with at least one headlamp, one tail lamp, each of minimum candlepower as prescribed by
200.20 rules of the commissioner, reflector material of a minimum area of 16 square inches mounted
200.21 on each side forward of the handle bars, and with brakes each of which shall conform to
200.22 standards prescribed by rule of the commissioner pursuant to the authority vested in the
200.23 commissioner by section 84.86, and each of which shall be subject to approval of the
200.24 commissioner of public safety.

200.25 (e) A snowmobile may be operated upon a public street or highway other than as provided
200.26 by paragraph (c) in an emergency during the period of time when and at locations where
200.27 snow upon the roadway renders travel by automobile impractical.

200.28 (f) All provisions of chapters 169 and 169A shall apply to the operation of snowmobiles
200.29 upon streets and highways, except for those relating to required equipment, and except those
200.30 which by their nature have no application. Section 169.09 applies to the operation of
200.31 snowmobiles anywhere in the state or on the ice of any boundary water of the state.

200.32 (g) Any sled, trailer, or other device being towed by a snowmobile must be equipped
200.33 with reflective materials as required by rule of the commissioner.

201.1 Sec. 16. Minnesota Statutes 2022, section 84.90, subdivision 7, is amended to read:

201.2 Subd. 7. **Penalty.** (a) A person violating the provisions of this section is guilty of a
201.3 misdemeanor.

201.4 (b) Notwithstanding section 609.101, subdivision 4, clause (2), the minimum fine for a
201.5 person who operates an off-highway motorcycle, off-road vehicle, all-terrain vehicle, or
201.6 snowmobile in violation of this section must not be less than the amount set forth in section
201.7 84.775.

201.8 Sec. 17. **[84.9735] INSECTICIDES ON STATE LANDS.**

201.9 A person may not use a pesticide containing an insecticide in a wildlife management
201.10 area, state park, state forest, aquatic management area, or scientific and natural area if the
201.11 insecticide is from the neonicotinoid class of insecticides or contains chlorpyrifos.

201.12 Sec. 18. Minnesota Statutes 2022, section 84.992, subdivision 2, is amended to read:

201.13 Subd. 2. **Program.** The commissioner of natural resources shall develop and implement
201.14 a program for the Minnesota Naturalist Corps that supports state parks and trails in providing
201.15 interpretation of the natural and cultural features of state parks and trails in order to enhance
201.16 visitors' awareness, understanding, and appreciation of those features and encourages the
201.17 wise and sustainable use of the environment.

201.18 Sec. 19. Minnesota Statutes 2022, section 84.992, subdivision 5, is amended to read:

201.19 Subd. 5. **Eligibility.** A person is eligible to enroll in the Minnesota Naturalist Corps if
201.20 the person:

201.21 ~~(1) is a permanent resident of the state;~~

201.22 ~~(2) is a participant in an approved college internship program in a field related to natural~~
201.23 ~~resources, cultural history, interpretation, or conservation; and~~

201.24 ~~(3) has completed at least one year of postsecondary education.~~

201.25 Sec. 20. Minnesota Statutes 2022, section 84D.02, subdivision 3, is amended to read:

201.26 Subd. 3. **Management plan.** By December 31, 2023, and every five years thereafter,
201.27 the commissioner shall prepare ~~and maintain~~ a long-term plan, which may include specific
201.28 plans for individual species and actions, for the statewide management of invasive species
201.29 of aquatic plants and wild animals. The plan must address:

- 202.1 (1) coordinated detection and prevention of accidental introductions;
- 202.2 (2) coordinated dissemination of information about invasive species of aquatic plants
202.3 and wild animals among resource management agencies and organizations;
- 202.4 (3) a coordinated public education and awareness campaign;
- 202.5 (4) coordinated control of selected invasive species of aquatic plants and wild animals
202.6 on lands and public waters;
- 202.7 (5) participation by lake associations, local citizen groups, and local units of government
202.8 in the development and implementation of local management efforts;
- 202.9 (6) a reasonable and workable inspection requirement for watercraft and equipment
202.10 including those participating in organized events on the waters of the state;
- 202.11 (7) the closing of points of access to infested waters, if the commissioner determines it
202.12 is necessary, for a total of not more than seven days during the open water season for control
202.13 or eradication purposes;
- 202.14 (8) maintaining public accesses on infested waters to be reasonably free of aquatic
202.15 macrophytes; ~~and~~
- 202.16 (9) notice to travelers of the penalties for violation of laws relating to invasive species
202.17 of aquatic plants and wild animals; and
- 202.18 (10) the impacts of climate change on invasive species management.

202.19 Sec. 21. Minnesota Statutes 2022, section 84D.10, subdivision 3, is amended to read:

202.20 Subd. 3. **Removal and confinement.** (a) A conservation officer or other licensed peace
202.21 officer may order:

202.22 (1) the removal of aquatic macrophytes or prohibited invasive species from water-related
202.23 equipment, including decontamination using hot water or high pressure equipment ~~when~~
202.24 ~~available on site~~, before the water-related equipment is transported or before it is placed
202.25 into waters of the state;

202.26 (2) confinement of the water-related equipment at a mooring, dock, or other location
202.27 until the water-related equipment is removed from the water;

202.28 (3) removal of water-related equipment from waters of the state to remove prohibited
202.29 invasive species if the water has not been listed by the commissioner as being infested with
202.30 that species;

203.1 (4) a prohibition on placing water-related equipment into waters of the state when the
203.2 water-related equipment has aquatic macrophytes or prohibited invasive species attached
203.3 in violation of subdivision 1 or when water has not been drained or the drain plug has not
203.4 been removed in violation of subdivision 4; and

203.5 (5) decontamination of water-related equipment ~~when available on site.~~

203.6 (b) An order for removal of prohibited invasive species under paragraph (a), clause (1),
203.7 or decontamination of water-related equipment under paragraph (a), clause (5), may include
203.8 tagging the water-related equipment and issuing a notice that specifies a time frame for
203.9 completing the removal or decontamination and reinspection of the water-related equipment.

203.10 (c) An inspector who is not a licensed peace officer may issue orders under paragraph
203.11 (a), clauses (1), (3), (4), and (5).

203.12 Sec. 22. Minnesota Statutes 2022, section 84D.15, subdivision 2, is amended to read:

203.13 Subd. 2. **Receipts.** Money received from surcharges on watercraft licenses under section
203.14 86B.415, subdivision 7, civil penalties under section 84D.13, and service provider permits
203.15 under section 84D.108, must be deposited in the invasive species account. Each year, the
203.16 commissioner of management and budget must transfer from the game and fish fund to the
203.17 invasive species account, the annual surcharge collected on nonresident fishing licenses
203.18 under section 97A.475, subdivision 7, paragraph (b). ~~Each fiscal year, the commissioner of~~
203.19 ~~management and budget shall transfer \$375,000 from the water recreation account under~~
203.20 ~~section 86B.706 to the invasive species account.~~

203.21 Sec. 23. Minnesota Statutes 2022, section 85.015, subdivision 10, is amended to read:

203.22 Subd. 10. **Luce Line Trail, Hennepin, McLeod, and Meeker Counties.** (a) The trail
203.23 shall originate at Gleason Lake in Plymouth Village, Hennepin County, ~~and shall follow~~
203.24 ~~the route of the Chicago Northwestern Railroad, and include a connection to Greenleaf Lake~~
203.25 State Recreation Area.

203.26 (b) The trail shall be developed for multiuse wherever feasible. The department shall
203.27 cooperate in maintaining its integrity for modes of use consistent with local ordinances.

203.28 (c) In establishing, developing, maintaining, and operating the trail, the commissioner
203.29 shall cooperate with local units of government and private individuals and groups. Before
203.30 acquiring any parcel of land for the trail, the commissioner of natural resources shall develop
203.31 a management program for the parcel and conduct a public hearing on the proposed

204.1 management program in the vicinity of the parcel to be acquired. The management program
204.2 of the commissioner shall include but not be limited to the following:

204.3 (1) fencing of portions of the trail where necessary to protect adjoining landowners; and

204.4 (2) ~~the maintenance of~~ maintaining the trail in a ~~litter free~~ litter-free condition to the
204.5 extent practicable.

204.6 (d) The commissioner shall not acquire any of the right-of-way of the Chicago
204.7 Northwestern Railway Company until the abandonment of the line described in this
204.8 subdivision has been approved by the Surface Transportation Board or the former Interstate
204.9 Commerce Commission. Compensation, in addition to the value of the land, shall include
204.10 improvements made by the railroad, including but not limited to, bridges, trestles, public
204.11 road crossings, or any portion thereof, it being the desire of the railroad that such
204.12 improvements be included in the conveyance. The fair market value of the land and
204.13 improvements shall be recommended by two independent appraisers mutually agreed upon
204.14 by the parties. The fair market value thus recommended shall be reviewed by a review
204.15 appraiser agreed to by the parties, and the fair market value thus determined, and supported
204.16 by appraisals, may be the purchase price. The commissioner may exchange lands with
204.17 landowners abutting the right-of-way described in this section to eliminate diagonally shaped
204.18 separate fields.

204.19 Sec. 24. Minnesota Statutes 2022, section 85.052, subdivision 6, is amended to read:

204.20 Subd. 6. **State park reservation system.** (a) The commissioner may, by written order,
204.21 develop reasonable reservation policies for ~~campsites and other~~ using camping, lodging,
204.22 and day-use facilities and for tours, educational programs, seminars, events, and rentals.
204.23 The policies are exempt from the rulemaking provisions under chapter 14, and section
204.24 14.386 does not apply.

204.25 (b) The revenue collected from the state park reservation fee established under subdivision
204.26 5, including interest earned, ~~shall~~ must be deposited in the state park account in the natural
204.27 resources fund and is annually appropriated to the commissioner for the cost of operating
204.28 the state park reservation and point-of-sale system.

204.29 Sec. 25. Minnesota Statutes 2022, section 85.055, subdivision 1, is amended to read:

204.30 Subdivision 1. **Fees.** (a) The fee for state park permits for:

204.31 (1) an annual use of state parks is ~~\$35~~ \$45;

204.32 (2) a second or subsequent vehicle state park permit is ~~\$26~~ \$35;

- 205.1 (3) a state park permit valid for one day is ~~\$7~~ \$10;
- 205.2 (4) a daily vehicle state park permit for groups is ~~\$5~~ \$8;
- 205.3 (5) an annual permit for motorcycles is ~~\$30~~ \$40;
- 205.4 (6) an employee's state park permit is without charge; and
- 205.5 (7) a state park permit for persons with disabilities under section 85.053, subdivision 7,
- 205.6 paragraph (a), clauses (1) to (3), is ~~\$12~~ \$20.

205.7 (b) The fees specified in this subdivision include any sales tax required by state law.

205.8 Sec. 26. Minnesota Statutes 2022, section 86B.005, is amended by adding a subdivision

205.9 to read:

205.10 Subd. 11a. **Other commercial operation.** "Other commercial operation" means use of

205.11 a watercraft for work, rather than recreation, to transport equipment, goods, and materials

205.12 on public waters.

205.13 Sec. 27. **[86B.30] DEFINITIONS.**

205.14 Subdivision 1. **Applicability.** The definitions in this section apply to sections 86B.30

205.15 to 86B.341.

205.16 Subd. 2. **Accompanying operator.** "Accompanying operator" means a person 21 years

205.17 of age or older who:

- 205.18 (1) is in a personal watercraft or other type of motorboat;
- 205.19 (2) is within immediate reach of the controls of the motor; and
- 205.20 (3) possesses a valid operator's permit or is an exempt operator.

205.21 Subd. 3. **Adult operator.** "Adult operator" means a motorboat operator, including a

205.22 personal watercraft operator, who is 12 years of age or older and who was:

- 205.23 (1) effective July 1, 2025, born on or after July 1, 2004;
- 205.24 (2) effective July 1, 2026, born on or after July 1, 2000;
- 205.25 (3) effective July 1, 2027, born on or after July 1, 1996; and
- 205.26 (4) effective July 1, 2028, born on or after July 1, 1987.

205.27 Subd. 4. **Exempt operator.** "Exempt operator" means a motorboat operator, including

205.28 a personal watercraft operator, who is 12 years of age or older and who:

206.1 (1) possesses a valid license to operate a motorboat issued for maritime personnel by
206.2 the United States Coast Guard under Code of Federal Regulations, title 46, part 10, or a
206.3 marine certificate issued by the Canadian government;

206.4 (2) is not a resident of the state, is temporarily using the waters of the state for a period
206.5 not to exceed 60 days, and:

206.6 (i) meets any applicable requirements of the state or country of residency; or

206.7 (ii) possesses a Canadian pleasure craft operator's card;

206.8 (3) is operating a motorboat under a dealer's license according to section 86B.405; or

206.9 (4) is operating a motorboat during an emergency.

206.10 Subd. 5. **Motorboat rental business.** "Motorboat rental business" means a person
206.11 engaged in the business of renting or leasing motorboats, including personal watercraft, for
206.12 a period not exceeding 30 days. Motorboat rental business includes a person's agents and
206.13 employees but does not include a resort business.

206.14 Subd. 6. **Resort business.** "Resort business" means a person engaged in the business of
206.15 providing lodging and recreational services to transient guests and classified as a resort
206.16 under section 273.13, subdivision 22 or 25. A resort business includes a person's agents and
206.17 employees.

206.18 Subd. 7. **Young operator.** "Young operator" means a motorboat operator, including a
206.19 personal watercraft operator, younger than 12 years of age.

206.20 **EFFECTIVE DATE.** This section is effective July 1, 2025.

206.21 Sec. 28. **[86B.302] WATERCRAFT OPERATOR'S PERMIT.**

206.22 Subdivision 1. **Generally.** The commissioner must issue a watercraft operator's permit
206.23 to a person 12 years of age or older who successfully completes a water safety course and
206.24 written test according to section 86B.304, paragraph (a), or who provides proof of completing
206.25 a program subject to a reciprocity agreement or certified by the commissioner as substantially
206.26 similar.

206.27 Subd. 2. **Issuing permit to certain young operators.** The commissioner may issue a
206.28 permit under this section to a person who is at least 11 years of age, but the permit is not
206.29 valid until the person becomes an adult operator.

206.30 Subd. 3. **Personal possession required.** (a) A person who is required to have a watercraft
206.31 operator's permit must have in personal possession:

207.1 (1) a valid watercraft operator's permit;

207.2 (2) a driver's license that has a valid watercraft operator's permit indicator issued under
207.3 section 171.07, subdivision 20; or

207.4 (3) an identification card that has a valid watercraft operator's permit indicator issued
207.5 under section 171.07, subdivision 20.

207.6 (b) A person who is required to have a watercraft operator's permit must display one of
207.7 the documents described in paragraph (a) to a conservation officer or peace officer upon
207.8 request.

207.9 Subd. 4. Using electronic device to display proof of permit. If a person uses an
207.10 electronic device to display a document described in subdivision 3 to a conservation officer
207.11 or peace officer:

207.12 (1) the officer is immune from liability for any damage to the device, unless the officer
207.13 does not exercise due care in handling the device; and

207.14 (2) this does not constitute consent for the officer to access other contents on the device.

207.15 **EFFECTIVE DATE.** This section is effective July 1, 2025.

207.16 Sec. 29. **[86B.303] OPERATING PERSONAL WATERCRAFT AND OTHER**
207.17 **MOTORBOATS.**

207.18 Subdivision 1. **Adult operators.** An adult operator may not operate a motorboat,
207.19 including a personal watercraft, unless:

207.20 (1) the adult operator possesses a valid watercraft operator's permit;

207.21 (2) the adult operator is an exempt operator; or

207.22 (3) an accompanying operator is in the motorboat.

207.23 Subd. 2. **Young operators.** A young operator may not operate a motorboat, including
207.24 a personal watercraft, unless there is an accompanying operator in the boat or in case of an
207.25 emergency.

207.26 Subd. 3. **Accompanying operators.** For purposes of this section and section 169A.20,
207.27 an accompanying operator, as well as the actual operator, is operating and is in physical
207.28 control of a motorboat.

207.29 Subd. 4. **Owners may not allow unlawful use.** An owner or other person in lawful
207.30 control of a motorboat may not allow the motorboat to be operated contrary to this section.

208.1 **EFFECTIVE DATE.** This section is effective July 1, 2025.

208.2 Sec. 30. **[86B.304] WATERCRAFT SAFETY PROGRAM.**

208.3 (a) The commissioner must establish a water safety course and testing program for
208.4 personal watercraft and watercraft operators and must prescribe a written test as part of the
208.5 course. The course must be approved by the National Association of State Boating Law
208.6 Administrators and must be available online. The commissioner may allow designated water
208.7 safety courses administered by third parties to meet the requirements of this paragraph and
208.8 may enter into reciprocity agreements or otherwise certify boat safety education programs
208.9 from other states that are substantially similar to in-state programs. The commissioner must
208.10 establish a working group of interested parties to develop course content and implementation.
208.11 The course must include content on best management practices for mitigating aquatic
208.12 invasive species, reducing conflicts among user groups, and limiting the ecological impacts
208.13 of watercraft.

208.14 (b) The commissioner must create or designate a short boater safety examination to be
208.15 administered by motorboat rental businesses, as required by section 86B.306, subdivision
208.16 3. The examination developed under this paragraph must be one that can be administered
208.17 electronically or on paper, at the option of the motorboat rental business administering the
208.18 examination.

208.19 **EFFECTIVE DATE.** This section is effective July 1, 2025.

208.20 Sec. 31. **[86B.306] MOTORBOAT RENTAL BUSINESSES.**

208.21 Subdivision 1. **Requirements.** A motorboat rental business must not rent or lease a
208.22 motorboat, including a personal watercraft, to any person for operation on waters of this
208.23 state unless the renter or lessee:

208.24 (1) has a valid watercraft operator's permit or is an exempt operator; and

208.25 (2) is 18 years of age or older.

208.26 Subd. 2. **Authorized operators.** A motorboat rental business must list on each motorboat
208.27 rental or lease agreement the name and age of each operator who is authorized to operate
208.28 the motorboat or personal watercraft. The renter or lessee of the motorboat must ensure that
208.29 only listed authorized operators operate the motorboat or personal watercraft.

208.30 Subd. 3. **Summary of boating regulations; examination.** (a) A motorboat rental
208.31 business must provide each authorized operator a summary of the statutes and rules governing

209.1 operation of motorboats and personal watercraft in the state and instructions for safe
209.2 operation.

209.3 (b) Each authorized operator, other than those holding a valid watercraft operator's permit
209.4 or an exempt operator, must review the summary provided under this subdivision and must
209.5 take a short boater safety examination in a form approved by the commissioner before the
209.6 motorboat or personal watercraft leaves the motorboat rental business premises, unless the
209.7 authorized operator has taken the examination during the previous 180 days.

209.8 Subd. 4. **Safety equipment for personal watercraft.** A motorboat rental business must
209.9 provide to all persons who rent a personal watercraft, at no additional cost, a United States
209.10 Coast Guard (USCG) approved wearable personal flotation device with a USCG label
209.11 indicating it either is approved for or does not prohibit use with personal watercraft or
209.12 water-skiing and any other required safety equipment.

209.13 **EFFECTIVE DATE.** This section is effective July 1, 2025.

209.14 Sec. 32. Minnesota Statutes 2022, section 86B.313, subdivision 4, is amended to read:

209.15 Subd. 4. ~~Dealers and rental operations.~~ (a) A dealer of personal watercraft shall
209.16 distribute a summary of the laws and rules governing the operation of personal watercraft
209.17 and, upon request, shall provide instruction to a purchaser regarding:

209.18 (1) the laws and rules governing personal watercraft; and

209.19 (2) the safe operation of personal watercraft.

209.20 (b) ~~A person who offers personal watercraft for rent:~~

209.21 ~~(1) shall provide a summary of the laws and rules governing the operation of personal~~
209.22 ~~watercraft and provide instruction regarding the laws and rules and the safe operation of~~
209.23 ~~personal watercraft to each person renting a personal watercraft;~~

209.24 ~~(2) shall provide a United States Coast Guard (USCG) approved wearable personal~~
209.25 ~~flotation device with a USCG label indicating it either is approved for or does not prohibit~~
209.26 ~~use with personal watercraft or water-skiing and any other required safety equipment to all~~
209.27 ~~persons who rent a personal watercraft at no additional cost; and~~

209.28 ~~(3) shall require that a watercraft operator's permit from this state or from the operator's~~
209.29 ~~state of residence be shown each time a personal watercraft is rented to any person younger~~
209.30 ~~than age 18 and shall record the permit on the form provided by the commissioner.~~

209.31 (e) Each dealer of personal watercraft ~~or person offering personal watercraft for rent~~
209.32 shall have the person who purchases ~~or rents~~ a personal watercraft sign a form provided by

210.1 the commissioner acknowledging that the purchaser ~~or renter~~ has been provided a copy of
210.2 the laws and rules regarding personal watercraft operation and has read them. The form
210.3 must be retained by the dealer ~~or person offering personal watercraft for rent~~ for a period
210.4 ~~of~~ six months following the date of signature and must be made available for inspection by
210.5 sheriff's deputies or conservation officers during normal business hours.

210.6 **EFFECTIVE DATE.** This section is effective July 1, 2025.

210.7 Sec. 33. Minnesota Statutes 2022, section 86B.415, subdivision 1, is amended to read:

210.8 Subdivision 1. **Watercraft 19 feet or less.** (a) Except as provided in paragraph (b) and
210.9 subdivision 1a, the fee for a watercraft license for watercraft 19 feet or less in length is ~~\$27~~
210.10 \$59.

210.11 (b) The watercraft license fee is:

210.12 (1) for watercraft, other than personal watercraft, 19 feet in length or less that is offered
210.13 for rent or lease, ~~the fee is \$9~~ \$14;

210.14 (2) for a sailboat, 19 feet in length or less, ~~the fee is \$10.50~~ \$23;

210.15 (3) for a watercraft 19 feet in length or less used by a nonprofit corporation for teaching
210.16 boat and water safety, ~~the fee is~~ as provided in subdivision 4;

210.17 (4) for a watercraft owned by a dealer under a dealer's license, ~~the fee is~~ as provided in
210.18 subdivision 5;

210.19 (5) for a personal watercraft, ~~the fee is \$37.50~~ including one offered for rent or lease,
210.20 \$85; and

210.21 (6) for a watercraft less than 17 feet in length, other than a watercraft listed in clauses
210.22 (1) to (5), ~~the fee is \$18~~ \$36.

210.23 Sec. 34. Minnesota Statutes 2022, section 86B.415, subdivision 1a, is amended to read:

210.24 Subd. 1a. **Canoes, kayaks, sailboards, paddleboards, paddleboats, or rowing**
210.25 **shells.** The fee for a watercraft license for a canoe, kayak, sailboard, paddleboard, paddleboat,
210.26 or rowing shell over ten feet in length is ~~\$10.50~~ \$23.

210.27 Sec. 35. Minnesota Statutes 2022, section 86B.415, subdivision 2, is amended to read:

210.28 Subd. 2. **Watercraft over 19 feet.** Except as provided in subdivisions 1a, 3, 4, and 5,
210.29 the watercraft license fee:

210.30 (1) for a watercraft more than 19 feet but less than 26 feet in length is ~~\$45~~ \$113;

211.1 (2) for a watercraft 26 feet but less than 40 feet in length is ~~\$67.50~~ \$164; and

211.2 (3) for a watercraft 40 feet in length or longer is ~~\$90~~ \$209.

211.3 Sec. 36. Minnesota Statutes 2022, section 86B.415, subdivision 3, is amended to read:

211.4 Subd. 3. **Watercraft over 19 feet for hire commercial use.** The license fee for a
211.5 watercraft ~~more than 19 feet in length for hire with an operator~~ used primarily for charter
211.6 fishing, commercial fishing, commercial passenger carrying, or other commercial operation
211.7 is ~~\$75~~ \$164 each.

211.8 Sec. 37. Minnesota Statutes 2022, section 86B.415, subdivision 4, is amended to read:

211.9 Subd. 4. **Watercraft used by nonprofit corporation for teaching.** The watercraft
211.10 license fee for a watercraft used by a nonprofit organization for teaching boat and water
211.11 safety is ~~\$4.50~~ \$8 each.

211.12 Sec. 38. Minnesota Statutes 2022, section 86B.415, subdivision 5, is amended to read:

211.13 Subd. 5. **Dealer's license.** There is no separate fee for watercraft owned by a dealer
211.14 under a dealer's license. The fee for a dealer's license is ~~\$67.50~~ \$142.

211.15 Sec. 39. Minnesota Statutes 2022, section 86B.415, subdivision 7, is amended to read:

211.16 Subd. 7. **Watercraft surcharge.** A ~~\$10.60~~ \$20 surcharge is placed on each watercraft
211.17 licensed under subdivisions 1 to 5 for control, public awareness, law enforcement, monitoring,
211.18 and research of aquatic invasive species such as zebra mussel, purple loosestrife, and Eurasian
211.19 watermilfoil in public waters and public wetlands.

211.20 Sec. 40. **[88.83] EMERALD ASH BORER RESPONSE.**

211.21 Subdivision 1. Purpose. The legislature finds that an epidemic of an invasive plant pest,
211.22 the emerald ash borer, is occurring in Minnesota, threatening the natural environment, and
211.23 generating large volumes of wood waste from ash trees. Immediate action is therefore
211.24 necessary to provide funding to assist local units of government with treating, removing,
211.25 and replacing ash trees in response to emerald ash borer infestations and managing the
211.26 resulting wood waste and to preserve existing biomass energy infrastructure that is critical
211.27 to support local and regional emerald ash borer response programs.

211.28 Subd. 2. **Establishment.** The commissioner must establish a program to:

212.1 (1) provide state matching grants to assist communities with treating, removing, and
212.2 replacing ash trees in response to the emerald ash borer epidemic and managing wood waste,
212.3 including the remains of ash trees removed in response to the epidemic; and

212.4 (2) identify and designate existing biomass energy facilities that are critical infrastructure
212.5 for local and regional emerald ash borer response programs.

212.6 Subd. 3. **Eligible applicants.** The commissioner may award grants under this section
212.7 to:

212.8 (1) local units of government, including cities, counties, regional authorities, joint powers
212.9 boards, towns, and parks and recreation boards in cities of the first class that are responding
212.10 or actively preparing to respond to an emerald ash borer infestation; and

212.11 (2) a Minnesota nonprofit corporation that owns a cogeneration facility that serves a St.
212.12 Paul district heating and cooling system.

212.13 Subd. 4. **Eligible expenditures.** Local units of government are eligible for matching
212.14 grants of up to 50 percent of costs incurred to properly manage, transport, process, and
212.15 dispose of wood waste containing ash tree material, including reuse and higher-value
212.16 applications, wood waste storage yards, and costs associated with processing wood waste
212.17 into usable biomass fuel and transporting it to designated biomass energy facilities. A
212.18 Minnesota nonprofit corporation that owns a biomass-fueled combined heat and power plant
212.19 servicing a district heating system is eligible for grants of up to \$20 per ton of processed
212.20 biomass fuel containing wood waste from ash trees processed in response to the emerald
212.21 ash borer epidemic. The commissioner may require the nonprofit corporation to charge a
212.22 fee per ton of ash tree wood waste delivered to the facility.

212.23 Subd. 5. **Reporting.** A nonprofit corporation receiving a grant under this section must
212.24 compile a quarterly report on the volume of wood waste utilized as fuel at the facility using
212.25 the same method used to compile the annual utilization of wood fuel for the Pollution Control
212.26 Agency's annual emission inventory report required under Minnesota Rules, part 7019.3000,
212.27 and must submit the information to the commissioner every three months beginning 120
212.28 days after the nonprofit corporation is eligible to receive grants.

212.29 Sec. 41. **[88.85] LOWLAND CONIFER CARBON RESERVE.**

212.30 Subdivision 1. **Definition.** For the purposes of this section, "lowland conifer stands"
212.31 means treed wetlands that occur on mucky mineral or wet organic soils. Lowland conifer
212.32 stands include black spruce, tamarack, and white cedar cover types, including stagnant
212.33 stands. These cover types include three wetland forest systems:

213.1 (1) wet forest system;

213.2 (2) rich forested peatland system; and

213.3 (3) acid peatland system.

213.4 Subd. 2. **Establishment.** (a) The Lowland Conifer Carbon Reserve is established to
213.5 mitigate climate change and protect ecologically unique areas. It includes all stands in the
213.6 state forest system identified as lowland conifer stands under this section and includes the
213.7 distribution of underlying peatlands associated with or adjoining each stand.

213.8 (b) By January 1, 2024, the commissioner must designate and list the areas included in
213.9 the Lowland Conifer Carbon Reserve and submit a report with the designated list to the
213.10 chairs and ranking minority members of the legislative committees and divisions with
213.11 jurisdiction over environment and natural resources.

213.12 (c) By July 1, 2024, the commissioner must prepare maps locating the areas identified
213.13 under paragraph (b); provide, to the extent possible, legal descriptions of each area; and
213.14 submit the maps and legal descriptions to the chairs and ranking minority members of the
213.15 legislative committees and divisions with jurisdiction over environment and natural resources.

213.16 Subd. 3. **Carbon sequestration; reports.** (a) By January 1, 2025, the commissioner
213.17 must prepare and submit a report to the chairs and ranking minority members of the
213.18 legislative committees and divisions with jurisdiction over environment and natural resources
213.19 with a list of all stands in the Lowland Conifer Carbon Reserve that are 90 years of age or
213.20 older and an estimate of the tons of carbon sequestered in the boles of the trees in these
213.21 stands. The commissioner must update and submit the report to the chairs and ranking
213.22 minority members every five years thereafter.

213.23 (b) By January 1, 2025, the commissioner must prepare and submit a report to the chairs
213.24 and ranking minority members of the legislative committees and divisions with jurisdiction
213.25 over environment and natural resources identifying any bogs and peatlands in the Lowland
213.26 Conifer Carbon Reserve and an estimate of the tons of carbon sequestered in the peat.

213.27 Subd. 4. **Productive stands; report.** By January 1, 2025, the commissioner must prepare
213.28 and submit a report to the chairs and ranking minority members of the legislative committees
213.29 and divisions with jurisdiction over environment and natural resources with a list and map
213.30 showing all productive stands in the Lowland Conifer Carbon Reserve and identify which
213.31 stands were harvested within the five years preceding establishment of the Lowland Conifer
213.32 Carbon Reserve. By January 15 each year thereafter, the commissioner must update the list
213.33 showing the most recent harvest year and species harvested and submit the list in a report

214.1 to the chairs and ranking minority members of the legislative committees and divisions with
214.2 jurisdiction over environment and natural resources finance and policy.

214.3 Subd. 5. **Timber harvesting restrictions.** (a) The commissioner may issue a timber
214.4 permit to harvest a stand in the Lowland Conifer Carbon Reserve only if:

214.5 (1) the stand is less than 90 years of age; and

214.6 (2) the stand is accessible to heavy logging equipment as determined by the commissioner.

214.7 (b) For stands accessible for only part of the year, trees may be harvested only during
214.8 the times the stand is accessible as determined by the commissioner.

214.9 Subd. 6. **Peat harvesting restrictions.** (a) A person may not harvest peat in the Lowland
214.10 Conifer Carbon Reserve.

214.11 (b) This subdivision does not apply to peat harvested under a permit issued before the
214.12 peat was included in the Lowland Conifer Carbon Reserve.

214.13 Subd. 7. **Management.** To the extent possible, the commissioner must passively manage
214.14 stands in the Lowland Conifer Carbon Reserve. Regeneration of harvested stands in the
214.15 Lowland Conifer Carbon Reserve must be done naturally.

214.16 Subd. 8. **Drained lands.** The commissioner must identify lands in the Lowland Conifer
214.17 Carbon Reserve that were drained for agricultural purposes but forfeited to the state for
214.18 nonpayment of taxes. The commissioner must make reasonable efforts to restore the lands
214.19 to their original hydrological condition, such as blocking or filling active drain pipes, tiles,
214.20 or ditches on the lands.

214.21 Subd. 9. **School trust lands.** The commissioner must compensate the permanent school
214.22 fund for school trust lands in the Lowland Conifer Carbon Reserve. To the extent funding
214.23 is available under section 16A.152, subdivision 2, and other sources, the commissioner must
214.24 extinguish the school trust interest of lands as provided under section 92.83. Payments for
214.25 school trust lands without commercial value must be compensated at an amount equal to
214.26 \$500 per acre. Payments for school trust lands with commercial value must be compensated
214.27 at a rate agreed to by the commissioner and the school trust lands director for each parcel,
214.28 with a parcel comprising a single stand or multiple adjoining stands.

214.29 Subd. 10. **Existing contracts and legislation.** Obligations, including permits, leases,
214.30 and legislative directives, that are in effect before designation of the Lowland Conifer Carbon
214.31 Reserve are not impacted by this section and continue until they expire or are removed.

214.32 Subd. 11. **Sunset.** This section expires December 31, 2099.

215.1 Sec. 42. Minnesota Statutes 2022, section 89A.03, subdivision 5, is amended to read:

215.2 Subd. 5. **Membership regulation.** Terms, compensation, nomination, appointment, and
215.3 removal of council members are governed by section 15.059, except that a council member
215.4 may be compensated at the rate of up to \$125 a day.

215.5 Sec. 43. Minnesota Statutes 2022, section 90.181, subdivision 2, is amended to read:

215.6 Subd. 2. **Deferred payments.** (a) If the amount of the statement is not paid or the payment
215.7 is not postmarked within 30 days of the statement date ~~thereof, it shall bear,~~ the amount
215.8 bears interest at the rate determined pursuant to section 16A.124, except that the purchaser
215.9 ~~shall not be~~ is not required to pay interest that totals \$1 or less. If the amount is not paid
215.10 within 60 days, the commissioner shall place the account in the hands of the commissioner
215.11 of revenue according to chapter 16D, who shall proceed to collect the ~~same~~ amount due.
215.12 When deemed in the best interests of the state, the commissioner shall take possession of
215.13 the timber for which an amount is due wherever it may be found and sell the ~~same~~ timber
215.14 informally or at public auction after giving reasonable notice.

215.15 (b) The proceeds of the sale ~~shall~~ must be applied, first, to the payment of the expenses
215.16 of seizure and sale; and, second, to the payment of the amount due for the timber, with
215.17 interest; ~~and.~~ The surplus, if any, ~~shall belong~~ belongs to the state; ~~and.~~ In case a sufficient
215.18 amount is not realized to pay these amounts in full, the balance ~~shall~~ must be collected by
215.19 the attorney general. ~~Neither~~ Payment of the amount, ~~nor the~~ recovery of judgment ~~therefor~~
215.20 for the amount, nor satisfaction of the judgment, ~~nor the~~ or seizure and sale of timber, ~~shall~~
215.21 does not:

215.22 (1) release the sureties on any security deposit given pursuant to this chapter; ~~or;~~

215.23 (2) preclude the state from afterwards claiming that the timber was cut or removed
215.24 contrary to law and recovering damages for the trespass thereby committed; ~~or~~

215.25 (3) preclude the state from prosecuting the offender criminally.

215.26 Sec. 44. Minnesota Statutes 2022, section 97A.015, is amended by adding a subdivision
215.27 to read:

215.28 Subd. 32b. **Native swan.** "Native swan" means a trumpeter swan or a tundra swan but
215.29 does not include a mute swan.

216.1 Sec. 45. Minnesota Statutes 2022, section 97A.031, is amended to read:

216.2 **97A.031 WANTON WASTE.**

216.3 (a) Unless expressly allowed, a person may not wantonly waste or destroy a usable part
216.4 of a protected wild animal.

216.5 (b) This section does not apply to common carp.

216.6 Sec. 46. **97A.096] DESIGNATED SWAN PROTECTION AREAS.**

216.7 Subdivision 1. Swan protection areas. The commissioner of natural resources must
216.8 designate waters within the seven-county metropolitan area that provide critical habitat for
216.9 swan nesting, migration, and foraging as swan protection areas.

216.10 Subd. 2. Public notice and meeting. (a) Before the commissioner designates or removes
216.11 a designation of a swan protection area, the commissioner must receive public comment
216.12 and hold a public meeting in the county where the largest portion of the affected water is
216.13 located.

216.14 (b) At least 90 days before the public meeting, the commissioner must post notice of
216.15 the proposed designation or removal of a designation at publicly maintained access points
216.16 on the affected water.

216.17 (c) Before the public meeting, the commissioner must publish notice of the meeting in
216.18 a news release issued by the commissioner and in a newspaper of general circulation in the
216.19 area where the proposed swan protection area is located. The notice must be published at
216.20 least once 30 to 60 days before the meeting and at least once seven to 30 days before the
216.21 meeting.

216.22 (d) The notices required in this subdivision must summarize the proposed action, invite
216.23 public comment, and specify a deadline for receiving public comments. The commissioner
216.24 must send each required notice to persons who have registered their names with the
216.25 commissioner for this purpose. The commissioner must consider any public comments
216.26 received in making a final decision.

216.27 (e) Designating swan protection areas or removing designations according to this
216.28 subdivision is not subject to the rulemaking requirements of chapter 14, and section 14.386
216.29 does not apply.

216.30 Subd. 3. Using lead sinkers. A person may not use lead sinkers on a water designated
216.31 by the commissioner as a swan protection area under subdivision 1. The commissioner must
216.32 maintain a list of swan protection areas and information on the lead sinker restrictions on

217.1 the department's website and in any summary of fishing regulations required under section
217.2 97A.051.

217.3 Subd. 4. **Report.** By January 15, 2026, the commissioner of natural resources must
217.4 submit a report to the chairs and ranking minority members of the legislative committees
217.5 and divisions with jurisdiction over environment and natural resources on the implementation
217.6 of this section and any recommendations.

217.7 Subd. 5. **Sunset.** This section expires January 1, 2027.

217.8 Sec. 47. Minnesota Statutes 2022, section 97A.126, is amended to read:

217.9 **97A.126 WALK-IN ACCESS PROGRAM.**

217.10 Subdivision 1. **Establishment.** A walk-in access program is established to provide public
217.11 access to wildlife habitat on private land for hunting, bird-watching, nature photography,
217.12 and similar compatible uses, excluding trapping, as provided under this section. The
217.13 commissioner may enter into agreements with other units of government and landowners
217.14 to provide private land hunting access.

217.15 Subd. 2. **Use of enrolled lands.** (a) From September 1 to May 31, a person must have
217.16 a walk-in access ~~hunter~~ validation in possession to hunt, photograph, and watch wildlife on
217.17 private lands, including agricultural lands, that are posted as being enrolled in the walk-in
217.18 access program.

217.19 (b) Hunting, bird-watching, nature photography, and similar compatible uses on private
217.20 lands that are posted as enrolled in the walk-in access program is allowed from one-half
217.21 hour before sunrise to one-half hour after sunset.

217.22 (c) ~~Hunter~~ Access on private lands that are posted as enrolled in the walk-in access
217.23 program is restricted to nonmotorized use, except by ~~hunters~~ persons with disabilities
217.24 operating motor vehicles on established trails or field roads who possess a valid permit to
217.25 shoot from a stationary vehicle under section 97B.055, subdivision 3.

217.26 (d) The general provisions for use of wildlife management areas adopted under sections
217.27 86A.06 and 97A.137, relating to overnight use, alcoholic beverages, use of motorboats,
217.28 firearms and target shooting, hunting stands, abandonment of trash and property, destruction
217.29 or removal of property, introduction of plants or animals, and animal trespass, apply to
217.30 ~~hunters on~~ use of lands enrolled in the walk-in access program.

217.31 (e) Any use of enrolled lands other than ~~hunting according to~~ use authorized under this
217.32 section is prohibited, including:

- 218.1 (1) harvesting bait, including minnows, leeches, and other live bait;
- 218.2 (2) training dogs or using dogs for activities other than hunting; and
- 218.3 (3) constructing or maintaining any building, dock, fence, billboard, sign, hunting blind,
- 218.4 or other structure, unless constructed or maintained by the landowner.

218.5 Subd. 3. **Walk-in-access hunter validation; fee.** The fee for a walk-in-access ~~hunter~~

218.6 validation is \$3.

218.7 Sec. 48. Minnesota Statutes 2022, section 97A.137, subdivision 3, is amended to read:

218.8 Subd. 3. **Use of motorized vehicles by ~~disabled hunters~~ people with disabilities.** The

218.9 commissioner may ~~issue~~ provide an accommodation by issuing a special permit, without a

218.10 fee, authorizing a ~~hunter~~ person with a ~~permanent physical~~ disability to use a ~~snowmobile,~~

218.11 ~~highway-licensed vehicle, all-terrain vehicle,~~ an other power-driven mobility device, as

218.12 defined under Code of Federal Regulations, title 28, section 35.104, or a motor boat in

218.13 wildlife management areas. To qualify for a permit under this subdivision, the ~~disabled~~

218.14 ~~person must possess;~~ provide credible assurance to the commissioner that the device or

218.15 motor boat is used because of a disability.

218.16 ~~(1) the required hunting licenses; and~~

218.17 ~~(2) a permit to shoot from a stationary vehicle under section 97B.055, subdivision 3.~~

218.18 Sec. 49. Minnesota Statutes 2022, section 97A.315, subdivision 1, is amended to read:

218.19 Subdivision 1. **Criminal penalties.** (a) Except as provided in paragraph (b), a person

218.20 that violates a provision of section 97B.001, relating to trespass is guilty of a misdemeanor

218.21 ~~except as provided in paragraph (b).~~

218.22 (b) A person is guilty of a gross misdemeanor if the person:

218.23 (1) knowingly disregards signs prohibiting trespass;

218.24 (2) trespasses after personally being notified by the landowner or lessee not to trespass;

218.25 or

218.26 (3) is convicted of violating this section more than once in a three-year period.

218.27 (c) Notwithstanding section 609.101, subdivision 4, clause (2), for a misdemeanor

218.28 violation, the minimum fine for a person who operates an off-highway motorcycle, off-road

218.29 vehicle, all-terrain vehicle, or snowmobile in violation of this section must not be less than

218.30 the amount set forth in section 84.775.

219.1 Sec. 50. Minnesota Statutes 2022, section 97A.401, subdivision 1, is amended to read:

219.2 Subdivision 1. **Commissioner's authority.** The commissioner may issue special permits
219.3 for the activities in this section. A special permit may be issued in the form of a general
219.4 permit to a governmental subdivision or to the general public to conduct one or more
219.5 activities under subdivisions 2 to ~~8~~ 9.

219.6 Sec. 51. Minnesota Statutes 2022, section 97A.401, is amended by adding a subdivision
219.7 to read:

219.8 Subd. 9. **Taking wild animals with federal incidental take permit.** The commissioner
219.9 must prescribe conditions for and may issue a permit to a person for taking wild animals
219.10 during activities covered under a federal incidental take permit issued under section
219.11 10(a)(1)(B) of the federal Endangered Species Act, including to a landowner for taking wild
219.12 animals during activities covered by a certificate of inclusion issued by the commissioner
219.13 under Code of Federal Regulations, title 50, section 13.25(e).

219.14 Sec. 52. Minnesota Statutes 2022, section 97A.405, subdivision 5, is amended to read:

219.15 Subd. 5. **Resident licenses.** (a) To obtain a resident license, ~~a resident~~ an individual 21
219.16 years of age or older must be a resident and:

219.17 (1) possess a current Minnesota driver's license or a valid application receipt for a driver's
219.18 license that is at least 60 days past the issuance date;

219.19 (2) possess a current identification card issued by the commissioner of public safety or
219.20 a valid application receipt for an identification card that is at least 60 days past the issuance
219.21 date; ~~or~~

219.22 (3) present evidence showing proof of residency in cases when clause (1) or (2) would
219.23 violate the Religious Freedom Restoration Act of 1993, Public Law 103-141; or

219.24 (4) possess a Tribal identification card as provided in paragraph (b).

219.25 (b) For purposes of this subdivision, "Tribal identification card" means an unexpired
219.26 identification card as provided under section 171.072, paragraphs (b) and (c). The Tribal
219.27 identification card:

219.28 (1) must contain the enrolled Tribal member's Minnesota residence address; and

219.29 (2) may be used to obtain a resident license under paragraph (a) only if the Tribal member
219.30 does not have a current driver's license or state identification card in any state.

220.1 (c) A person must not have applied for, purchased, or accepted a resident hunting, fishing,
220.2 or trapping license issued by another state or foreign country within 60 days before applying
220.3 for a resident license under this section.

220.4 Sec. 53. Minnesota Statutes 2022, section 97A.421, subdivision 3, is amended to read:

220.5 Subd. 3. **Issuance after conviction; big game.** (a) A person may not use a big-game
220.6 license purchased before conviction, obtain ~~any~~ a big-game license, or take big game under
220.7 a lifetime license, issued under section 97A.473, for three years after the person is convicted
220.8 of:

220.9 (1) a gross misdemeanor violation under the game and fish laws relating to big game;

220.10 (2) doing an act without a required big-game license; or

220.11 (3) the second violation within three years under the game and fish laws relating to big
220.12 game.

220.13 (b) A person may not obtain any deer license or take deer under a lifetime license issued
220.14 under section 97A.473 for one year after the person is convicted of hunting deer with the
220.15 aid or use of bait under section 97B.328.

220.16 (c) The revocation period under paragraphs (a) and (b) doubles if the conviction is for
220.17 a deer that is a trophy deer scoring higher than 170 using the scoring method established
220.18 for wildlife restitution values adopted under section 97A.345.

220.19 Sec. 54. Minnesota Statutes 2022, section 97A.473, subdivision 2, is amended to read:

220.20 Subd. 2. **Lifetime angling license; fee.** (a) A resident lifetime angling license authorizes
220.21 a person to take fish by angling in the state. The license authorizes those activities authorized
220.22 by the annual resident angling license. The license does not include a trout-and-salmon
220.23 stamp validation, a walleye stamp validation, or other stamps required by law.

220.24 (b) The fees for a resident lifetime angling license are:

220.25 (1) age 3 and under, ~~\$344~~ \$413;

220.26 (2) age 4 to age 15, ~~\$469~~ \$563;

220.27 (3) age 16 to age 50, ~~\$574~~ \$689; and

220.28 (4) age 51 and over, ~~\$379~~ \$455.

221.1 Sec. 55. Minnesota Statutes 2022, section 97A.473, subdivision 2a, is amended to read:

221.2 Subd. 2a. **Lifetime spearing license; fee.** (a) A resident lifetime spearing license
221.3 authorizes a person to take fish by spearing in the state. The license authorizes those activities
221.4 authorized by the annual resident spearing license.

221.5 (b) The fees for a resident lifetime spearing license are:

221.6 (1) age 3 and under, ~~\$90~~ \$108;

221.7 (2) age 4 to age 15, ~~\$124~~ \$149;

221.8 (3) age 16 to age 50, ~~\$117~~ \$141; and

221.9 (4) age 51 and over, ~~\$61~~ \$74.

221.10 Sec. 56. Minnesota Statutes 2022, section 97A.473, subdivision 2b, is amended to read:

221.11 Subd. 2b. **Lifetime angling and spearing license; fee.** (a) A resident lifetime angling
221.12 and spearing license authorizes a person to take fish by angling or spearing in the state. The
221.13 license authorizes those activities authorized by the annual resident angling and spearing
221.14 licenses.

221.15 (b) The fees for a resident lifetime angling and spearing license are:

221.16 (1) age 3 and under, ~~\$432~~ \$519;

221.17 (2) age 4 to age 15, ~~\$579~~ \$695;

221.18 (3) age 16 to age 50, ~~\$678~~ \$814; and

221.19 (4) age 51 and over, ~~\$439~~ \$527.

221.20 Sec. 57. Minnesota Statutes 2022, section 97A.473, subdivision 5, is amended to read:

221.21 Subd. 5. **Lifetime sporting license; fee.** (a) A resident lifetime sporting license authorizes
221.22 a person to take fish by angling and hunt and trap small game, other than wolves, in the
221.23 state. The license authorizes those activities authorized by the annual resident angling and
221.24 resident small-game-hunting licenses and the resident trapping license for fur-bearing
221.25 animals other than wolves. The license does not include a trout-and-salmon stamp validation,
221.26 a turkey stamp validation, a walleye stamp validation, or any other hunting stamps required
221.27 by law.

221.28 (b) The fees for a resident lifetime sporting license are:

221.29 (1) age 3 and under, ~~\$522~~ \$573;

222.1 (2) age 4 to age 15, ~~\$710~~ \$779;

222.2 (3) age 16 to age 50, ~~\$927~~ \$1,017; and

222.3 (4) age 51 and over, ~~\$603~~ \$662.

222.4 Sec. 58. Minnesota Statutes 2022, section 97A.473, subdivision 5a, is amended to read:

222.5 Subd. 5a. **Lifetime sporting with spearing option license; fee.** (a) A resident lifetime
222.6 sporting with spearing option license authorizes a person to take fish by angling or spearing
222.7 and hunt and trap small game, other than wolves, in the state. The license authorizes those
222.8 activities authorized by the annual resident angling, spearing, and resident
222.9 small-game-hunting licenses and the resident trapping license for fur-bearing animals other
222.10 than wolves. The license does not include a trout-and-salmon stamp validation, a turkey
222.11 stamp validation, a walleye stamp validation, or any other hunting stamps required by law.

222.12 (b) The fees for a resident lifetime sporting with spearing option license are:

222.13 (1) age 3 and under, ~~\$612~~ \$676;

222.14 (2) age 4 to age 15, ~~\$833~~ \$921;

222.15 (3) age 16 to age 50, ~~\$1,046~~ \$1,153; and

222.16 (4) age 51 and over, ~~\$666~~ \$733.

222.17 Sec. 59. Minnesota Statutes 2022, section 97A.474, subdivision 2, is amended to read:

222.18 Subd. 2. **Nonresident lifetime angling license; fee.** (a) A nonresident lifetime angling
222.19 license authorizes a person to take fish by angling in the state. The license authorizes those
222.20 activities authorized by the annual nonresident angling license. The license does not include
222.21 a trout-and-salmon stamp validation, a walleye stamp validation, or other stamps required
222.22 by law.

222.23 (b) The fees for a nonresident lifetime angling license are:

222.24 (1) age 3 and under, ~~\$821~~ \$1,068;

222.25 (2) age 4 to age 15, ~~\$1,046~~ \$1,360;

222.26 (3) age 16 to age 50, ~~\$1,191~~ \$1,549; and

222.27 (4) age 51 and over, ~~\$794~~ \$1,033.

223.1 Sec. 60. Minnesota Statutes 2022, section 97A.475, subdivision 6, is amended to read:

223.2 Subd. 6. **Resident fishing.** Fees for the following licenses, to be issued to residents only,
223.3 are:

223.4 (1) for persons age 18 or over to take fish by angling, ~~\$25~~ \$30;

223.5 (2) for persons age 18 or over to take fish by angling, for a combined license for a married
223.6 couple, ~~\$40~~ \$48;

223.7 (3) for persons age 18 or over to take fish by spearing from a dark house, ~~\$6~~ \$8, and the
223.8 person must possess an angling license;

223.9 (4) for persons age 18 or over to take fish by angling for a 24-hour period selected by
223.10 the licensee, ~~\$12~~ \$15;

223.11 (5) for persons age 18 or over to take fish by angling for a consecutive 72-hour period
223.12 selected by the licensee, ~~\$14~~ \$17;

223.13 (6) for persons age 18 or over to take fish by angling for three consecutive years, ~~\$71~~
223.14 \$86; and

223.15 (7) for persons age 16 or over and under age 18 to take fish by angling, ~~\$5~~ \$6.

223.16 Sec. 61. Minnesota Statutes 2022, section 97A.475, subdivision 7, is amended to read:

223.17 Subd. 7. **Nonresident fishing.** (a) Fees for the following licenses, to be issued to
223.18 nonresidents, are:

223.19 (1) for persons age 18 or over to take fish by angling, ~~\$46~~ \$62;

223.20 (2) for persons age 18 or over to take fish by angling limited to seven consecutive days
223.21 selected by the licensee, ~~\$38~~ \$51;

223.22 (3) for persons age 18 or over to take fish by angling for a consecutive 72-hour period
223.23 selected by the licensee, ~~\$31~~ \$42;

223.24 (4) for persons age 18 or over to take fish by angling for a combined license for a family
223.25 for one or both parents and dependent children under the age of 16, ~~\$63~~ \$84;

223.26 (5) for persons age 18 or over to take fish by angling for a 24-hour period selected by
223.27 the licensee, ~~\$14~~ \$19;

223.28 (6) to take fish by angling for a combined license for a married couple, limited to 14
223.29 consecutive days selected by one of the licensees, ~~\$49~~ \$66;

224.1 (7) for persons age 18 or over to take fish by spearing from a dark house, ~~\$12~~ \$18, and
224.2 the person must possess an angling license; and

224.3 (8) for persons age 16 or over and under age 18 to take fish by angling, ~~\$5~~ \$6.

224.4 (b) A \$5 surcharge shall be added to all nonresident fishing licenses, except licenses
224.5 issued under paragraph (a), clauses (5) and (8). An additional commission may not be
224.6 assessed on this surcharge.

224.7 Sec. 62. Minnesota Statutes 2022, section 97A.475, subdivision 8, is amended to read:

224.8 Subd. 8. **Minnesota sporting; supersports.** (a) The commissioner shall issue Minnesota
224.9 sporting licenses to residents only. The licensee may take fish by angling and small game.
224.10 The fee for the license is:

224.11 (1) for an individual, ~~\$34.50~~ \$40.50; and

224.12 (2) for a combined license for a married couple to take fish and for one spouse to take
224.13 small game, ~~\$50.50~~ \$61.50.

224.14 (b) The commissioner shall issue Minnesota supersports licenses to residents only. The
224.15 licensee may take fish by angling, including trout; small game, including pheasant and
224.16 waterfowl; and deer by firearms or muzzleloader or by archery. The fee for the supersports
224.17 license, including all required stamp validations is:

224.18 (1) for an individual age 18 or over, ~~\$93.50~~ \$102.50; and

224.19 (2) for a combined license for a married couple to take fish, including the
224.20 trout-and-salmon stamp validation, and for one spouse to take small game, including pheasant
224.21 and waterfowl, and deer, ~~\$119.50~~ \$137.50.

224.22 (c) Revenue for the stamp endorsements under paragraph (b) shall be deposited according
224.23 to section 97A.075, subdivisions 2, 3, and 4.

224.24 (d) Revenue for the deer license endorsement under paragraph (b) shall be deposited
224.25 according to section 97A.075, subdivision 1.

224.26 Sec. 63. Minnesota Statutes 2022, section 97A.475, subdivision 10, is amended to read:

224.27 Subd. 10. **Trout-and-salmon stamp validation.** The fee for a trout-and-salmon stamp
224.28 validation is ~~\$10~~ \$12.

225.1 Sec. 64. Minnesota Statutes 2022, section 97A.475, subdivision 10a, is amended to read:

225.2 Subd. 10a. **Walleye stamp validation.** A person may agree to purchase a walleye stamp
225.3 validation for ~~\$5~~ \$6.

225.4 Sec. 65. Minnesota Statutes 2022, section 97A.475, subdivision 11, is amended to read:

225.5 Subd. 11. **Fish houses, dark houses, and shelters; residents.** Fees for the following
225.6 licenses are:

225.7 (1) annual for a fish house, dark house, or shelter that is not rented, ~~\$15~~ \$18;

225.8 (2) annual for a fish house, dark house, or shelter that is rented, ~~\$30~~ \$36;

225.9 (3) three-year for a fish house, dark house, or shelter that is not rented, ~~\$42~~ \$51; and

225.10 (4) three-year for a fish house, dark house, or shelter that is rented, ~~\$87~~ \$105.

225.11 Sec. 66. Minnesota Statutes 2022, section 97A.475, subdivision 12, is amended to read:

225.12 Subd. 12. **Fish houses, dark houses, and shelters; nonresident.** Fees for fish house,
225.13 dark house, and shelter licenses for a nonresident are:

225.14 (1) annual, ~~\$37~~ \$49;

225.15 (2) seven consecutive days selected by the licensee, ~~\$21~~ \$28; and

225.16 (3) three-year, ~~\$111~~ \$145.

225.17 Sec. 67. Minnesota Statutes 2022, section 97A.475, subdivision 13, is amended to read:

225.18 Subd. 13. **Netting whitefish and ciscoes for personal consumption.** The fee for a
225.19 license to net whitefish and ciscoes in inland lakes and international waters for personal
225.20 consumption is, for each net, ~~\$10~~ \$12.

225.21 Sec. 68. Minnesota Statutes 2022, section 97A.475, subdivision 41, is amended to read:

225.22 Subd. 41. **Turtle licenses license.** ~~(a) The fee for a turtle seller's license to sell turtles~~
225.23 ~~and to take, transport, buy, and possess turtles for sale is \$250.~~

225.24 ~~(b)~~ The fee for a recreational turtle license to take, transport, and possess turtles for
225.25 personal use is \$25.

225.26 ~~(c) The fee for a turtle seller's apprentice license is \$100.~~

225.27 **EFFECTIVE DATE.** This section is effective January 1, 2024.

226.1 Sec. 69. Minnesota Statutes 2022, section 97B.071, is amended to read:

226.2 **97B.071 CLOTHING AND GROUND BLIND REQUIREMENTS; BLAZE**
226.3 **ORANGE OR BLAZE PINK.**

226.4 (a) Except as provided in rules adopted under paragraph ~~(e)~~ (d), a person may not hunt
226.5 or trap during the open season where deer may be taken by firearms under applicable laws
226.6 and ordinances, unless the visible portion of the person's cap and outer clothing above the
226.7 waist, excluding sleeves and gloves, is blaze orange or blaze pink. Blaze orange or blaze
226.8 pink includes a camouflage pattern of at least 50 percent blaze orange or blaze pink within
226.9 each foot square. This section does not apply to migratory-waterfowl hunters on waters of
226.10 this state or in a stationary shooting location or to trappers on waters of this state.

226.11 (b) Except as provided in rules adopted under paragraph ~~(e)~~ (d), and in addition to the
226.12 requirement in paragraph (a), a person may not take small game other than turkey, migratory
226.13 birds, raccoons, and predators, except while trapping, unless a visible portion of at least one
226.14 article of the person's clothing above the waist is blaze orange or blaze pink. This paragraph
226.15 does not apply to a person when in a stationary location while hunting deer by archery or
226.16 when hunting small game by falconry.

226.17 (c) A person in a fabric or synthetic ground blind on public land must have:

226.18 (1) a blaze orange safety covering on the top of the blind that is visible for 360 degrees
226.19 around the blind; or

226.20 (2) at least 144 square inches of blaze orange material on each side of the blind.

226.21 ~~(e)~~ (d) The commissioner may, by rule, prescribe an alternative color in cases where
226.22 paragraph (a) or (b) would violate the Religious Freedom Restoration Act of 1993, Public
226.23 Law 103-141.

226.24 ~~(d)~~ (e) A violation of paragraph (b) ~~shall~~ does not result in a penalty, but is punishable
226.25 only by a safety warning.

226.26 Sec. 70. Minnesota Statutes 2022, section 97B.301, subdivision 6, is amended to read:

226.27 Subd. 6. **Residents or nonresidents under age 18; taking either-sex deer.** A resident
226.28 or nonresident under the age of 18 may take a deer of either sex except in those antlerless
226.29 permit areas and seasons where no antlerless permits are offered. In antlerless permit areas
226.30 where no antlerless permits are offered, the commissioner may provide a limited number
226.31 of youth either sex permits to residents or nonresidents under age 18, under the procedures
226.32 provided in section 97B.305, and may give preference to residents or nonresidents under

227.1 the age of 18 that have not previously been selected. This subdivision does not authorize
227.2 the taking of ~~an antlerless~~ a deer by another member of a party under subdivision 3.

227.3 Sec. 71. Minnesota Statutes 2022, section 97B.516, is amended to read:

227.4 **97B.516 PLAN FOR ELK MANAGEMENT.**

227.5 ~~(a)~~ The commissioner of natural resources must adopt an elk management plan that:

227.6 (1) recognizes the value and uniqueness of elk;

227.7 (2) provides for integrated management of an elk population in harmony with the
227.8 environment; and

227.9 (3) affords optimum recreational opportunities.

227.10 ~~(b) Notwithstanding paragraph (a), the commissioner must not manage an elk herd in~~
227.11 ~~Kittson, Roseau, Marshall, or Beltrami Counties in a manner that would increase the size~~
227.12 ~~of the herd, including adoption or implementation of an elk management plan designed to~~
227.13 ~~increase an elk herd, unless the commissioner of agriculture verifies that crop and fence~~
227.14 ~~damages paid under section 3.7371 and attributed to the herd have not increased for at least~~
227.15 ~~two years.~~

227.16 ~~(c) At least 60 days prior to implementing a plan to increase an elk herd, the~~
227.17 ~~commissioners of natural resources and agriculture must hold a joint public meeting in the~~
227.18 ~~county where the elk herd to be increased is located. At the meeting, the commissioners~~
227.19 ~~must present evidence that crop and fence damages have not increased in the prior two years~~
227.20 ~~and must detail the practices that will be used to reduce elk conflicts with area landowners.~~

227.21 Sec. 72. Minnesota Statutes 2022, section 97B.668, is amended to read:

227.22 **97B.668 ~~GAME BIRDS~~ ANIMALS CAUSING DAMAGE.**

227.23 Subdivision 1. Game birds causing damage. Notwithstanding sections 97B.091 and
227.24 97B.805, subdivisions 1 and 2, a person or agent of that person on lands and nonpublic
227.25 waters owned or operated by the person may nonlethally scare, haze, chase, or harass game
227.26 birds that are causing property damage or to protect a disease risk at any time or place that
227.27 a hunting season for the game birds is not open. This section does not apply to public waters
227.28 as defined under section 103G.005, subdivision 15. This section does not apply to migratory
227.29 waterfowl on nests and other federally protected game birds on nests, except ducks and
227.30 geese on nests when a permit is obtained under section 97A.401.

228.1 Subd. 2. **Deer and elk causing damage.** (a) Notwithstanding section 97B.091, a property
228.2 owner, the property owner's immediate family member, or an agent of the property owner
228.3 may nonlethally scare, haze, chase, or harass deer or elk that are causing damage to
228.4 agricultural crops that are propagated under generally accepted agricultural practices.

228.5 (b) Paragraph (a) applies only:

228.6 (1) in the immediate area of the crop damage; and

228.7 (2) during the closed season for taking deer or elk.

228.8 (c) Paragraph (a) does not allow:

228.9 (1) using poisons;

228.10 (2) using dogs;

228.11 (3) conduct that drives a deer or elk to the point of exhaustion;

228.12 (4) activities that require a permit under section 97A.401; or

228.13 (5) conduct that causes the death of or that is likely to cause the death of a deer or elk.

228.14 (d) A property owner or the owner's agent must report the death of a deer or elk to staff
228.15 in the Division of Fish and Wildlife within 24 hours of the death if the death resulted from
228.16 actions taken under paragraph (a).

228.17 Sec. 73. **[97B.673] NONTOXIC SHOT REQUIRED FOR TAKING SMALL GAME**
228.18 **IN CERTAIN AREAS.**

228.19 Subdivision 1. **Nontoxic shot on wildlife management areas in farmland zone.** A
228.20 person may not take small game, rails, or common snipe on any wildlife management area
228.21 within the farmland zone with shot other than:

228.22 (1) steel shot;

228.23 (2) copper-plated, nickel-plated, or zinc-plated steel shot; or

228.24 (3) shot made of other nontoxic material approved by the director of the United States
228.25 Fish and Wildlife Service.

228.26 Subd. 2. **Farmland zone.** For the purposes of this section, the farmland zone is the
228.27 portion of the state that falls south and west of Minnesota Highway 70 westward from the
228.28 Wisconsin border to Minnesota Highway 65 to Minnesota Highway 23 to U.S. Highway
228.29 169 at Milaca to Minnesota Highway 18 at Garrison to Minnesota Highway 210 at Brainerd

229.1 to U.S. Highway 10 at Motley to U.S. Highway 59 at Detroit Lakes northward to the
229.2 Canadian border.

229.3 **EFFECTIVE DATE.** This section is effective July 1, 2024.

229.4 Sec. 74. **[97B.735] SWANS.**

229.5 A person who takes, harasses, destroys, buys, sells, possesses, transports, or ships a
229.6 native swan in violation of the game and fish laws is guilty of a gross misdemeanor.

229.7 Sec. 75. Minnesota Statutes 2022, section 97C.087, subdivision 2, is amended to read:

229.8 Subd. 2. **Application for tag.** Application for special fish management tags must be
229.9 accompanied by a \$~~5~~ \$6, nonrefundable application fee for each tag. A person may not
229.10 make more than one tag application each calendar year. If a person makes more than one
229.11 application, the person is ineligible for a special fish management tag for that calendar year
229.12 after determination by the commissioner, without a hearing.

229.13 Sec. 76. Minnesota Statutes 2022, section 97C.315, subdivision 1, is amended to read:

229.14 Subdivision 1. **Lines.** An angler may not use more than one line, except that:

229.15 (1) two lines may be used to take fish through the ice; ~~and~~

229.16 (2) the commissioner may, by rule, authorize the use of two lines in areas designated by
229.17 the commissioner in Lake Superior; and

229.18 (3) two lines may be used in the Minnesota River downstream of the Granite Falls Dam
229.19 and in the Mississippi River downstream of St. Anthony Falls.

229.20 Sec. 77. Minnesota Statutes 2022, section 97C.345, subdivision 1, is amended to read:

229.21 Subdivision 1. **When use prohibited.** Except as specifically authorized, a person may
229.22 not take fish with a spear from the third Monday in February to the Friday before the last
229.23 Saturday in April and may not take fish with a fish trap, net, dip net, seine, or other device
229.24 capable of taking fish from the third Monday in February ~~to~~ through April 30.

229.25 Sec. 78. **[97C.348] FELT-SOLED WADERS.**

229.26 A person may not use felt-soled waders in waters of the state. For purposes of this section
229.27 "felt-soled waders" means boots or shoes that have water-absorbing material affixed to the
229.28 soles or bottoms.

229.29 **EFFECTIVE DATE.** This section is effective January 1, 2024.

230.1 Sec. 79. Minnesota Statutes 2022, section 97C.355, is amended by adding a subdivision
230.2 to read:

230.3 Subd. 9. **Placing waste on ice prohibited.** A person using a fish house, dark house, or
230.4 other shelter on the ice of state waters is subject to section 97C.363.

230.5 Sec. 80. [97C.363] **STORING GARBAGE AND OTHER WASTE ON ICE.**

230.6 Subdivision 1. **Prohibition.** A person using a shelter, a motor vehicle, or any other
230.7 conveyance on the ice of state waters may not deposit garbage, rubbish, cigarette filters,
230.8 debris from fireworks, offal, the body of a dead animal, litter, sewage, or any other waste
230.9 outside the shelter, motor vehicle, or conveyance unless the material is:

230.10 (1) placed in a container that is secured to the shelter, motor vehicle, or conveyance;

230.11 and

230.12 (2) not placed directly on the ice or in state waters.

230.13 Subd. 2. **Definition.** For purposes of this section, "sewage" means excrementitious or
230.14 other discharge from the bodies of human beings or animals, together with such other water
230.15 as may be present.

230.16 Subd. 3. **Penalty.** A violation of this section is a petty misdemeanor, and a person who
230.17 violates this section is subject to a civil penalty of \$100 for each violation.

230.18 Sec. 81. Minnesota Statutes 2022, section 97C.371, subdivision 1, is amended to read:

230.19 Subdivision 1. **Species allowed.** Only rough fish, catfish, lake whitefish, cisco (tulibee),
230.20 and northern pike may be taken by spearing.

230.21 Sec. 82. Minnesota Statutes 2022, section 97C.371, subdivision 2, is amended to read:

230.22 Subd. 2. **Dark houses required for certain species.** Catfish, lake whitefish, cisco
230.23 (tulibee), and northern pike may be speared only from dark houses.

230.24 Sec. 83. Minnesota Statutes 2022, section 97C.371, subdivision 4, is amended to read:

230.25 Subd. 4. **Open season.** The open season for spearing through the ice is November 15
230.26 ~~to~~ through the last Sunday in February.

230.27 Sec. 84. Minnesota Statutes 2022, section 97C.395, subdivision 1, is amended to read:

230.28 Subdivision 1. **Dates for certain species.** (a) The open seasons to take fish by angling
230.29 are as follows:

231.1 (1) for walleye, sauger, northern pike, muskellunge, largemouth bass, and smallmouth
231.2 bass, the Saturday two weeks prior to the Saturday of Memorial Day weekend ~~to~~ through
231.3 the last Sunday in February;

231.4 (2) for lake trout, from January 1 ~~to~~ through October 31;

231.5 (3) for the winter season for lake trout, brown trout, brook trout, rainbow trout, and
231.6 splake on all lakes located outside or partially within the Boundary Waters Canoe Area,
231.7 from January 15 ~~to~~ through March 31;

231.8 (4) for the winter season for lake trout, brown trout, brook trout, rainbow trout, and
231.9 splake on all lakes located entirely within the Boundary Waters Canoe Area, from January
231.10 1 ~~to~~ through March 31;

231.11 (5) for brown trout, brook trout, rainbow trout, and splake, between January 1 ~~to~~ through
231.12 October 31 as prescribed by the commissioner by rule except as provided in section 97C.415,
231.13 subdivision 2; and

231.14 (6) for salmon, as prescribed by the commissioner by rule.

231.15 (b) The commissioner shall close the season in areas of the state where fish are spawning
231.16 and closing the season will protect the resource.

231.17 Sec. 85. Minnesota Statutes 2022, section 97C.601, subdivision 1, is amended to read:

231.18 Subdivision 1. **Season.** The open season for frogs is May 16 ~~to~~ through March 31. The
231.19 commissioner may, by rule, establish closed seasons in specified areas.

231.20 Sec. 86. Minnesota Statutes 2022, section 97C.605, subdivision 1, is amended to read:

231.21 Subdivision 1. ~~Resident angling license required~~ **Taking turtles; requirements.** ~~In~~
231.22 ~~addition to any other license required in this section,~~ (a) A person may not take, possess,
231.23 or transport turtles without a resident angling license, ~~except as provided in subdivision 2c~~
231.24 and a recreational turtle license.

231.25 (b) Turtles taken from the wild are for personal use only and may not be resold.

231.26 **EFFECTIVE DATE.** This section is effective January 1, 2024.

231.27 Sec. 87. Minnesota Statutes 2022, section 97C.605, subdivision 2c, is amended to read:

231.28 Subd. 2c. **License exemptions.** (a) A person does not need ~~a turtle seller's license or an~~
231.29 ~~angling license~~ the licenses specified under subdivision 1:

231.30 (1) ~~when buying turtles for resale at a retail outlet;~~

232.1 (1) when buying turtles from a licensed aquatic farm or licensed private fish hatchery
 232.2 for resale at a retail outlet or restaurant;

232.3 (2) when buying a turtle at a retail outlet;

232.4 ~~(3) if the person is a nonresident buying a turtle from a licensed turtle seller for export~~
 232.5 ~~out of state. Shipping documents provided by the turtle seller must accompany each shipment~~
 232.6 ~~exported out of state by a nonresident. Shipping documents must include: name, address,~~
 232.7 ~~city, state, and zip code of the buyer; number of each species of turtle; and name and license~~
 232.8 ~~number of the turtle seller; or~~

232.9 ~~(4)~~(3) to take, possess, and rent ~~or sell~~ up to 25 turtles greater than four inches in length
 232.10 for the purpose of providing the turtles to participants at a nonprofit turtle race, if the person
 232.11 is a resident under age 18. The person is responsible for the well-being of the turtles; or

232.12 (4) if under 16 years of age when possessing turtles. Notwithstanding any other law to
 232.13 the contrary, a person under the age of 16 may possess, without a license, up to three snapping
 232.14 or western painted turtles, provided the turtles are possessed for personal use and are within
 232.15 the applicable length and width requirements.

232.16 (b) A person with an aquatic farm license with a turtle endorsement or a private fish
 232.17 hatchery license with a turtle endorsement may sell, obtain, possess, transport, and propagate
 232.18 turtles and turtle eggs without the licenses specified under subdivision 1.

232.19 (c) Turtles possessed under this subdivision may not be released back into the wild.

232.20 **EFFECTIVE DATE.** This section is effective January 1, 2024.

232.21 Sec. 88. Minnesota Statutes 2022, section 97C.605, subdivision 3, is amended to read:

232.22 Subd. 3. **Taking; methods prohibited.** ~~(a)~~ A person may not take turtles by using:

232.23 (1) explosives, drugs, poisons, lime, and other harmful substances;

232.24 (2) traps, ~~except as provided in paragraph (b) and rules adopted under this section;~~

232.25 (3) nets other than anglers' fish landing nets;

232.26 (4) commercial equipment, ~~except as provided in rules adopted under this section;~~

232.27 (5) firearms and ammunition;

232.28 (6) bow and arrow or crossbow; or

232.29 (7) spears, harpoons, or any other implements that impale turtles.

233.1 ~~(b) Until new rules are adopted under this section, a person with a turtle seller's license~~
233.2 ~~may take turtles with a floating turtle trap that:~~

233.3 ~~(1) has one or more openings above the water surface that measure at least ten inches~~
233.4 ~~by four inches; and~~

233.5 ~~(2) has a mesh size of not less than one-half inch, bar measure.~~

233.6 **EFFECTIVE DATE.** This section is effective January 1, 2024.

233.7 Sec. 89. Minnesota Statutes 2022, section 97C.611, is amended to read:

233.8 **97C.611 TURTLE SPECIES; LIMITS.**

233.9 Subdivision 1. **Snapping turtles.** A person may not possess more than three snapping
233.10 turtles of the species *Chelydra serpentina* ~~without a turtle seller's license~~. Until new rules
233.11 are adopted under section 97C.605, a person may not take snapping turtles of a size less
233.12 than ten inches wide including curvature, measured from side to side across the shell at
233.13 midpoint. After new rules are adopted under section 97C.605, a person may only take
233.14 snapping turtles of a size specified in the adopted rules.

233.15 Subd. 2. **Western painted turtles.** (a) A person may not possess more than three Western
233.16 painted turtles of the species *Chrysemys picta* ~~without a turtle seller's license~~. Western
233.17 painted turtles must be between 4 and 5-1/2 inches in shell length.

233.18 (b) This subdivision does not apply to persons acting under section 97C.605, subdivision
233.19 2c, ~~clause (4) paragraph (a)~~.

233.20 Subd. 3. **Spiny softshell.** ~~A person may not possess spiny softshell turtles of the species~~
233.21 ~~*Apalone spinifera* after December 1, 2021, without an aquatic farm or private fish hatchery~~
233.22 ~~license with a turtle endorsement.~~

233.23 Subd. 4. **Other species.** A person may not possess any other species of turtle ~~without~~
233.24 except with an aquatic farm or private fish hatchery license with a turtle endorsement or as
233.25 specified under section 97C.605, subdivision 2c.

233.26 **EFFECTIVE DATE.** This section is effective January 1, 2024.

233.27 Sec. 90. Minnesota Statutes 2022, section 97C.836, is amended to read:

233.28 **97C.836 LAKE SUPERIOR LAKE TROUT; EXPANDED ASSESSMENT**
233.29 **HARVEST.**

233.30 The commissioner shall provide for taking of lake trout by licensed commercial operators
233.31 in Lake Superior management zones MN-3 and MN-2 for expanded assessment and sale.

234.1 The commissioner shall authorize expanded assessment taking and sale of lake trout in Lake
234.2 Superior management zone MN-3 beginning annually in 2007 and zone MN-2 beginning
234.3 annually in 2010. Total assessment taking and sale may not exceed 3,000 lake trout in zone
234.4 MN-3 and 2,000 lake trout in zone MN-2 and may be reduced when necessary to protect
234.5 the lake trout population or to manage the effects of invasive species or fish disease. Taking
234.6 lake trout for expanded assessment and sale shall be allowed from June 1 ~~to~~ through
234.7 September 30, but may end earlier in the respective zones if the quotas are reached. The
234.8 quotas must be reassessed at the expiration of the current ten-year Fisheries Management
234.9 Plan for the Minnesota Waters of Lake Superior.

234.10 Sec. 91. Minnesota Statutes 2022, section 103G.005, is amended by adding a subdivision
234.11 to read:

234.12 Subd. 9c. **Ecosystem harm.** "Ecosystem harm" means to change the biological
234.13 community and ecology in a manner that results in loss of ecological structure or function.

234.14 Sec. 92. Minnesota Statutes 2022, section 103G.005, is amended by adding a subdivision
234.15 to read:

234.16 Subd. 13b. **Negative impact to surface waters.** "Negative impact to surface waters"
234.17 means a change in hydrology sufficient to cause aquatic ecosystem harm or alter riparian
234.18 uses long term.

234.19 Sec. 93. Minnesota Statutes 2022, section 103G.005, is amended by adding a subdivision
234.20 to read:

234.21 Subd. 15i. **Sustainable diversion limit.** "Sustainable diversion limit" means a maximum
234.22 amount of water that can be removed directly or indirectly from a surface water body in a
234.23 defined geographic area on a monthly or annual basis without causing a negative impact to
234.24 the surface water body.

234.25 Sec. 94. [103G.134] **ORDERS AND INVESTIGATIONS.**

234.26 The commissioner has the following powers and duties when acting pursuant to the
234.27 enforcement provisions of this chapter:

234.28 (1) to adopt, issue, reissue, modify, deny, revoke, enter into, or enforce reasonable orders,
234.29 schedules of compliance, and stipulation agreements;

234.30 (2) to issue notices of violation;

235.1 (3) to require a person holding a permit issued under this chapter or otherwise impacting
235.2 the public waters of the state without a permit issued under this chapter to:

235.3 (i) make reports;

235.4 (ii) install, use, and maintain monitoring equipment or methods;

235.5 (iii) perform tests according to methods, at locations, at intervals, and in a manner as
235.6 the commissioner prescribes; and

235.7 (iv) provide other information as the commissioner may reasonably require; and

235.8 (4) to conduct investigations; issue notices, public and otherwise; and order hearings as
235.9 the commissioner deems necessary or advisable to discharge duties under this chapter,
235.10 including but not limited to issuing permits and authorizing an employee or agent appointed
235.11 by the commissioner to conduct the investigations and other authorities cited in this section.

235.12 **Sec. 95. [103G.146] DUTY OF CANDOR.**

235.13 (a) A person must not knowingly:

235.14 (1) make a false statement of fact or fail to correct a false statement of material fact
235.15 regarding any matter pertaining to this chapter;

235.16 (2) fail to disclose information that the person knows is necessary for the commissioner
235.17 to make an informed decision under this chapter; or

235.18 (3) offer information that the person knows to be false.

235.19 (b) If a person has offered material information to the commissioner and the person
235.20 comes to know the information is false, the person must take reasonable remedial measures
235.21 to provide the accurate information.

235.22 **Sec. 96. [103G.216] REPORTING FISH KILLS IN PUBLIC WATERS.**

235.23 Subdivision 1. **Definition.** For the purposes of this section and section 103G.2165, "fish
235.24 kill" means an incident resulting in the death of 25 or more fish within one linear mile of a
235.25 flowing water or 25 or more fish within a square mile of a nonflowing water, excluding fish
235.26 lawfully taken under the game and fish laws.

235.27 Subd. 2. **Reporting requirement.** A state or county staff person or official who works
235.28 with natural resources or agriculture and who learns of a fish kill in public waters must
235.29 report the location of the fish kill to the Minnesota state duty officer within one hour of
235.30 being notified of a fish kill or within four hours of first observing the fish kill. The Minnesota

236.1 state duty officer must alert the Departments of Natural Resources and Health and the
236.2 Pollution Control Agency of the location of the fish kill within one hour of being notified
236.3 of the fish kill.

236.4 **Sec. 97. [103G.2165] DEVELOPMENT OF FISH KILL RESPONSE PROTOCOL.**

236.5 Subdivision 1. **Development of protocol.** By October 1, 2024, the commissioner of the
236.6 Pollution Control Agency, in consultation with the commissioners of health, natural resources,
236.7 and agriculture, must update the fish kill response guidance by developing a protocol. The
236.8 protocol must consist of steps that state agencies responding to a report of a fish kill under
236.9 section 103G.216 must take to ascertain on the basis of sound scientific evidence the factors
236.10 contributing to the fish kill, as well as a plan to notify the public of potential hazards. The
236.11 protocol must address:

236.12 (1) the number and species of fish and other aquatic creatures to be sampled from the
236.13 body of water in which the fish kill occurred;

236.14 (2) the locations from which samples described in clause (1) should be taken;

236.15 (3) the number and location of water samples to be taken from the body of water in
236.16 which the fish kill occurred as well as tributary streams and private wells with landowner
236.17 consent within a one-half-mile radius;

236.18 (4) the number and location of soil and groundwater samples to be taken to ascertain
236.19 whether contaminants traveled overland or underground to reach the body of water in which
236.20 the fish kill occurred;

236.21 (5) sampling other materials located near the area of the fish kill that should be done,
236.22 including but not limited to vegetation and manure, that may indicate the presence of
236.23 contaminants that may have contributed to the fish kill;

236.24 (6) developing a comprehensive list of contaminants, including degradation products,
236.25 for which the materials sampled in clauses (3) to (5) should be tested;

236.26 (7) the appropriate concentration limits to be used in testing samples for the presence
236.27 of contaminants, allowing for the possibility that the fish kill may have resulted from the
236.28 interaction of two or more contaminants present at concentrations below the level associated
236.29 with toxic effects resulting from exposure to each individual chemical;

236.30 (8) proper handling, storage, and treatment necessary to preserve the integrity of the
236.31 samples described in this subdivision to maximize the information the samples can yield
236.32 regarding the cause of the fish kill;

237.1 (9) the organs and other parts of the fish and other aquatic creatures that should be
237.2 analyzed to maximize the information the samples can yield regarding the cause of the fish
237.3 kill;

237.4 (10) identifying a rapid response team of interagency staff or an independent contractor
237.5 with the necessary data collection equipment that can travel to the site of the fish kill to
237.6 collect samples within 24 to 48 hours of the incident;

237.7 (11) a communications plan with a health-risk assessment to notify potentially impacted
237.8 downstream users of the surface water of the potential hazards and those in the vicinity
237.9 whose public or private water supply from surface water or groundwater may be impacted;
237.10 and

237.11 (12) a process to identify existing rules or regulatory processes that should be reviewed
237.12 and potentially revised in the fish kill investigation and report. Investigation reports for fish
237.13 kills deemed unnatural must identify the probable causes and include state agency
237.14 recommendations for preventing similar incidents in the future.

237.15 Subd. 2. **Implementation.** The commissioner of the Pollution Control Agency must
237.16 submit the protocol to the chairs and ranking minority members of the legislative committees
237.17 and divisions with jurisdiction over environment and natural resources. Once the protocol
237.18 has been submitted, the state agencies must follow the protocol when responding to a fish
237.19 kill.

237.20 Subd. 3. **Updating protocol.** The parties named in subdivision 1 must review and update
237.21 the protocol every five years.

237.22 Sec. 98. Minnesota Statutes 2022, section 103G.271, subdivision 6, is amended to read:

237.23 **Subd. 6. Water-use permit; processing fee.** (a) Except as described in paragraphs (b)
237.24 to (g), a water-use permit processing fee must be prescribed by the commissioner in
237.25 accordance with the schedule of fees in this subdivision for each water-use permit in force
237.26 at any time during the year. Fees collected under this paragraph are credited to the water
237.27 management account in the natural resources fund. The schedule is as follows, with the
237.28 stated fee in each clause applied to the total amount appropriated:

237.29 (1) \$140 for amounts not exceeding 50,000,000 gallons per year;

237.30 (2) \$3.50 per 1,000,000 gallons for amounts greater than 50,000,000 gallons but less
237.31 than 100,000,000 gallons per year;

238.1 (3) \$4 per 1,000,000 gallons for amounts greater than 100,000,000 gallons but less than
238.2 150,000,000 gallons per year;

238.3 (4) \$4.50 per 1,000,000 gallons for amounts greater than 150,000,000 gallons but less
238.4 than 200,000,000 gallons per year;

238.5 (5) \$5 per 1,000,000 gallons for amounts greater than 200,000,000 gallons but less than
238.6 250,000,000 gallons per year;

238.7 (6) \$5.50 per 1,000,000 gallons for amounts greater than 250,000,000 gallons but less
238.8 than 300,000,000 gallons per year;

238.9 (7) \$6 per 1,000,000 gallons for amounts greater than 300,000,000 gallons but less than
238.10 350,000,000 gallons per year;

238.11 (8) \$6.50 per 1,000,000 gallons for amounts greater than 350,000,000 gallons but less
238.12 than 400,000,000 gallons per year;

238.13 (9) \$7 per 1,000,000 gallons for amounts greater than 400,000,000 gallons but less than
238.14 450,000,000 gallons per year;

238.15 (10) \$7.50 per 1,000,000 gallons for amounts greater than 450,000,000 gallons but less
238.16 than 500,000,000 gallons per year; and

238.17 (11) \$8 per 1,000,000 gallons for amounts greater than 500,000,000 gallons per year.

238.18 (b) For once-through cooling systems, a water-use processing fee must be prescribed
238.19 by the commissioner in accordance with the following schedule of fees for each water-use
238.20 permit in force at any time during the year:

238.21 (1) for nonprofit corporations and school districts, \$200 per 1,000,000 gallons; and

238.22 (2) for all other users, \$420 per 1,000,000 gallons.

238.23 (c) The fee is payable based on the amount of water appropriated during the year and,
238.24 except as provided in paragraph (f), the minimum fee is \$100.

238.25 (d) For water-use processing fees other than once-through cooling systems:

238.26 (1) the fee for a city of the first class may not exceed \$250,000 per year;

238.27 (2) the fee for other entities for any permitted use may not exceed:

238.28 (i) \$60,000 per year for an entity holding three or fewer permits;

238.29 (ii) \$90,000 per year for an entity holding four or five permits; or

238.30 (iii) \$300,000 per year for an entity holding more than five permits;

239.1 (3) the fee for agricultural irrigation may not exceed \$750 per year;

239.2 (4) the fee for a municipality that furnishes electric service and cogenerates steam for
239.3 home heating may not exceed \$10,000 for its permit for water use related to the cogeneration
239.4 of electricity and steam;

239.5 (5) the fee for a facility that temporarily diverts a water of the state from its natural
239.6 channel to produce hydroelectric or hydromechanical power may not exceed \$5,000 per
239.7 year. A permit for such a facility does not count toward the number of permits held by an
239.8 entity as described in this paragraph; and

239.9 (6) no fee is required for a project involving the appropriation of surface water to prevent
239.10 flood damage or to remove flood waters during a period of flooding, as determined by the
239.11 commissioner.

239.12 (e) Failure to pay the fee is sufficient cause for revoking a permit. A penalty of ten
239.13 percent per month calculated from the original due date must be imposed on the unpaid
239.14 balance of fees remaining 30 days after the sending of a second notice of fees due. A fee
239.15 may not be imposed on an agency, as defined in section 16B.01, subdivision 2, or federal
239.16 governmental agency holding a water appropriation permit.

239.17 (f) The minimum water-use processing fee for a permit issued for irrigation of agricultural
239.18 land is \$20 for years in which:

239.19 (1) there is no appropriation of water under the permit; or

239.20 (2) the permit is suspended for more than seven consecutive days between May 1 and
239.21 October 1.

239.22 (g) The commissioner shall waive the water-use permit fee for installations and projects
239.23 that use stormwater runoff or where public entities are diverting water to treat a water quality
239.24 issue and returning the water to its source without using the water for any other purpose,
239.25 unless the commissioner determines that the proposed use adversely affects surface water
239.26 or groundwater.

239.27 (h) A surcharge of ~~\$30~~ \$50 per million gallons in addition to the fee prescribed in
239.28 paragraph (a) shall be applied to the volume of water used in each of the months of May,
239.29 June, July, and August, and September that exceeds the volume of water used in January
239.30 for municipal water use, irrigation of golf courses, and landscape irrigation. The surcharge
239.31 for municipalities with more than one permit shall be determined based on the total
239.32 appropriations from all permits that supply a common distribution system.

240.1 Sec. 99. Minnesota Statutes 2022, section 103G.287, subdivision 2, is amended to read:

240.2 Subd. 2. **Relationship to surface water resources.** Groundwater appropriations ~~that~~
240.3 ~~will have negative impacts to surface waters are subject to applicable provisions in section~~
240.4 ~~103G.285~~ may be authorized only if they avoid known negative impacts to surface waters.
240.5 If the commissioner determines that groundwater appropriations are having a negative
240.6 impact to surface waters, the commissioner may use a sustainable diversion limit or other
240.7 relevant method, tools, or information to implement measures so that groundwater
240.8 appropriations do not negatively impact the surface waters.

240.9 Sec. 100. Minnesota Statutes 2022, section 103G.287, subdivision 3, is amended to read:

240.10 Subd. 3. **Protecting groundwater supplies.** The commissioner may establish water
240.11 appropriation limits to protect groundwater resources. When establishing water appropriation
240.12 limits to protect groundwater resources, the commissioner must consider the sustainability
240.13 of the groundwater resource, including the current and projected water levels, cumulative
240.14 withdrawal rates from the resource on a monthly or annual basis, water quality, whether
240.15 the use protects ecosystems, and the ability of future generations to meet their own needs.
240.16 The commissioner may consult with the commissioners of health, agriculture, and the
240.17 Pollution Control Agency and other state entities when determining the impacts on water
240.18 quality and quantity.

240.19 Sec. 101. Minnesota Statutes 2022, section 103G.299, subdivision 1, is amended to read:

240.20 Subdivision 1. **Authority to issue administrative penalty orders.** (a) As provided in
240.21 paragraph (b), the commissioner may issue an order requiring violations to be corrected
240.22 and administratively assessing monetary penalties for violations of sections 103G.271 and
240.23 103G.275, and any rules adopted under those sections.

240.24 (b) An order under this section may be issued to a person for water appropriation activities
240.25 without a required permit or for violating the terms of a required permit.

240.26 (c) The order must be issued as provided in this section and in accordance with the plan
240.27 prepared under subdivision 12.

240.28 Sec. 102. Minnesota Statutes 2022, section 103G.299, subdivision 2, is amended to read:

240.29 Subd. 2. **Amount of penalty; considerations.** (a) The commissioner may issue orders
240.30 assessing administrative penalties ~~based on potential for harm and deviation from compliance.~~
240.31 ~~For a violation that presents:~~ up to \$40,000.

241.1 ~~(1) a minor potential for harm and deviation from compliance, the penalty will be no~~
241.2 ~~more than \$1,000;~~

241.3 ~~(2) a moderate potential for harm and deviation from compliance, the penalty will be~~
241.4 ~~no more than \$10,000; and~~

241.5 ~~(3) a severe potential for harm and deviation from compliance, the penalty will be no~~
241.6 ~~more than \$20,000.~~

241.7 (b) In determining the amount of a penalty the commissioner may consider:

241.8 (1) the gravity of the violation, including potential for, or real, damage to the public
241.9 interest or natural resources of the state;

241.10 (2) the history of past violations;

241.11 (3) the number of violations;

241.12 (4) the economic benefit gained by the person by allowing or committing the violation
241.13 based on data from local or state bureaus or educational institutions; and

241.14 (5) other factors as justice may require, if the commissioner specifically identifies the
241.15 additional factors in the commissioner's order.

241.16 (c) For a violation after an initial violation, including a continuation of the initial violation,
241.17 the commissioner must, in determining the amount of a penalty, consider the factors in
241.18 paragraph (b) and the:

241.19 (1) similarity of the most recent previous violation and the violation to be penalized;

241.20 (2) time elapsed since the last violation;

241.21 (3) number of previous violations; and

241.22 (4) response of the person to the most recent previous violation identified.

241.23 Sec. 103. Minnesota Statutes 2022, section 103G.299, subdivision 5, is amended to read:

241.24 Subd. 5. **Penalty.** (a) Except as provided in paragraph (b), if the commissioner determines
241.25 that the violation has been corrected or appropriate steps have been taken to correct the
241.26 action, the penalty must be forgiven. Unless the person requests review of the order under
241.27 subdivision 6 or 7 before the penalty is due, the penalty in the order is due and payable:

241.28 (1) on the 31st day after the order was received, if the person subject to the order fails
241.29 to provide information to the commissioner showing that the violation has been corrected
241.30 or that appropriate steps have been taken toward correcting the violation; or

242.1 (2) on the 20th day after the person receives the commissioner's determination under
242.2 subdivision 4, paragraph (c), if the person subject to the order has provided information to
242.3 the commissioner that the commissioner determines is not sufficient to show that the violation
242.4 has been corrected or that appropriate steps have been taken toward correcting the violation.

242.5 (b) For repeated or serious violations, the commissioner may issue an order with a penalty
242.6 that is not forgiven after the corrective action is taken. The penalty is due ~~by~~ 31 days after
242.7 the order ~~was~~ is received, unless review of the order under subdivision 6 or 7 ~~has been~~ is
242.8 sought.

242.9 (c) Interest at the rate established in section 549.09 begins to accrue on penalties under
242.10 this subdivision on the 31st day after the order with the penalty ~~was~~ is received.

242.11 Sec. 104. Minnesota Statutes 2022, section 103G.299, subdivision 10, is amended to read:

242.12 Subd. 10. **Cumulative remedy.** The authority of the commissioner to issue a corrective
242.13 order assessing penalties is in addition to other remedies available under statutory or common
242.14 law, ~~except that the state may not seek civil penalties under any other provision of law for~~
242.15 ~~the violations covered by the administrative penalty order.~~ The payment of a penalty does
242.16 not preclude the use of other enforcement provisions, ~~under which penalties are not assessed,~~
242.17 in connection with the violation for which the penalty was assessed.

242.18 Sec. 105. [103G.299] PENALTIES; ENFORCEMENT.

242.19 Subdivision 1. Civil penalties. (a) The commissioner, according to section 103G.134,
242.20 may issue a notice to a person who violates:

242.21 (1) this chapter;

242.22 (2) a permit issued under this chapter or a term or condition of a permit issued under
242.23 this chapter;

242.24 (3) a duty under this chapter to permit an inspection, entry, or monitoring activity or a
242.25 duty under this chapter to carry out an inspection or monitoring activity;

242.26 (4) a rule adopted under this chapter;

242.27 (5) a stipulation agreement, variance, or schedule of compliance entered into under this
242.28 chapter; or

242.29 (6) an order issued by the commissioner under this chapter.

242.30 (b) A person issued a notice forfeits and must pay to the state a penalty, in an amount
242.31 to be determined by the district court, of not more than \$10,000 per day of violation.

243.1 (c) In the discretion of the district court, a defendant under this section may be required
243.2 to:

243.3 (1) forfeit and pay to the state a sum that adequately compensates the state for the
243.4 reasonable value of restoration, monitoring, and other expenses directly resulting from the
243.5 unauthorized use of or damage to natural resources of the state; and

243.6 (2) forfeit and pay to the state an additional sum to constitute just compensation for any
243.7 damage, loss, or destruction of the state's natural resources and for other actual damages to
243.8 the state caused by an unauthorized use of natural resources of the state.

243.9 (d) As a defense to damages assessed under paragraph (c), a defendant may prove that
243.10 the violation was caused solely by:

243.11 (1) an act of God;

243.12 (2) an act of war;

243.13 (3) negligence on the part of the state;

243.14 (4) an act or failure to act that constitutes sabotage or vandalism; or

243.15 (5) any combination of clauses (1) to (4).

243.16 (e) The civil penalties and damages provided for in this subdivision may be recovered
243.17 by a civil action brought by the attorney general in the name of the state in Ramsey County
243.18 District Court. Civil penalties and damages provided for in this subdivision may be resolved
243.19 by the commissioner through a negotiated stipulation agreement according to the authority
243.20 granted to the commissioner in section 103G.134.

243.21 Subd. 2. **Enforcement.** This chapter and rules, standards, orders, stipulation agreements,
243.22 schedules of compliance, and permits adopted or issued by the commissioner under this
243.23 chapter or any other law for preventing, controlling, or abating damage to natural resources
243.24 may be enforced by one or more of the following:

243.25 (1) criminal prosecution;

243.26 (2) action to recover civil penalties;

243.27 (3) injunction;

243.28 (4) action to compel performance; or

243.29 (5) other appropriate action according to this chapter.

243.30 Subd. 3. **Injunctions.** A violation of this chapter or rules, standards, orders, stipulation
243.31 agreements, variances, schedules of compliance, and permits adopted or issued under this

244.1 chapter constitutes a public nuisance and may be enjoined as provided by law in an action,
244.2 in the name of the state, brought by the attorney general.

244.3 Subd. 4. **Actions to compel performance.** (a) In an action to compel performance of
244.4 an order issued by the commissioner for any purpose related to preventing, controlling, or
244.5 abating damage to natural resources under this chapter, the court may require a defendant
244.6 adjudged responsible to do and perform any and all acts set forth in the commissioner's
244.7 order and all things within the defendant's power that are reasonably necessary to accomplish
244.8 the purposes of the order.

244.9 (b) If a municipality or its governing or managing body or any of its officers is a
244.10 defendant, the court may require the municipality to exercise its powers, without regard to
244.11 any limitation of a requirement for an election or referendum imposed thereon by law and
244.12 without restricting the powers of the commissioner, to do any or all of the following, without
244.13 limiting the generality hereof:

244.14 (1) levy taxes or special assessments;

244.15 (2) prescribe service or use charges;

244.16 (3) borrow money;

244.17 (4) issue bonds;

244.18 (5) employ assistance;

244.19 (6) acquire real or personal property;

244.20 (7) let contracts;

244.21 (8) otherwise provide for doing work or constructing, installing, maintaining, or operating
244.22 facilities; and

244.23 (9) do all acts and things reasonably necessary to accomplish the purposes of the
244.24 commissioner's order.

244.25 (c) The court must grant a municipality under paragraph (b) the opportunity to determine
244.26 the appropriate financial alternatives to be used to comply with the court-imposed
244.27 requirements.

244.28 (d) An action brought under this subdivision must be venued in Ramsey County District
244.29 Court.

245.1 Sec. 106. Minnesota Statutes 2022, section 103G.301, subdivision 2, is amended to read:

245.2 Subd. 2. **Permit application and notification fees.** (a) A fee to defray the costs of
245.3 receiving, recording, and processing must be paid for a permit application authorized under
245.4 this chapter, except for a general permit application, for each request to amend or transfer
245.5 an existing permit, and for a notification to request authorization to conduct a project under
245.6 a general permit. Fees established under this subdivision, unless specified in paragraph (c),
245.7 must comply with section 16A.1285.

245.8 (b) Proposed projects that require water in excess of 100 million gallons per year must
245.9 be assessed fees to recover the costs incurred to evaluate the project and the costs incurred
245.10 for environmental review. Fees collected under this paragraph must be credited to an account
245.11 in the natural resources fund and are appropriated to the commissioner.

245.12 (c) The fee to apply for a permit to appropriate water, in addition to any fee under
245.13 paragraph (b), is \$150. The application fee for a permit to construct or repair a dam that is
245.14 subject to a dam safety inspection, to work in public waters, or to divert waters for mining
245.15 must be at least ~~\$300~~ \$1,200, but not more than ~~\$3,000~~ \$12,000. The fee for a notification
245.16 to request authorization to conduct a project under a general permit is ~~\$100~~ \$400.

245.17 Sec. 107. Minnesota Statutes 2022, section 103G.301, subdivision 6, is amended to read:

245.18 Subd. 6. **Filing application.** An application for a permit must be filed with the
245.19 commissioner ~~and~~. If the proposed activity for which the permit is requested is within a
245.20 municipality, ~~or~~ is within or affects a watershed district or a soil and water conservation
245.21 district, or is within the boundaries of a reservation or Tribal community of a federally
245.22 recognized Indian Tribe in Minnesota, a copy of the application with maps, plans, and
245.23 specifications must be served on the mayor of the municipality, the secretary of the board
245.24 of managers of the watershed district, ~~and~~ the secretary of the board of supervisors of the
245.25 soil and water conservation district, or the Tribal chair of the federally recognized Indian
245.26 Tribe, as applicable. For purposes of this section, "federally recognized Indian Tribe" means
245.27 the Minnesota Tribal governments listed in section 10.65, subdivision 2.

245.28 Sec. 108. Minnesota Statutes 2022, section 103G.301, subdivision 7, is amended to read:

245.29 Subd. 7. **Recommendation of local units of government and federally recognized**
245.30 **Indian Tribes.** (a) If the proposed activity for which the permit is requested is within a
245.31 municipality, or is within or affects a watershed district or a soil and water conservation
245.32 district, the commissioner may obtain a written recommendation of the managers of the

246.1 district and the board of supervisors of the soil and water conservation district or the mayor
246.2 of the municipality before issuing or denying the permit.

246.3 (b) The managers, supervisors, or mayor must file a recommendation within 30 days
246.4 after receiving of a copy of the application for permit.

246.5 (c) If the proposed activity for which the permit is requested is within the boundaries of
246.6 a reservation or Tribal community of a federally recognized Indian Tribe in Minnesota, the
246.7 federally recognized Indian Tribe may:

246.8 (1) submit recommendations to the commissioner within 30 days of receiving the
246.9 application; or

246.10 (2) request Tribal consultation according to section 10.65 within 30 days of receiving
246.11 the application.

246.12 (d) If Tribal consultation is requested under paragraph (c), clause (2), a permit application
246.13 is not complete until after the consultation occurs or 90 days after the request for consultation
246.14 is made, whichever is sooner.

246.15 Sec. 109. Minnesota Statutes 2022, section 168.1295, subdivision 1, is amended to read:

246.16 Subdivision 1. **General requirements and procedures.** (a) The commissioner shall
246.17 issue state parks and trails plates to an applicant who:

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

246.20 (2) pays a fee in the amount specified for special plates under section 168.12, subdivision
246.21 5;

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

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

246.24 (5) contributes a minimum of ~~\$60~~ \$70 annually to the state parks and trails donation
246.25 account established in section 85.056; and

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

246.28 (b) The state parks and trails plate application must indicate that the contribution specified
246.29 under paragraph (a), clause (5), is a minimum contribution to receive the plate and that the
246.30 applicant may make an additional contribution to the account.

247.1 (c) State parks and trails plates may be personalized according to section 168.12,
247.2 subdivision 2a.

247.3 Sec. 110. Minnesota Statutes 2022, section 171.07, is amended by adding a subdivision
247.4 to read:

247.5 Subd. 20. **Watercraft operator's permit.** (a) The department must maintain in its
247.6 records information transmitted electronically from the commissioner of natural resources
247.7 identifying each person to whom the commissioner has issued a watercraft operator's permit.
247.8 The records transmitted from the Department of Natural Resources must contain the full
247.9 name and date of birth as required for the driver's license or identification card. Records
247.10 that are not matched to a driver's license or identification card record may be deleted after
247.11 seven years.

247.12 (b) After receiving information under paragraph (a) that a person has received a watercraft
247.13 operator's permit, the department must include on all drivers' licenses or Minnesota
247.14 identification cards subsequently issued to the person a graphic or written indication that
247.15 the person has received the permit.

247.16 (c) If a person who has received a watercraft operator's permit applies for a driver's
247.17 license or Minnesota identification card before that information has been transmitted to the
247.18 department, the department may accept a copy of the certificate as proof of its issuance and
247.19 must then follow the procedures in paragraph (b).

247.20 **EFFECTIVE DATE.** This section is effective July 1, 2025.

247.21 Sec. 111. Minnesota Statutes 2022, section 297A.94, is amended to read:

247.22 **297A.94 DEPOSIT OF REVENUES.**

247.23 (a) Except as provided in this section, the commissioner shall deposit the revenues,
247.24 including interest and penalties, derived from the taxes imposed by this chapter in the state
247.25 treasury and credit them to the general fund.

247.26 (b) The commissioner shall deposit taxes in the Minnesota agricultural and economic
247.27 account in the special revenue fund if:

247.28 (1) the taxes are derived from sales and use of property and services purchased for the
247.29 construction and operation of an agricultural resource project; and

247.30 (2) the purchase was made on or after the date on which a conditional commitment was
247.31 made for a loan guaranty for the project under section 41A.04, subdivision 3.

248.1 The commissioner of management and budget shall certify to the commissioner the date on
248.2 which the project received the conditional commitment. The amount deposited in the loan
248.3 guaranty account must be reduced by any refunds and by the costs incurred by the Department
248.4 of Revenue to administer and enforce the assessment and collection of the taxes.

248.5 (c) The commissioner shall deposit the revenues, including interest and penalties, derived
248.6 from the taxes imposed on sales and purchases included in section 297A.61, subdivision 3,
248.7 paragraph (g), clauses (1) and (4), in the state treasury, and credit them as follows:

248.8 (1) first to the general obligation special tax bond debt service account in each fiscal
248.9 year the amount required by section 16A.661, subdivision 3, paragraph (b); and

248.10 (2) after the requirements of clause (1) have been met, the balance to the general fund.

248.11 (d) Beginning with sales taxes remitted after July 1, 2017, the commissioner shall deposit
248.12 in the state treasury the revenues collected under section 297A.64, subdivision 1, including
248.13 interest and penalties and minus refunds, and credit them to the highway user tax distribution
248.14 fund.

248.15 (e) The commissioner shall deposit the revenues, including interest and penalties,
248.16 collected under section 297A.64, subdivision 5, in the state treasury and credit them to the
248.17 general fund. By July 15 of each year the commissioner shall transfer to the highway user
248.18 tax distribution fund an amount equal to the excess fees collected under section 297A.64,
248.19 subdivision 5, for the previous calendar year.

248.20 (f) Beginning with sales taxes remitted after July 1, 2017, in conjunction with the deposit
248.21 of revenues under paragraph (d), the commissioner shall deposit into the state treasury and
248.22 credit to the highway user tax distribution fund an amount equal to the estimated revenues
248.23 derived from the tax rate imposed under section 297A.62, subdivision 1, on the lease or
248.24 rental for not more than 28 days of rental motor vehicles subject to section 297A.64. The
248.25 commissioner shall estimate the amount of sales tax revenue deposited under this paragraph
248.26 based on the amount of revenue deposited under paragraph (d).

248.27 (g) The commissioner shall deposit an amount of the remittances monthly into the state
248.28 treasury and credit them to the highway user tax distribution fund as a portion of the estimated
248.29 amount of taxes collected from the sale and purchase of motor vehicle repair and replacement
248.30 parts in that month. The monthly deposit amount is \$12,137,000. For purposes of this
248.31 paragraph, "motor vehicle" has the meaning given in section 297B.01, subdivision 11, and
248.32 "motor vehicle repair and replacement parts" includes (i) all parts, tires, accessories, and
248.33 equipment incorporated into or affixed to the motor vehicle as part of the motor vehicle
248.34 maintenance and repair, and (ii) paint, oil, and other fluids that remain on or in the motor

249.1 vehicle as part of the motor vehicle maintenance or repair. For purposes of this paragraph,
249.2 "tire" means any tire of the type used on highway vehicles, if wholly or partially made of
249.3 rubber and if marked according to federal regulations for highway use.

249.4 (h) ~~72.43~~ 78.06 percent of the revenues, including interest and penalties, transmitted to
249.5 the commissioner under section 297A.65, must be deposited by the commissioner in the
249.6 state treasury as follows:

249.7 (1) 50 percent of the receipts must be deposited in the heritage enhancement account in
249.8 the game and fish fund, and may be spent only on activities that improve, enhance, or protect
249.9 fish and wildlife resources, including conservation, restoration, and enhancement of land,
249.10 water, and other natural resources of the state;

249.11 (2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
249.12 be spent only for state parks and trails;

249.13 (3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
249.14 be spent only on metropolitan park and trail grants;

249.15 (4) three percent of the receipts must be deposited in the natural resources fund, and
249.16 may be spent only on local trail grants; and

249.17 (5) two percent of the receipts must be deposited in the natural resources fund, and may
249.18 be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory,
249.19 and the Duluth Zoo.

249.20 (i) The revenue dedicated under paragraph (h) may not be used as a substitute for
249.21 traditional sources of funding for the purposes specified, but the dedicated revenue shall
249.22 supplement traditional sources of funding for those purposes. Land acquired with money
249.23 deposited in the game and fish fund under paragraph (h) must be open to public hunting
249.24 and fishing during the open season, except that in aquatic management areas or on lands
249.25 where angling easements have been acquired, fishing may be prohibited during certain times
249.26 of the year and hunting may be prohibited. At least 87 percent of the money deposited in
249.27 the game and fish fund for improvement, enhancement, or protection of fish and wildlife
249.28 resources under paragraph (h) must be allocated for field operations.

249.29 (j) The commissioner must deposit the revenues, including interest and penalties minus
249.30 any refunds, derived from the sale of items regulated under section 624.20, subdivision 1,
249.31 that may be sold to persons 18 years old or older and that are not prohibited from use by
249.32 the general public under section 624.21, in the state treasury and credit:

250.1 (1) 25 percent to the volunteer fire assistance grant account established under section
250.2 88.068;

250.3 (2) 25 percent to the fire safety account established under section 297I.06, subdivision
250.4 3; and

250.5 (3) the remainder to the general fund.

250.6 For purposes of this paragraph, the percentage of total sales and use tax revenue derived
250.7 from the sale of items regulated under section 624.20, subdivision 1, that are allowed to be
250.8 sold to persons 18 years old or older and are not prohibited from use by the general public
250.9 under section 624.21, is a set percentage of the total sales and use tax revenues collected in
250.10 the state, with the percentage determined under Laws 2017, First Special Session chapter
250.11 1, article 3, section 39.

250.12 (k) The revenues deposited under paragraphs (a) to (j) do not include the revenues,
250.13 including interest and penalties, generated by the sales tax imposed under section 297A.62,
250.14 subdivision 1a, which must be deposited as provided under the Minnesota Constitution,
250.15 article XI, section 15.

250.16 Sec. 112. **HOUSTON OHV TRAIL; REPORT.**

250.17 By January 15, 2024, the commissioner of natural resources must submit a report to the
250.18 chairs and ranking minority members of the legislative committees and divisions with
250.19 jurisdiction over environment and natural resources providing a brief history of the efforts
250.20 to establish an off-highway vehicle trail in Houston County, the current status, and next
250.21 steps.

250.22 Sec. 113. **STATE PARK LICENSE PLATE DESIGN CONTEST.**

250.23 The commissioner of natural resources must hold a license plate design contest to design
250.24 a new state park license plate available under Minnesota Statutes, section 168.1295,
250.25 subdivision 1.

250.26 Sec. 114. **UPPER SIOUX AGENCY STATE PARK; LAND TRANSFER.**

250.27 (a) The commissioner of natural resources must convey for no consideration all
250.28 state-owned land within the boundaries of Upper Sioux Agency State Park to the Upper
250.29 Sioux Community.

250.30 (b) Upon approval by the Minnesota Historical Society's Executive Council, the
250.31 Minnesota Historical Society may convey for no consideration state-owned land and real

251.1 property in the Upper Sioux Agency Historic Site, as defined in Minnesota Statutes, section
251.2 138.662, subdivision 33, to the Upper Sioux Community. In cooperation with the
251.3 commissioner of natural resources, the Minnesota Historical Society must identify any
251.4 funding restrictions or other legal barriers to conveying the land.

251.5 (c) By January 15, 2024, the commissioner, in cooperation with the Minnesota Historical
251.6 Society, must submit a report to the chairs and ranking minority members of the legislative
251.7 committees with jurisdiction over environment and natural resources that identifies all
251.8 barriers to conveying land within Upper Sioux Agency State Park and recommendations
251.9 for addressing those barriers, including any legislation needed to eliminate those barriers.

251.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

251.11 Sec. 115. **REQUIRED RULEMAKING.**

251.12 Subdivision 1. **Snowmobile registration.** (a) The commissioner of natural resources
251.13 must amend Minnesota Rules as follows:

251.14 (1) part 6100.5000, subpart 1, by striking the last sentence and inserting "The registration
251.15 number remains the same if renewed by July 1 following the expiration date."; and

251.16 (2) part 6100.5700, subpart 1, item C, by striking the reference to registration numbers.

251.17 (b) The commissioner may use the good-cause exemption under Minnesota Statutes,
251.18 section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota
251.19 Statutes, section 14.386, does not apply except as provided under Minnesota Statutes, section
251.20 14.388.

251.21 Subd. 2. **Walk-in access program.** The commissioner of natural resources must amend
251.22 Minnesota Rules, part 6230.0250, subpart 10, item A, subitem (2), to replace the word
251.23 "hunter" with "person." The commissioner may use the good cause exempt rulemaking
251.24 procedure under Minnesota Statutes, section 14.388, subdivision 1, clause (3), and Minnesota
251.25 Statutes, section 14.386, does not apply.

251.26 Sec. 116. **REGISTRATION DECAL FORMAT TRANSITION.**

251.27 Separately displaying registration numbers is not required when a larger-format
251.28 registration decal as provided under Minnesota Statutes, section 84.82, subdivision 2, is
251.29 displayed according to Minnesota Statutes, section 84.82, subdivision 3b. Snowmobiles
251.30 displaying valid but older, smaller-format registration decals must display the separate
251.31 registration numbers. Persons may obtain duplicate registration decals in the new, larger
251.32 format, when available, without being required to display the separate registration numbers.

252.1 Sec. 117. **REPORT ON OPTIONS FOR FUNDING ADDITIONAL LAW**
252.2 **ENFORCEMENT ON ICE OF STATE WATERS.**

252.3 By January 1, 2024, the commissioner of natural resources must report to the chairs and
252.4 ranking minority members of the legislative committees and divisions with jurisdiction over
252.5 environment and natural resources on options for funding additional enforcement of state
252.6 laws on the ice of state waters. The commissioner must work with the Minnesota Sheriffs'
252.7 Association and other stakeholders in generating the report, which must include options
252.8 and recommendations related to potential funding sources, funding levels, and allocation
252.9 of funding between the various enforcement agencies.

252.10 Sec. 118. **ENFORCEMENT OFFICER BARGAINING UNITS; REPORT.**

252.11 By September 1, 2023, the commissioner of natural resources must submit a report to
252.12 the chairs and ranking minority members of the legislative committees and divisions with
252.13 jurisdiction over environment and natural resources that provides a status update on the
252.14 collective bargaining agreement for law enforcement supervisors in response to Laws 2022,
252.15 chapter 80, section 3.

252.16 Sec. 119. **REPORT ON FERAL PIGS AND MINK.**

252.17 By February 15, 2024, the commissioner of natural resources, in cooperation with the
252.18 Board of Animal Health and the commissioners of agriculture and health, must submit a
252.19 report to the chairs and ranking minority members of the legislative committees with
252.20 jurisdiction over agriculture and environment and natural resources that:

252.21 (1) identifies the responsibilities of the Board of Animal Health and the commissioners
252.22 of natural resources, health, and agriculture for managing feral pigs and mink;

252.23 (2) identifies any need to clarify or modify responsibilities for feral pig and mink
252.24 management; and

252.25 (3) includes policy recommendations for managing feral pigs and mink to further prevent
252.26 negative impacts on the environment and human health.

252.27 Sec. 120. **TURTLE SELLER'S LICENSES; TRANSFER AND RENEWAL.**

252.28 The commissioner of natural resources must not renew or transfer a turtle seller's license
252.29 after the effective date of this section.

252.30 **EFFECTIVE DATE.** This section is effective January 1, 2024.

253.1 **Sec. 121. SWAN RESTITUTION VALUES; RULE AMENDMENTS.**

253.2 (a) The commissioner of natural resources must amend Minnesota Rules, part 6133.0030,
253.3 to increase the restitution value of a tundra swan from \$200 to \$1,000 and the restitution
253.4 value of a trumpeter swan from \$1,000 to \$2,500.

253.5 (b) The commissioner may use the good cause exemption under Minnesota Statutes,
253.6 section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota
253.7 Statutes, section 14.386, does not apply except as provided under Minnesota Statutes, section
253.8 14.388.

253.9 **Sec. 122. NATIVE FISH CONSERVATION; REPORTS.**

253.10 (a) By August 1, 2023, the commissioner of natural resources must submit a written
253.11 update on the progress of identifying necessary protection and conservation measures for
253.12 native fish currently defined as rough fish under Minnesota Statutes, section 97A.015,
253.13 subdivision 43, including buffalo, sucker, sheepshead, bowfin, gar, goldeye, and bullhead
253.14 to the chairs and ranking minority members of the house of representatives and senate
253.15 committees and divisions with jurisdiction over environment and natural resources.

253.16 (b) By December 15, 2023, the commissioner of natural resources must submit a written
253.17 report with recommendations for statutory and rule changes to provide necessary protection
253.18 and conservation measures and research needs for native fish currently designated as rough
253.19 fish to the chairs and ranking minority members of the house of representatives and senate
253.20 committees and divisions with jurisdiction over environment and natural resources. The
253.21 report must include recommendations for amending Minnesota Statutes to separately classify
253.22 fish that are native to Minnesota and that are currently designated as rough fish and invasive
253.23 fish that are currently designated as rough fish. For the purposes of this paragraph, native
253.24 fish include but are not limited to bowfin (*Amia calva*), bigmouth buffalo (*Ictiobus*
253.25 *cyprinellus*), smallmouth buffalo (*Ictiobus bubalus*), burbot (*Lota lota*), longnose gar
253.26 (*Lepisosteus osseus*), shortnose gar (*Lepisosteus platostomus*), goldeye (*Hiodon alosoides*),
253.27 mooneye (*Hiodon tergisus*), and white sucker (*Catostomus commersonii*), and invasive fish
253.28 include but are not limited to bighead carp (*Hypophthalmichthys nobilis*), grass carp
253.29 (*Ctenopharyngodon idella*), and silver carp (*Hypophthalmichthys molitrix*).

253.30 **Sec. 123. STATE TRAILS; REPORT.**

253.31 By January 15, 2024, the commissioner of natural resources must submit a report the
253.32 chairs and ranking minority members of the house of representatives and senate committees

254.1 and divisions with jurisdiction over environment and natural resources on state-authorized
254.2 trails that:

254.3 (1) identifies state trails authorized under Minnesota Statutes;

254.4 (2) identifies state trails that have been built and what is left to build;

254.5 (3) includes recommendations for removing any authorized trails that cannot be built;

254.6 and

254.7 (4) estimates the miles left to complete the authorized trail system.

254.8 **Sec. 124. WATER-USE PERMITS; CITY OF LAKE ELMO.**

254.9 (a) Notwithstanding any other provision of law, the commissioner of natural resources

254.10 may:

254.11 (1) issue permits necessary for the city of Lake Elmo to construct and operate a new

254.12 municipal water supply well; and

254.13 (2) amend existing water-use permits issued to the city of Lake Elmo to increase the

254.14 authorized volume of water that may be appropriated under the permits to a level consistent

254.15 with the amount anticipated to be needed each year according to a water supply plan approved

254.16 by the commissioner under Minnesota Statutes, section 103G.291.

254.17 (b) Notwithstanding paragraph (a), all new and amended water-use permits issued by

254.18 the commissioner to the city of Lake Elmo must contain the same water-use conservation

254.19 and planning measures required by law for municipal wells located wholly or partially

254.20 within the five-mile radius of White Bear Lake.

254.21 (c) This section expires June 30, 2027.

254.22 **Sec. 125. WHITE BEAR LAKE AREA WATER-USE PERMIT MODIFICATION**

254.23 **MORATORIUM.**

254.24 (a) Except as provided under paragraph (b), the commissioner of natural resources may

254.25 not reduce the total maximum amount of groundwater use permitted under a White Bear

254.26 Lake area water-use permit issued or amended before January 1, 2023.

254.27 (b) Notwithstanding paragraph (a), the commissioner of natural resources may reduce

254.28 the authorized amount of groundwater use permitted or impose additional restrictions or

254.29 conditions if necessary to address emergency preparedness or other public health and safety

254.30 issues as determined by the commissioner.

255.1 (c) Except as provided under paragraph (b), this section does not authorize the
 255.2 commissioner to reduce or eliminate water-use conservation or planning conditions imposed
 255.3 on municipal water appropriation permits for wells located wholly or partially within a
 255.4 five-mile radius of White Bear Lake.

255.5 (d) For the purposes of this section, "White Bear Lake area water-use permit" means a
 255.6 water-use permit authorizing the use of groundwater from one or more municipal wells
 255.7 located wholly or partially within a five-mile radius of White Bear Lake.

255.8 (e) This section expires June 30, 2027.

255.9 **Sec. 126. REVISOR INSTRUCTION.**

255.10 The revisor of statutes must renumber the subdivisions of Minnesota Statutes, section
 255.11 103G.005, listed in column A to the references listed in column B. The revisor must make
 255.12 necessary cross-reference changes in Minnesota Statutes and Minnesota Rules consistent
 255.13 with the renumbering:

255.14	<u>Column A</u>	<u>Column B</u>
255.15	<u>subdivision 9b</u>	<u>subdivision 9d</u>
255.16	<u>subdivision 13a</u>	<u>subdivision 13c</u>
255.17	<u>subdivision 15h</u>	<u>subdivision 15j</u>

255.18 **Sec. 127. REPEALER.**

255.19 (a) Minnesota Statutes 2022, sections 84.033, subdivision 3; 84.944, subdivision 3; and
 255.20 97A.145, subdivision 2, are repealed.

255.21 (b) Minnesota Rules, parts 6100.5000, subparts 3, 4, and 5; 6100.5700, subpart 4; and
 255.22 6115.1220, subpart 8, are repealed.

255.23 (c) Minnesota Statutes 2022, sections 86B.101; 86B.305; and 86B.313, subdivisions 2
 255.24 and 3, are repealed.

255.25 (d) Minnesota Rules, part 6256.0500, subparts 2, 2a, 2b, 4, 5, 6, 7, and 8, are repealed.

255.26 (e) Minnesota Statutes 2022, section 97C.605, subdivisions 2, 2a, 2b, and 5, are repealed.

255.27 **EFFECTIVE DATE.** Paragraph (c) is effective July 1, 2025, and paragraphs (d) and
 255.28 (e) are effective January 1, 2024.

ARTICLE 5

WATER AND SOIL RESOURCES

256.1

256.2

256.3 Section 1. Minnesota Statutes 2022, section 103B.101, subdivision 2, is amended to read:

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

256.5 (1) three county commissioners;

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

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

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

256.9 state governmental office, board, or agency;

256.10 (5) one township officer;

256.11 (6) two elected city officials, one of whom must be from a city located in the metropolitan

256.12 area, as defined under section 473.121, subdivision 2;

256.13 (7) the commissioner of agriculture;

256.14 (8) the commissioner of health;

256.15 (9) the commissioner of natural resources;

256.16 (10) the commissioner of the Pollution Control Agency; and

256.17 (11) the director of the University of Minnesota Extension Service.

256.18 (b) Members in paragraph (a), clauses (1) to (6), must be distributed across the state

256.19 with at least four members but not more than six members from the metropolitan area, as

256.20 defined by section 473.121, subdivision 2.

256.21 (c) Members in paragraph (a), clauses (1) to (6), are appointed by the governor. In making

256.22 the appointments, the governor may consider persons recommended by the Association of

256.23 Minnesota Counties, the Minnesota Association of Townships, the League of Minnesota

256.24 Cities, the Minnesota Association of Soil and Water Conservation Districts, and the

256.25 Minnesota Association of Watershed Districts. The list submitted by an association must

256.26 contain at least three nominees for each position to be filled.

256.27 (d) The membership terms, compensation, removal of members and filling of vacancies

256.28 on the board for members in paragraph (a), clauses (1) to (6), are as provided in section

256.29 15.0575, except that a member may be compensated at the rate of up to \$125 a day.

257.1 Sec. 2. Minnesota Statutes 2022, section 103B.101, subdivision 9, is amended to read:

257.2 Subd. 9. **Powers and duties.** (a) In addition to the powers and duties prescribed
257.3 elsewhere, the board shall:

257.4 (1) coordinate the water and soil resources planning and implementation activities of
257.5 counties, soil and water conservation districts, watershed districts, watershed management
257.6 organizations, and any other local units of government through its various authorities for
257.7 approval of local plans, administration of state grants, contracts and easements, and by other
257.8 means as may be appropriate;

257.9 (2) facilitate communication and coordination among state agencies in cooperation with
257.10 the Environmental Quality Board, and between state and local units of government, in order
257.11 to make the expertise and resources of state agencies involved in water and soil resources
257.12 management available to the local units of government to the greatest extent possible;

257.13 (3) coordinate state and local interests with respect to the study in southwestern Minnesota
257.14 under United States Code, title 16, section 1009;

257.15 (4) develop information and education programs designed to increase awareness of local
257.16 water and soil resources problems and awareness of opportunities for local government
257.17 involvement in preventing or solving them;

257.18 (5) provide a forum for the discussion of local issues and opportunities relating to water
257.19 and soil resources management;

257.20 (6) adopt an annual budget and work program that integrate the various functions and
257.21 responsibilities assigned to it by law; and

257.22 (7) report to the governor and the legislature by October 15 of each even-numbered year
257.23 with an assessment of board programs and recommendations for any program changes and
257.24 board membership changes necessary to improve state and local efforts in water and soil
257.25 resources management.

257.26 (b) The board may accept grants, gifts, donations, or contributions in money, services,
257.27 materials, or otherwise from the United States, a state agency, or other source to achieve
257.28 an authorized or delegated purpose. The board may enter into a contract or agreement
257.29 necessary or appropriate to accomplish the transfer. The board may conduct or participate
257.30 in local, state, or federal programs or projects that have as one purpose or effect the
257.31 preservation or enhancement of water and soil resources and may enter into and administer
257.32 agreements with local governments or landowners or their designated agents as part of those
257.33 programs or projects. The board may receive and expend money to acquire conservation

258.1 easements, as defined in chapter 84C, on behalf of the state and federal government consistent
258.2 with ~~the~~ Camp Ripley's Army Compatible Use Buffer Project, Sentinel Landscape program,
258.3 or related conservation programs. The board may enter into agreements, including grant
258.4 agreements, with Tribal nations, federal agencies, higher education institutions, local
258.5 governments, and private sector organizations to carry out programs and other responsibilities
258.6 prescribed or allowed by statute.

258.7 (c) Any money received is hereby deposited in an account in a fund other than the general
258.8 fund and appropriated and dedicated for the purpose for which it is granted.

258.9 Sec. 3. Minnesota Statutes 2022, section 103B.101, subdivision 16, is amended to read:

258.10 Subd. 16. ~~Water quality Conservation practices; standardized specifications.~~ (a)
258.11 The board ~~of Water and Soil Resources shall~~ must work with state and federal agencies,
258.12 Tribal Nations, academic institutions, local governments, practitioners, and stakeholders to
258.13 foster mutual understanding and provide recommendations for standardized specifications
258.14 for ~~water quality and soil conservation protection and improvement practices and~~ projects,
258.15 and systems for:

258.16 (1) erosion or sedimentation control;

258.17 (2) improvements to water quality or water quantity;

258.18 (3) habitat restoration and enhancement;

258.19 (4) energy conservation; and

258.20 (5) climate adaptation, resiliency, or mitigation.

258.21 (b) The board may convene working groups or work teams to develop information,
258.22 education, and recommendations.

258.23 Sec. 4. Minnesota Statutes 2022, section 103B.101, is amended by adding a subdivision
258.24 to read:

258.25 Subd. 18. **Guidelines for establishing and enhancing native vegetation.** (a) The board
258.26 must work with state and federal agencies, Tribal Nations, academic institutions, local
258.27 governments, practitioners, and stakeholders to foster mutual understanding and to provide
258.28 recommendations for standardized specifications to establish and enhance native vegetation
258.29 to provide benefits for:

258.30 (1) water quality;

258.31 (2) soil conservation;

259.1 (3) habitat enhancement;

259.2 (4) energy conservation; and

259.3 (5) climate adaptation, resiliency, or mitigation.

259.4 (b) The board may convene working groups or work teams to develop information,
259.5 education, and recommendations.

259.6 Sec. 5. Minnesota Statutes 2022, section 103B.103, is amended to read:

259.7 **103B.103 EASEMENT STEWARDSHIP ACCOUNTS.**

259.8 Subdivision 1. **Accounts established; sources.** (a) The water and soil conservation
259.9 easement stewardship account and the mitigation easement stewardship account are created
259.10 in the special revenue fund. The accounts consist of money credited to the accounts and
259.11 interest and other earnings on money in the accounts. The State Board of Investment must
259.12 manage the accounts to maximize long-term gain.

259.13 (b) Revenue from contributions and money appropriated for any purposes of the account
259.14 as described in subdivision 2 must be deposited in the water and soil conservation easement
259.15 stewardship account. Revenue from contributions, ~~wetland banking~~ mitigation fees designated
259.16 for stewardship purposes by the board, easement stewardship payments authorized under
259.17 subdivision 3, and money appropriated for any purposes of the account as described in
259.18 subdivision 2 must be deposited in the mitigation easement stewardship account.

259.19 Subd. 2. **Appropriation; purposes of accounts.** Five percent of the balance on July 1
259.20 each year in the water and soil conservation easement stewardship account and five percent
259.21 of the balance on July 1 each year in the mitigation easement stewardship account are
259.22 annually appropriated to the board and may be spent ~~only~~ to cover the costs of managing
259.23 easements held by the board, including costs associated with:

259.24 (1) repairing or replacing structures;

259.25 (2) monitoring;

259.26 (3) landowner contacts;

259.27 (4) records storage and management;

259.28 (5) processing landowner notices;

259.29 (6) requests for approval or amendments;

259.30 (7) enforcement; and

260.1 (8) legal services associated with easement management activities.

260.2 Subd. 3. **Financial contributions.** The board shall seek a financial contribution to the
260.3 water and soil conservation easement stewardship account for each conservation easement
260.4 acquired by the board. The board shall seek a financial contribution or assess an easement
260.5 stewardship payment to the mitigation easement stewardship account for each wetland
260.6 ~~banking~~ mitigation easement acquired by the board. Unless otherwise provided by law, the
260.7 board shall determine the amount of the contribution or payment, which must be an amount
260.8 calculated to earn sufficient money to meet the costs of managing the easement at a level
260.9 that neither significantly overrecovers nor underrecovers the costs. In determining the
260.10 amount of the financial contribution, the board shall consider:

260.11 (1) the estimated annual staff hours needed to manage the conservation easement, taking
260.12 into consideration factors such as easement type, size, location, and complexity;

260.13 (2) the average hourly wages for the class or classes of state and local employees expected
260.14 to manage the easement;

260.15 (3) the estimated annual travel expenses to manage the easement;

260.16 (4) the estimated annual miscellaneous costs to manage the easement, including supplies
260.17 and equipment, information technology support, and aerial flyovers;

260.18 (5) the estimated annualized costs of legal services, including the cost to enforce the
260.19 easement in the event of a violation;

260.20 (6) the estimated annualized costs for repairing or replacing water control structures;

260.21 and

260.22 ~~(6)~~ (7) the expected rate of return on investments in the account.

260.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

260.24 Sec. 6. **[103B.104] LAWNS TO LEGUMES PROGRAM.**

260.25 (a) The Board of Water and Soil Resources may provide financial and technical assistance
260.26 to plant residential landscapes and community spaces with native vegetation and
260.27 pollinator-friendly forbs and legumes to protect a diversity of pollinators with declining
260.28 populations, providing additional benefits for water management, carbon sequestration, and
260.29 landscape resiliency.

260.30 (b) The board must establish criteria for grants or payments awarded under this section.

260.31 Grants or payments awarded under this section may give priority consideration for proposals

261.1 in areas identified by the United States Fish and Wildlife Service as areas where there is a
261.2 high potential for rusty patched bumble bees and other priority species to be present.

261.3 (c) The board may collaborate with and enter into agreements with federal, state, and
261.4 local agencies; Tribal Nations; and other nonprofit organizations and contractors to implement
261.5 and promote the program.

261.6 **Sec. 7. [103B.105] HABITAT-FRIENDLY UTILITIES PROGRAM.**

261.7 (a) The Board of Water and Soil Resources may provide financial and technical assistance
261.8 to promote the successful establishment of native vegetation as part of utility projects,
261.9 including solar and wind projects, pipelines, and electrical transmission corridors, to:

261.10 (1) ensure the integrity and resiliency of Minnesota landscapes; and

261.11 (2) protect habitat and water resources.

261.12 (b) The board must establish criteria for grants or payments awarded under this section.
261.13 Grants or payments awarded under this section may prioritize proposals in areas identified
261.14 by state and federal agencies and conservation partners for protecting high-priority natural
261.15 resources and wildlife species.

261.16 (c) The board may collaborate with and enter into agreements with federal, state, and
261.17 local agencies; Tribal Nations; utility companies; nonprofit organizations; and contractors
261.18 to implement and promote the program.

261.19 **Sec. 8. [103B.106] HABITAT ENHANCEMENT LANDSCAPE PROGRAM.**

261.20 (a) The Board of Water and Soil Resources may provide financial and technical assistance
261.21 to establish or enhance areas of diverse native vegetation to:

261.22 (1) support declining populations of bees, butterflies, dragonflies, birds, and other wildlife
261.23 species that are essential for ecosystems and food production across conservation lands,
261.24 open spaces, and natural areas; and

261.25 (2) provide additional benefits for water management, carbon sequestration, and landscape
261.26 and climate resiliency.

261.27 (b) The board must establish criteria for grants or payments awarded under this section.
261.28 Grants or payments awarded under this section may prioritize proposals in areas identified
261.29 by state and federal agencies and conservation partners as high priority for protecting
261.30 endangered or threatened pollinator and other species.

262.1 (c) The board may collaborate with and enter into agreements with federal, state, and
 262.2 local agencies; Tribal Nations; nonprofit organizations; and contractors to implement and
 262.3 promote the program.

262.4 Sec. 9. Minnesota Statutes 2022, section 103C.501, subdivision 1, is amended to read:

262.5 Subdivision 1. **Cost-share Program authorization.** The state board may allocate
 262.6 available funds to districts ~~to share the cost of systems or~~ for practices, projects, and systems
 262.7 for:

262.8 (1) erosion or sedimentation control or;

262.9 (2) improvements to water quality improvement that are designed to protect and improve
 262.10 soil and water resources, or water quantity;

262.11 (3) habitat enhancement;

262.12 (4) plant biodiversity;

262.13 (5) energy conservation; or

262.14 (6) climate adaptation, resiliency, or mitigation.

262.15 Sec. 10. Minnesota Statutes 2022, section 103C.501, subdivision 4, is amended to read:

262.16 Subd. 4. **Cost-sharing Use of funds.** ~~(a) The state board shall allocate cost-sharing funds~~
 262.17 ~~to areas with high-priority erosion, sedimentation, or water quality problems or water quantity~~
 262.18 ~~problems due to altered hydrology. The areas must be selected based on priorities established~~
 262.19 ~~by the state board.~~

262.20 ~~(b)~~ The allocated funds must be used ~~for:~~

262.21 (1) for conservation practices for high-priority problems activities, including technical
 262.22 and financial assistance, identified in the comprehensive and annual work plans of the
 262.23 districts, for the technical assistance portion of the grant funds state-approved plans that are
 262.24 related to water and natural resources and established under chapters 103B, 103C, 103D,
 262.25 103F, 103G, and 114D;

262.26 (2) to leverage federal or other nonstate funds; or

262.27 (3) to address high-priority needs identified in local water management plans or
 262.28 comprehensive watershed management plans by the district based on public input.

263.1 Sec. 11. Minnesota Statutes 2022, section 103C.501, subdivision 5, is amended to read:

263.2 Subd. 5. **Contracts by districts.** (a) A district ~~board~~ may ~~contract on a cost-share basis~~
 263.3 ~~to furnish financial aid to~~ provide technical and financial assistance to a land occupier or
 263.4 to a state or federal agency for ~~permanent systems~~ practices and projects for:

263.5 (1) erosion or sedimentation control ~~or~~;

263.6 (2) improvements to water quality or water quantity ~~improvements that are consistent~~
 263.7 ~~with the district's comprehensive and annual work plans;~~

263.8 (3) habitat enhancement;

263.9 (4) plant biodiversity;

263.10 (5) energy conservation; or

263.11 (6) climate adaptation, resiliency, or mitigation.

263.12 (b) A district ~~board, with approval from the state board and,~~ consistent with state board
 263.13 rules and policies, may contract ~~on a cost-share basis to furnish financial aid to a land~~
 263.14 ~~occupier for~~ to provide technical and financial assistance for structural and nonstructural
 263.15 ~~land management practices that are part of a planned erosion control or water quality~~
 263.16 ~~improvement plan and projects.~~

263.17 (c) ~~The duration of the contract must, at a minimum, be the time required to complete~~
 263.18 ~~the planned systems. A contract must specify that the land occupier is liable for monetary~~
 263.19 ~~damages and penalties in an amount up to 150 percent of the financial assistance received~~
 263.20 ~~from the district, for failure to complete the systems or practices in a timely manner or~~
 263.21 ~~maintain the systems or practices as specified in the contract.~~

263.22 (d) ~~A contract may provide for cooperation or funding with federal agencies. A land~~
 263.23 ~~occupier or state agency may provide the cost-sharing portion of the contract through services~~
 263.24 ~~in kind.~~

263.25 (e) (c) ~~The state board or the district board~~ may not furnish any financial ~~aid~~ assistance
 263.26 for practices designed only to increase land productivity.

263.27 (f) (d) When a district ~~board~~ determines that long-term maintenance of a system or
 263.28 practice is desirable, the district or the state board may require that maintenance be made
 263.29 a covenant upon the land for the effective life of the practice. A covenant under this
 263.30 subdivision shall be construed in the same manner as a conservation restriction under section
 263.31 84.65.

264.1 Sec. 12. Minnesota Statutes 2022, section 103C.501, subdivision 6, is amended to read:

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

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

264.5 (2) standards and guidelines for ~~cost-sharing~~ implementing the conservation contracts;
264.6 program.

264.7 ~~(3) the scope and content of district comprehensive plans, plan amendments, and annual~~
264.8 ~~work plans;~~

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

264.12 ~~(5) the share of the cost of conservation practices to be paid from cost-sharing funds;~~
264.13 ~~and~~

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

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

264.18 Sec. 13. Minnesota Statutes 2022, section 103C.501, is amended by adding a subdivision
264.19 to read:

264.20 Subd. 7. **Inspections.** The district or the district's delegate must conduct site inspections
264.21 of conservation practices installed to determine if the land occupier is in compliance with
264.22 design, operation, and maintenance specifications.

264.23 Sec. 14. Minnesota Statutes 2022, section 103D.605, subdivision 5, is amended to read:

264.24 Subd. 5. **Establishment order.** After the project hearing, if the managers find that the
264.25 project will be conducive to public health, will promote the general welfare, and ~~is in~~
264.26 ~~compliance~~ complies with the watershed management plan and the provisions of this chapter,
264.27 the ~~board~~ managers must, by order, establish the project. The establishment order must
264.28 include the findings of the managers.

265.1 **Sec. 15. [103E.122] DRAINAGE REGISTRY INFORMATION PORTAL.**

265.2 (a) By December 31, 2023, the executive director of the Board of Water and Soil
265.3 Resources must establish and permanently maintain a drainage registry information portal
265.4 that includes a publicly searchable electronic database. The portal must allow a drainage
265.5 authority to electronically submit information on:

265.6 (1) a petitioned drainage project; and

265.7 (2) a petition or order for reestablishment of records.

265.8 (b) Within ten days of appointing an engineer for a petitioned drainage project or within
265.9 ten days of a finding that a record is incomplete under section 103E.101, subdivision 4a,
265.10 paragraph (a), a drainage authority must file the following information with the Board of
265.11 Water and Soil Resources through the registry information portal established under paragraph
265.12 (a):

265.13 (1) the name of the drainage authority;

265.14 (2) whether the filing results from a petitioned drainage project or a petition or order for
265.15 reestablishment of records;

265.16 (3) the date that the petition or order was filed;

265.17 (4) information for a local contact that can provide additional information; and

265.18 (5) a copy of the filed petition or order.

265.19 (c) A drainage authority may not take further action on a petitioned drainage project or
265.20 a petition or order for reestablishment of records until the information under paragraph (b)
265.21 is available for public viewing on the registry information portal.

265.22 (d) The registry information portal must allow members of the public to electronically
265.23 search for and retrieve information by the data fields specified in paragraph (b), clauses (1)
265.24 to (5).

265.25 **Sec. 16. [103F.06] SOIL HEALTH PRACTICES PROGRAM.**

265.26 Subdivision 1. **Definitions.** (a) In this section, the following terms have the meanings
265.27 given:

265.28 (1) "board" means the Board of Water and Soil Resources;

265.29 (2) "local units of government" has the meaning given under section 103B.305,
265.30 subdivision 5; and

266.1 (3) "soil health" has the meaning given under section 103C.101, subdivision 10a.

266.2 Subd. 2. **Establishment.** (a) The board must administer a financial and technical support
266.3 program to produce soil health practices that achieve water quality, soil productivity, climate
266.4 change resiliency, or carbon sequestration benefits or reduce pesticide and fertilizer use.

266.5 (b) The program must include but is not limited to no till, field borders, prairie strips,
266.6 cover crops, and other practices sanctioned by the board or the United States Department
266.7 of Agriculture's Natural Resources Conservation Service.

266.8 Subd. 3. **Financial and technical assistance.** (a) The board may provide financial and
266.9 technical support to local units of government, private sector organizations, and farmers to
266.10 establish soil health practices and related practices with climate and water-quality benefits.

266.11 (b) The board must establish practices and costs that are eligible for financial and technical
266.12 support under this section.

266.13 Subd. 4. **Program implementation.** (a) The board may employ staff or enter into external
266.14 agreements to implement this section.

266.15 (b) The board must assist local units of government in achieving the objectives of the
266.16 program, including assessing practice standards and program effectiveness.

266.17 Subd. 5. **Federal aid availability.** The board must regularly review and optimize the
266.18 availability of federal funds and programs to supplement or complement state and other
266.19 efforts consistent with the purposes of this section.

266.20 Subd. 6. **Soil health practices.** The board, in consultation with the commissioner of
266.21 agriculture, may cooperate with the United States Department of Agriculture, other federal
266.22 and state agencies, local governments, and private sector organizations to establish soil
266.23 health goals for the state that will achieve water quality, soil productivity, climate change
266.24 resiliency, and carbon sequestration benefits and reduce pesticide and fertilizer use.

266.25 Sec. 17. Minnesota Statutes 2022, section 103F.505, is amended to read:

266.26 **103F.505 PURPOSE AND POLICY.**

266.27 (a) It is the purpose of sections 103F.505 to 103F.531 to restore certain marginal
266.28 agricultural land and protect environmentally sensitive areas to:

266.29 (1) enhance soil and water quality;

266.30 (2) minimize damage to flood-prone areas;

266.31 (3) sequester carbon, and;

267.1 (4) support native plant, fish, and wildlife habitats; and

267.2 (5) establish perennial vegetation.

267.3 (b) It is state policy to encourage the:

267.4 (1) restoration of wetlands and riparian lands and ~~promote the retirement;~~

267.5 (2) restoration and protection of marginal, highly erodible land, particularly land adjacent
 267.6 to public waters, drainage systems, wetlands, and locally designated priority waters; and

267.7 (3) protection of environmentally sensitive areas, including wellhead protection areas,
 267.8 grasslands, peatlands, shorelands, karst geology, and forest lands in priority areas.

267.9 Sec. 18. Minnesota Statutes 2022, section 103F.511, is amended by adding a subdivision
 267.10 to read:

267.11 Subd. 5a. **Grasslands.** "Grasslands" means landscapes that are or were formerly
 267.12 dominated by grasses, that have a low percentage of trees and shrubs, and that provide
 267.13 economic and ecosystem services such as managed grazing, wildlife habitat, carbon
 267.14 sequestration, and water filtration and retention.

267.15 Sec. 19. Minnesota Statutes 2022, section 103F.511, is amended by adding a subdivision
 267.16 to read:

267.17 Subd. 8d. **Restored prairie.** "Restored prairie" means a restoration that uses at least 25
 267.18 representative and biologically diverse native prairie plant species and that occurs on land
 267.19 that was previously cropped or used as pasture.

267.20 Sec. 20. **[103F.519] REINVEST IN MINNESOTA WORKING LANDS PROGRAM.**

267.21 Subdivision 1. **Establishment.** The board may establish and administer a reinvest in
 267.22 Minnesota working lands program that is in addition to the program established under
 267.23 section 103F.515. Selecting land for the program must be based on the land's potential for:

267.24 (1) protecting or improving water quality;

267.25 (2) reducing erosion;

267.26 (3) improving soil health;

267.27 (4) reducing chemical inputs;

267.28 (5) improving carbon storage; and

267.29 (6) increasing biodiversity and habitat for fish, wildlife, and native plants.

268.1 Subd. 2. **Applicability.** Section 103F.515 applies to this section except as otherwise
268.2 provided in subdivisions 1, 3, and 4.

268.3 Subd. 3. **Nature of property rights acquired.** Notwithstanding section 103F.515,
268.4 subdivision 4, paragraph (a), the board may authorize managed haying and managed livestock
268.5 grazing, perennial or winter annual cover crop production, forest management, or other
268.6 activities that the board determines are consistent with section 103F.505 or appropriation
268.7 conditions or criteria.

268.8 Subd. 4. **Payments for easements.** The board must establish payment rates for acquiring
268.9 easements and for related practices. The board must consider market factors as well as
268.10 easement terms, including length and allowable uses, when establishing rates.

268.11 Sec. 21. Minnesota Statutes 2022, section 103G.2242, subdivision 1, is amended to read:

268.12 Subdivision 1. **Rules.** (a) The board, in consultation with the commissioner, shall adopt
268.13 rules governing the approval of wetland value replacement plans under this section and
268.14 public-waters-work permits affecting public waters wetlands under section 103G.245. These
268.15 rules must address the criteria, procedure, timing, and location of acceptable replacement
268.16 of wetland values and may address the state establishment and administration of a wetland
268.17 banking program for public and private projects, including provisions for an in-lieu fee
268.18 program; mitigating and banking other water and water-related resources; the administrative,
268.19 monitoring, and enforcement procedures to be used; and a procedure for the review and
268.20 appeal of decisions under this section. In the case of peatlands, the replacement plan rules
268.21 must consider the impact on carbon. Any in-lieu fee program established by the board must
268.22 conform with Code of Federal Regulations, title 33, section 332.8, as amended.

268.23 (b) After the adoption of the rules, a replacement plan must be approved by a resolution
268.24 of the governing body of the local government unit, consistent with the provisions of the
268.25 rules or a comprehensive wetland protection and management plan approved under section
268.26 103G.2243.

268.27 (c) If the local government unit fails to apply the rules, or fails to implement a local
268.28 comprehensive wetland protection and management plan established under section
268.29 103G.2243, the government unit is subject to penalty as determined by the board.

268.30 (d) When making a determination under rules adopted pursuant to this subdivision on
268.31 whether a rare natural community will be permanently adversely affected, consideration of
268.32 measures to mitigate any adverse effect on the community must be considered.

269.1 Sec. 22. **REPEALER.**

269.2 (a) Minnesota Statutes 2022, section 103C.501, subdivisions 2 and 3, are repealed.

269.3 (b) Minnesota Rules, parts 8400.0500; 8400.0550; 8400.0600, subparts 4 and 5;
269.4 8400.0900, subparts 1, 2, 4, and 5; 8400.1650; 8400.1700; 8400.1750; 8400.1800; and
269.5 8400.1900, are repealed.

269.6 ARTICLE 6

269.7 FARMED CERVIDAE

269.8 Section 1. Minnesota Statutes 2022, section 13.643, subdivision 6, is amended to read:

269.9 Subd. 6. **Animal premises data.** (a) Except for farmed Cervidae premises location data
269.10 collected and maintained under section 35.155, the following data collected and maintained
269.11 by the Board of Animal Health related to registration and identification of premises and
269.12 animals under chapter 35, are classified as private or nonpublic:

269.13 (1) the names and addresses;

269.14 (2) the location of the premises where animals are kept; and

269.15 (3) the identification number of the premises or the animal.

269.16 (b) Except as provided in section 347.58, subdivision 5, data collected and maintained
269.17 by the Board of Animal Health under sections 347.57 to 347.64 are classified as private or
269.18 nonpublic.

269.19 (c) The Board of Animal Health may disclose data collected under paragraph (a) or (b)
269.20 to any person, agency, or to the public if the board determines that the access will aid in the
269.21 law enforcement process or the protection of public or animal health or safety.

269.22 Sec. 2. Minnesota Statutes 2022, section 17.118, subdivision 2, is amended to read:

269.23 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this
269.24 subdivision have the meanings given them.

269.25 (b) "Livestock" means beef cattle, dairy cattle, swine, poultry, goats, mules, farmed
269.26 Cervidae, Ratitae, bison, sheep, horses, and llamas.

269.27 (c) "Qualifying expenditures" means the amount spent for:

269.28 (1) the acquisition, construction, or improvement of buildings or facilities for the
269.29 production of livestock or livestock products;

- 270.1 (2) the development of pasture for use by livestock including, but not limited to, the
270.2 acquisition, development, or improvement of:
- 270.3 (i) lanes used by livestock that connect pastures to a central location;
- 270.4 (ii) watering systems for livestock on pasture including water lines, booster pumps, and
270.5 well installations;
- 270.6 (iii) livestock stream crossing stabilization; and
- 270.7 (iv) fences; or
- 270.8 (3) the acquisition of equipment for livestock housing, confinement, feeding, and waste
270.9 management including, but not limited to, the following:
- 270.10 (i) freestall barns;
- 270.11 (ii) watering facilities;
- 270.12 (iii) feed storage and handling equipment;
- 270.13 (iv) milking parlors;
- 270.14 (v) robotic equipment;
- 270.15 (vi) scales;
- 270.16 (vii) milk storage and cooling facilities;
- 270.17 (viii) bulk tanks;
- 270.18 (ix) computer hardware and software and associated equipment used to monitor the
270.19 productivity and feeding of livestock;
- 270.20 (x) manure pumping and storage facilities;
- 270.21 (xi) swine farrowing facilities;
- 270.22 (xii) swine and cattle finishing barns;
- 270.23 (xiii) calving facilities;
- 270.24 (xiv) digesters;
- 270.25 (xv) equipment used to produce energy;
- 270.26 (xvi) on-farm processing facilities equipment;
- 270.27 (xvii) fences, including but not limited to farmed Cervidae perimeter fences required
270.28 under section 35.155, ~~subdivision 4~~ subdivisions 4 and 4a; and

271.1 (xviii) livestock pens and corrals and sorting, restraining, and loading chutes.

271.2 Except for qualifying pasture development expenditures under clause (2), qualifying
271.3 expenditures only include amounts that are allowed to be capitalized and deducted under
271.4 either section 167 or 179 of the Internal Revenue Code in computing federal taxable income.
271.5 Qualifying expenditures do not include an amount paid to refinance existing debt.

271.6 Sec. 3. Minnesota Statutes 2022, section 35.155, subdivision 1, is amended to read:

271.7 Subdivision 1. **Running at large prohibited.** (a) An owner may not allow farmed
271.8 Cervidae to run at large. The owner must make all reasonable efforts to return escaped
271.9 farmed Cervidae to their enclosures as soon as possible. The owner must immediately notify
271.10 the commissioner of natural resources of the escape of farmed Cervidae if the farmed
271.11 Cervidae are not returned or captured by the owner within 24 hours of their escape.

271.12 (b) An owner is liable for expenses of another person in capturing, caring for, and
271.13 returning farmed Cervidae that have left their enclosures if the person capturing the farmed
271.14 Cervidae contacts the owner as soon as possible.

271.15 (c) If an owner is unwilling or unable to capture escaped farmed Cervidae, the
271.16 commissioner of natural resources may destroy the escaped farmed Cervidae. The
271.17 commissioner of natural resources must allow the owner to attempt to capture the escaped
271.18 farmed Cervidae prior to destroying the farmed Cervidae. Farmed Cervidae that are not
271.19 captured by 24 hours after escape may be destroyed.

271.20 (d) A hunter licensed by the commissioner of natural resources under chapter 97A may
271.21 kill and possess escaped farmed Cervidae in a lawful manner and is not liable to the owner
271.22 for the loss of the animal. A licensed hunter who harvests escaped farmed Cervidae under
271.23 this paragraph must immediately notify the commissioner of natural resources.

271.24 (e) Escaped farmed Cervidae killed by a hunter or destroyed by the commissioner of
271.25 natural resources must be tested for chronic wasting disease.

271.26 (f) The owner is responsible for proper disposal, as determined by the board, of farmed
271.27 Cervidae that are killed or destroyed under this subdivision and test positive for chronic
271.28 wasting disease.

271.29 (g) An owner is liable for any additional costs associated with escaped farmed Cervidae
271.30 that are infected with chronic wasting disease. This paragraph may be enforced by the
271.31 attorney general on behalf of any state agency affected.

271.32 **EFFECTIVE DATE.** This section is effective September 1, 2023.

272.1 Sec. 4. Minnesota Statutes 2022, section 35.155, subdivision 4, is amended to read:

272.2 Subd. 4. **Fencing.** Farmed Cervidae must be confined in a manner designed to prevent
272.3 escape. Except as provided in subdivision 4a, all perimeter fences for farmed Cervidae must
272.4 be at least 96 inches in height and be constructed and maintained in a way that prevents the
272.5 escape of farmed Cervidae or, entry into the premises by free-roaming Cervidae, and physical
272.6 contact between farmed Cervidae and free-roaming Cervidae. ~~After July 1, 2019, All new~~
272.7 ~~fencing installed and all fencing used to repair deficiencies must be high tensile. By~~
272.8 ~~December 1, 2019, All entry areas for farmed Cervidae enclosure areas must have two~~
272.9 ~~redundant gates, which must be maintained to prevent the escape of animals through an~~
272.10 ~~open gate. If a fence deficiency allows entry or exit by farmed or wild Cervidae, the owner~~
272.11 ~~must repair the deficiency within a reasonable time, as determined by the Board of Animal~~
272.12 ~~Health, not to exceed 45 14 days. If a fence deficiency is detected during an inspection, the~~
272.13 ~~facility must be reinspected at least once in the subsequent three months. The farmed~~
272.14 ~~Cervidae owner must pay a reinspection fee equal to one-half the applicable annual inspection~~
272.15 ~~fee under subdivision 7a for each reinspection related to a fence violation. If the facility~~
272.16 ~~experiences more than one escape incident in any six-month period or fails to correct a~~
272.17 ~~deficiency found during an inspection, the board may revoke the facility's registration and~~
272.18 ~~order the owner to remove or destroy the animals as directed by the board. If the board~~
272.19 ~~revokes a facility's registration, the commissioner of natural resources may seize and destroy~~
272.20 ~~animals at the facility.~~

272.21 **EFFECTIVE DATE.** This section is effective September 1, 2024.

272.22 Sec. 5. Minnesota Statutes 2022, section 35.155, is amended by adding a subdivision to
272.23 read:

272.24 Subd. 4a. **Fencing; commercial herds.** In addition to the requirements in subdivision
272.25 4, commercially farmed white-tailed deer must be confined by two or more perimeter fences,
272.26 with each perimeter fence at least 120 inches in height.

272.27 **EFFECTIVE DATE.** This section is effective September 1, 2024.

272.28 Sec. 6. Minnesota Statutes 2022, section 35.155, subdivision 10, is amended to read:

272.29 Subd. 10. **Mandatory registration.** (a) A person may not possess live Cervidae in
272.30 Minnesota unless the person is registered with the Board of Animal Health and meets all
272.31 the requirements for farmed Cervidae under this section. Cervidae possessed in violation
272.32 of this subdivision may be seized and destroyed by the commissioner of natural resources.

273.1 (b) A person whose registration is revoked by the board is ineligible for future registration
273.2 under this section unless the board determines that the person has undertaken measures that
273.3 make future escapes extremely unlikely.

273.4 (c) The board must not allow new registrations under this section for possessing
273.5 white-tailed deer. This paragraph does not prohibit a person holding a valid registration
273.6 under this subdivision from selling or transferring the person's registration to a family
273.7 member who resides in this state and is related to the person within the third degree of
273.8 kindred according to the rules of civil law. A valid registration may be sold or transferred
273.9 only once under this paragraph. Before the board approves a sale or transfer under this
273.10 paragraph, the board must verify that the herd is free from chronic wasting disease and the
273.11 person or eligible family member must pay a onetime transfer fee of \$500 to the board.

273.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

273.13 Sec. 7. Minnesota Statutes 2022, section 35.155, subdivision 11, is amended to read:

273.14 Subd. 11. **Mandatory surveillance for chronic wasting disease; depopulation.** (a)
273.15 An inventory for each farmed Cervidae herd must be verified by an accredited veterinarian
273.16 and filed with the Board of Animal Health every 12 months.

273.17 (b) Movement of farmed Cervidae from any premises to another location must be reported
273.18 to the Board of Animal Health within 14 days of the movement on forms approved by the
273.19 Board of Animal Health. A person must not move farmed white-tailed deer from a herd that
273.20 tests positive for chronic wasting disease from any premises to another location.

273.21 (c) All animals from farmed Cervidae herds that are over ~~12~~ six months of age that die
273.22 or are slaughtered must be tested for chronic wasting disease.

273.23 (d) The owner of a premises where chronic wasting disease is detected must:

273.24 (1) allow and cooperate with inspections of the premises as determined by the Board of
273.25 Animal Health and Department of Natural Resources conservation officers and wildlife
273.26 managers;

273.27 ~~(1)~~ (2) depopulate the premises of Cervidae after the federal indemnification process
273.28 has been completed or, if an indemnification application is not submitted, within ~~a reasonable~~
273.29 ~~time determined by the board in consultation with the commissioner of natural resources~~
273.30 30 days;

273.31 ~~(2)~~ (3) maintain the fencing required under ~~subdivision~~ subdivisions 4 and 4a on the
273.32 premises for ~~five~~ ten years after the date of detection; ~~and~~

- 274.1 ~~(3)~~ (4) post the fencing on the premises with biohazard signs as directed by the board;
- 274.2 (5) not raise farmed Cervidae on the premises for at least ten years;
- 274.3 (6) before signing an agreement to sell or transfer the property, disclose in writing to
- 274.4 the buyer or transferee the date of depopulation and the requirements incumbent upon the
- 274.5 premises and the buyer or transferee under this paragraph; and
- 274.6 (7) record with the county recorder or registrar of titles, as appropriate, in the county
- 274.7 where the premises is located a notice, in the form required by the board, that meets the
- 274.8 recording requirements of sections 507.093 and 507.24 and includes the nearest address
- 274.9 and the legal description of the premises, the date of detection, the date of depopulation,
- 274.10 the landowner requirements under this paragraph, and any other information required by
- 274.11 the board. The legal description must be the legal description of record with the county
- 274.12 recorder or registrar of titles and must not otherwise be the real estate tax statement legal
- 274.13 description of the premises. The notice expires and has no effect ten years after the date of
- 274.14 detection stated in the notice. The registrar of titles must omit an expired notice from future
- 274.15 certificates of title.
- 274.16 (e) An owner of farmed Cervidae that test positive for chronic wasting disease is
- 274.17 responsible for proper disposal of the animals, as determined by the board.
- 274.18 Sec. 8. Minnesota Statutes 2022, section 35.155, is amended by adding a subdivision to
- 274.19 read:
- 274.20 Subd. 11a. **Liability.** (a) A herd owner is liable in a civil action to a person injured by
- 274.21 the owner's sale or unlawful disposal of farmed Cervidae infected with or exposed to chronic
- 274.22 wasting disease. Action may be brought in a county where the farmed Cervidae are sold,
- 274.23 delivered, or unlawfully disposed.
- 274.24 (b) A herd owner is liable to the state for costs associated with the owner's unlawful
- 274.25 disposal of farmed Cervidae infected with or exposed to chronic wasting disease. This
- 274.26 paragraph may be enforced by the attorney general on behalf of any state agency affected.
- 274.27 Sec. 9. Minnesota Statutes 2022, section 35.155, subdivision 12, is amended to read:
- 274.28 Subd. 12. **Importation.** (a) A person must not import live Cervidae or Cervidae semen
- 274.29 into the state from a herd that is:
- 274.30 (1) infected with or has been exposed to chronic wasting disease; or

275.1 (2) from a known state or province where chronic wasting disease endemic area, as
275.2 determined by the board is present in farmed or wild Cervidae populations.

275.3 (b) A person may import live Cervidae or Cervidae semen into the state only from a
275.4 herd that:

275.5 (1) is not in a known located in a state or province where chronic wasting disease endemic
275.6 area, as determined by the board, is present in farmed or wild Cervidae populations; and
275.7 the herd

275.8 (2) has been subject to a state or provincial approved state- or provincial-approved
275.9 chronic wasting disease monitoring program for at least three years.

275.10 (c) Cervidae or Cervidae semen imported in violation of this section may be seized and
275.11 destroyed by the commissioner of natural resources.

275.12 (d) This subdivision does not apply to the interstate transfer of animals between two
275.13 facilities accredited by the Association of Zoos and Aquariums.

275.14 (e) Notwithstanding this subdivision, the commissioner of natural resources may issue
275.15 a permit allowing the importation of orphaned wild cervid species that are not susceptible
275.16 to chronic wasting disease from another state to an Association of Zoos and Aquariums
275.17 accredited institution in Minnesota following a joint risk-based assessment conducted by
275.18 the commissioner and the institution.

275.19 Sec. 10. Minnesota Statutes 2022, section 35.156, subdivision 2, is amended to read:

275.20 Subd. 2. **Federal fund account.** (a) Money granted to the state by the federal government
275.21 for purposes of chronic wasting disease must be credited to a separate account in the federal
275.22 fund and, except as provided in paragraph (b), is annually appropriated to the commissioner
275.23 of agriculture for the purposes for which the federal grant was made according to section
275.24 17.03.

275.25 (b) Money granted to the state by the federal government for response to, and remediation
275.26 of, farmed or wild white-tailed deer infected with chronic wasting disease is annually
275.27 appropriated to the commissioner of natural resources according to section 84.085,
275.28 subdivision 1.

276.1 Sec. 11. Minnesota Statutes 2022, section 35.156, is amended by adding a subdivision to
276.2 read:

276.3 Subd. 3. **Consultation required.** The Board of Animal Health and the commissioner
276.4 of natural resources must consult the Minnesota Center for Prion Research and Outreach
276.5 at the University of Minnesota and incorporate peer-reviewed scientific information when
276.6 administering and enforcing section 35.155 and associated rules pertaining to chronic wasting
276.7 disease and farmed Cervidae.

276.8 Sec. 12. Minnesota Statutes 2022, section 35.156, is amended by adding a subdivision to
276.9 read:

276.10 Subd. 4. **Notice required.** The Board of Animal Health must promptly notify affected
276.11 local units of government and Tribal governments when an animal in a farmed Cervidae
276.12 herd tests positive for chronic wasting disease.

276.13 Sec. 13. Minnesota Statutes 2022, section 35.156, is amended by adding a subdivision to
276.14 read:

276.15 Subd. 5. **Annual testing required.** (a) Annually beginning July 1, 2023, the Board of
276.16 Animal Health must have each farmed white-tailed deer possessed by a person registered
276.17 under section 35.155 tested for chronic wasting disease using a real-time quaking-induced
276.18 conversion (RT-QuIC) test offered by a public or private diagnostic laboratory. Live-animal
276.19 testing must consist of an ear biopsy, the collection of which must be managed by the Board
276.20 of Animal Health, with each laboratory reporting RT-QuIC results to both the commissioner
276.21 of natural resources and the Board of Animal Health in the form required by both agencies.
276.22 If a white-tailed deer tests positive, the owner must have the animal tested a second time
276.23 using an RT-QuIC test performed on both a second ear biopsy and a tonsil or rectal biopsy.

276.24 (b) If a farmed white-tailed deer tests positive using an RT-QuIC test performed on both
276.25 a second ear biopsy and a tonsil or rectal biopsy, the owner must have the animal destroyed
276.26 and tested for chronic wasting disease using a postmortem test approved by the Board of
276.27 Animal Health.

276.28 (c) If a farmed white-tailed deer tests positive for chronic wasting disease under paragraph
276.29 (b), the owner must depopulate the premises of farmed Cervidae as required under section
276.30 35.155, subdivision 11.

277.1 Sec. 14. **TRANSFER OF DUTIES; FARMED WHITE-TAILED DEER.**

277.2 (a) Responsibility for administering and enforcing the statutes and rules listed in clauses
277.3 (1) and (2) for farmed white-tailed deer are, except as provided in paragraph (c), transferred
277.4 pursuant to Minnesota Statutes, section 15.039, from the Board of Animal Health to the
277.5 commissioner of natural resources:

277.6 (1) Minnesota Statutes, sections 35.153 to 35.156; and

277.7 (2) Minnesota Rules, parts 1721.0370 to 1721.0420.

277.8 (b) The Board of Animal Health retains responsibility for administering and enforcing
277.9 the statutes and rules listed in paragraph (a), clauses (1) and (2), for all other farmed Cervidae.

277.10 (c) Notwithstanding Minnesota Statutes, section 15.039, subdivision 7, the transfer of
277.11 personnel will not take place.

277.12 **EFFECTIVE DATE.** This section is effective July 1, 2025.

277.13 Sec. 15. **REVISOR INSTRUCTION.**

277.14 The revisor of statutes must recodify the relevant sections in Minnesota Statutes, chapter
277.15 35, and Minnesota Rules, chapter 1721, as necessary to conform with section 14. The revisor
277.16 must also change the responsible agency, remove obsolete language, and make necessary
277.17 cross-reference changes consistent with section 14 and the renumbering.

277.18 **ARTICLE 7**

277.19 **MISCELLANEOUS**

277.20 Section 1. **[3.8865] LEGISLATIVE WATER COMMISSION.**

277.21 Subdivision 1. **Establishment.** The Legislative Water Commission is established.

277.22 Subd. 2. **Membership.** (a) The Legislative Water Commission consists of 12 members
277.23 appointed as follows:

277.24 (1) six members of the senate, including three majority party members appointed by the
277.25 majority leader and three minority party members appointed by the minority leader; and

277.26 (2) six members of the house of representatives, including three majority party members
277.27 appointed by the speaker of the house and three minority party members appointed by the
277.28 minority leader.

277.29 (b) Members serve at the pleasure of the appointing authority and continue to serve until
277.30 their successors are appointed or until a member is no longer a member of the legislative

278.1 body that appointed the member to the commission. Vacancies must be filled in the same
278.2 manner as the original positions. Vacancies occurring on the commission do not affect the
278.3 authority of the remaining members of the Legislative Water Commission to carry out the
278.4 functions of the commission.

278.5 (c) Members must elect a chair, vice-chair, and other officers as determined by the
278.6 commission. The chair may convene meetings as necessary to perform the duties prescribed
278.7 by this section.

278.8 Subd. 3. **Commission staffing.** The Legislative Coordinating Commission must employ
278.9 staff and contract with consultants as necessary to enable the Legislative Water Commission
278.10 to carry out its duties and functions.

278.11 Subd. 4. **Powers and duties.** (a) The Legislative Water Commission must review water
278.12 policy reports and recommendations of the Environmental Quality Board, the Board of
278.13 Water and Soil Resources, the Pollution Control Agency, the Department of Natural
278.14 Resources, and the Metropolitan Council and other water-related reports as may be required
278.15 by law or the legislature.

278.16 (b) The commission may conduct public hearings and otherwise secure data and
278.17 comments.

278.18 (c) The commission must make recommendations as it deems proper to assist the
278.19 legislature in formulating legislation.

278.20 (d) Data or information compiled by the Legislative Water Commission or its
278.21 subcommittees must be made available to the Legislative-Citizen Commission on Minnesota
278.22 Resources, the Clean Water Council, and standing and interim committees of the legislature
278.23 upon request of the chair of the respective commission, council, or committee.

278.24 (e) The commission must coordinate with the Clean Water Council.

278.25 Subd. 5. **Compensation.** Members of the commission may receive per diem and expense
278.26 reimbursement incurred doing the work of the commission in the manner and amount
278.27 prescribed for per diem and expense payments by the senate Committee on Rules and
278.28 Administration and the house of representatives Committee on Rules and Legislative
278.29 Administration.

278.30 Subd. 6. **Expiration.** This section expires July 1, 2028.

279.1 Sec. 2. Minnesota Statutes 2022, section 18B.01, subdivision 31, is amended to read:

279.2 Subd. 31. **Unreasonable adverse effects on the environment.** "Unreasonable adverse
279.3 effects on the environment" means any unreasonable risk to humans or the environment,
279.4 taking into account the economic, social, and environmental costs and benefits of the use
279.5 of any pesticide or seed treated with pesticide.

279.6 Sec. 3. **[18B.075] PESTICIDE-TREATED SEED.**

279.7 A person may not use, store, handle, distribute, or dispose of seed treated with pesticide
279.8 in a manner that:

279.9 (1) endangers humans, food, livestock, fish, or wildlife; or

279.10 (2) will cause unreasonable adverse effects on the environment.

279.11 Sec. 4. Minnesota Statutes 2022, section 18B.09, subdivision 2, is amended to read:

279.12 Subd. 2. **Authority.** (a) Statutory and home rule charter cities may enact an ordinance,
279.13 which may include penalty and enforcement provisions, containing one or both of the
279.14 following:

279.15 (1) the pesticide application warning information contained in subdivision 3, ~~including~~
279.16 ~~their own licensing, penalty, and enforcement provisions; and~~

279.17 (2) the pesticide prohibition contained in subdivision 4.

279.18 (b) Statutory and home rule charter cities may not enact an ordinance ~~that contains more~~
279.19 restrictive pesticide application warning information than is contained in subdivision
279.20 subdivisions 3 and 4.

279.21 Sec. 5. Minnesota Statutes 2022, section 18B.09, is amended by adding a subdivision to
279.22 read:

279.23 **Subd. 4. Application of certain pesticides prohibited.** (a) A person may not apply or
279.24 use a pollinator-lethal pesticide within the geographic boundaries of a city that has enacted
279.25 an ordinance under subdivision 2 prohibiting such use.

279.26 (b) For purposes of this subdivision, "pollinator-lethal pesticide" means a pesticide that
279.27 has a pollinator protection box on the label or labeling or a pollinator, bee, or honey bee
279.28 precautionary statement in the environmental hazards section of the label or labeling.

279.29 (c) This subdivision does not apply to:

- 280.1 (1) pet care products used to mitigate fleas, mites, ticks, heartworms, or other animals
280.2 that are harmful to the health of a domesticated animal;
- 280.3 (2) personal care products used to mitigate lice and bedbugs;
- 280.4 (3) indoor pest control products used to mitigate insects indoors, including ant bait;
- 280.5 (4) pesticides as used or applied by the Metropolitan Mosquito Control District for public
280.6 health protection if the pesticide includes vector species on the label;
- 280.7 (5) wood preservative pesticides used either within a sealed steel cylinder or inside an
280.8 enclosed building at a secure facility by trained technicians and pesticide-treated wood
280.9 products;
- 280.10 (6) pesticides used or applied to control or eradicate a noxious weed designated by the
280.11 commissioner under section 18.79, subdivision 13; and
- 280.12 (7) pesticides used or applied on land used for agricultural production and located in an
280.13 area zoned for agricultural use.
- 280.14 (d) The commissioner must maintain a list of pollinator-lethal pesticides on the
280.15 department's website.

280.16 Sec. 6. Minnesota Statutes 2022, section 21.82, subdivision 3, is amended to read:

280.17 Subd. 3. **Treated seed.** For all named agricultural, vegetable, flower, or wildflower
280.18 seeds which are treated, for which a separate label may be used, the label must contain:

- 280.19 (1) a word or statement to indicate that the seed has been treated;
- 280.20 (2) the commonly accepted, coined, chemical, or abbreviated generic chemical name of
280.21 the applied substance;
- 280.22 (3) the caution statement "Do not use for food, feed, or oil purposes" if the substance in
280.23 the amount present with the seed is harmful to human or other vertebrate animals;
- 280.24 (4) in the case of mercurials or similarly toxic substances, a poison statement and symbol;
- 280.25 (5) a word or statement describing the process used when the treatment is not of pesticide
280.26 origin; ~~and~~
- 280.27 (6) the date beyond which the inoculant is considered ineffective if the seed is treated
280.28 with an inoculant. It must be listed on the label as "inoculant: expires (month and year)" or
280.29 wording that conveys the same meaning; and

281.1 (7) the caution statement, framed in a box and including a bee icon developed by the
281.2 commissioner: "Planting seed treated with a neonicotinoid pesticide may negatively impact
281.3 pollinator health. Please use care when handling and planting this seed" for any corn or
281.4 soybean seed treated with a neonicotinoid pesticide.

281.5 Sec. 7. Minnesota Statutes 2022, section 21.86, subdivision 2, is amended to read:

281.6 Subd. 2. **Miscellaneous violations.** No person may:

281.7 (a) detach, alter, deface, or destroy any label required in sections 21.82 and 21.83, alter
281.8 or substitute seed in a manner that may defeat the purposes of sections 21.82 and 21.83, or
281.9 alter or falsify any seed tests, laboratory reports, records, or other documents to create a
281.10 misleading impression as to kind, variety, history, quality, or origin of the seed;

281.11 (b) hinder or obstruct in any way any authorized person in the performance of duties
281.12 under sections 21.80 to 21.92;

281.13 (c) fail to comply with a "stop sale" order or to move or otherwise handle or dispose of
281.14 any lot of seed held under a stop sale order or attached tags, except with express permission
281.15 of the enforcing officer for the purpose specified;

281.16 (d) use the word "type" in any labeling in connection with the name of any agricultural
281.17 seed variety;

281.18 (e) use the word "trace" as a substitute for any statement which is required;

281.19 (f) plant any agricultural seed which the person knows contains weed seeds or noxious
281.20 weed seeds in excess of the limits for that seed; ~~or~~

281.21 (g) advertise or sell seed containing patented, protected, or proprietary varieties used
281.22 without permission of the patent or certificate holder of the intellectual property associated
281.23 with the variety of seed; or

281.24 (h) use or sell as food, feed, oil, or ethanol feedstock any seed treated with neonicotinoid
281.25 pesticide.

281.26 Sec. 8. **[21.915] PESTICIDE-TREATED SEED USE AND DISPOSAL; CONSUMER**
281.27 **GUIDANCE REQUIRED.**

281.28 (a) The commissioner, in consultation with the commissioner of the Pollution Control
281.29 Agency, must develop and maintain consumer guidance regarding the proper use and disposal
281.30 of seed treated with pesticide.

282.1 (b) A person selling seed treated with pesticide at retail must post in a conspicuous
282.2 location the guidance developed by the commissioner under paragraph (a).

282.3 Sec. 9. Minnesota Statutes 2022, section 85A.01, subdivision 1, is amended to read:

282.4 Subdivision 1. **Creation.** (a) The Minnesota Zoological Garden is established under the
282.5 supervision and control of the Minnesota Zoological Board. The board consists of 30 public
282.6 and private sector members having a background or interest in zoological societies or zoo
282.7 management or an ability to generate community interest in the Minnesota Zoological
282.8 Garden. Fifteen members shall be appointed by the board after consideration of a list supplied
282.9 by board members serving on a nominating committee, and 15 members shall be appointed
282.10 by the governor. One member of the board must be a resident of Dakota County and shall
282.11 be appointed by the governor after consideration of the recommendation of the Dakota
282.12 County Board. Board appointees shall not be subject to the advice and consent of the senate.

282.13 (b) To the extent possible, the board and governor shall appoint members who are
282.14 residents of the various geographic regions of the state. Terms, compensation, and removal
282.15 of members are as provided in section 15.0575, except that a member may be compensated
282.16 at the rate of up to \$125 a day. In making appointments, the governor and board shall utilize
282.17 the appointment process as provided under section 15.0597 and consider, among other
282.18 factors, the ability of members to garner support for the Minnesota Zoological Garden.

282.19 (c) A member of the board may not be an employee of or have a direct or immediate
282.20 family financial interest in a business that provides goods or services to the zoo. A member
282.21 of the board may not be an employee of the zoo.

282.22 Sec. 10. Minnesota Statutes 2022, section 373.475, is amended to read:

282.23 **373.475 COUNTY ENVIRONMENTAL TRUST FUND.**

282.24 (a) Notwithstanding the provisions of chapter 282 and any other law relating to the
282.25 apportionment of proceeds from the sale of tax-forfeited land, and except as otherwise
282.26 provided in this section, a county board must deposit the money received from the sale of
282.27 land under Laws 1998, chapter 389, article 16, section 31, subdivision 3, into an
282.28 environmental trust fund established by the county under this section. The principal from
282.29 the sale of the land may not be expended, and the county board may spend interest earned
282.30 on the principal only for purposes related to the improvement of natural resources. To the
282.31 extent money received from the sale is attributable to tax-forfeited land from another county,
282.32 the money must be deposited in an environmental trust fund established under this section
282.33 by that county board.

283.1 (b) Notwithstanding paragraph (a), St. Louis County may use up to 50 percent of the
283.2 principal in an environmental trust fund established under this section for economic
283.3 development and environmental projects within the county that protect the environment or
283.4 create clean economy jobs and manufacturing.

283.5 Sec. 11. [473.5491] METROPOLITAN CITIES INFLOW AND INFILTRATION
283.6 GRANTS.

283.7 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
283.8 the meanings given.

283.9 (b) "Affordability criteria" means an inflow and infiltration project service area that is
283.10 located, in whole or in part, in a census tract where at least three of the following apply as
283.11 determined using the most recently published data from the United States Census Bureau
283.12 or United States Centers for Disease Control and Prevention:

283.13 (1) 20 percent or more of the residents have income below the federal poverty thresholds;

283.14 (2) the tract has a United States Centers for Disease Control and Prevention Social
283.15 Vulnerability Index greater than 0.80;

283.16 (3) the upper limit of the lowest quintile of household income is less than the state upper
283.17 limit of the lowest quintile;

283.18 (4) the housing vacancy rate is greater than the state average; or

283.19 (5) the percent of the population receiving Supplemental Nutrition Assistance Program
283.20 (SNAP) benefits is greater than the state average.

283.21 (c) "City" means a statutory or home rule charter city located within the metropolitan
283.22 area.

283.23 Subd. 2. Grants. (a) The council shall make grants to cities for capital improvements
283.24 in municipal wastewater collection systems to reduce the amount of inflow and infiltration
283.25 to the council's metropolitan sanitary sewer disposal system.

283.26 (b) A grant under this section may be made in an amount up to 50 percent of the cost to
283.27 mitigate inflow and infiltration in the publicly owned municipal wastewater collection
283.28 system. The council may award a grant up to 100 percent of the cost to mitigate inflow and
283.29 infiltration in the publicly owned municipal wastewater collection system if the project
283.30 meets affordability criteria.

283.31 Subd. 3. Eligibility. To be eligible for a grant under this section, a city must be identified
283.32 by the council as a contributor of excessive inflow and infiltration in the metropolitan

284.1 disposal system or have a measured flow rate within 20 percent of its allowable
284.2 council-determined inflow and infiltration limits.

284.3 Subd. 4. **Application.** The council must award grants based on applications from cities
284.4 that identify eligible capital costs and include a timeline for inflow and infiltration mitigation
284.5 construction, pursuant to guidelines established by the council. The council must prioritize
284.6 applications that meet affordability criteria.

284.7 Subd. 5. **Cancellation.** If a grant is awarded to a city and funds are not encumbered for
284.8 the grant within four years after the award date, the grant must be canceled.

284.9 Sec. 12. **[473.5492] COMMUNITY WASTEWATER COSTS; ANNUAL REPORT.**

284.10 By February 15 each year, the council must submit a report to the chairs and ranking
284.11 minority members of the legislative committees and divisions with jurisdiction over capital
284.12 investment and environment and natural resources that provides a summary of the average
284.13 monthly wastewater costs for communities in the metropolitan area for the previous calendar
284.14 year.

284.15 Sec. 13. **50-YEAR CLEAN WATER PLAN SCOPE OF WORK.**

284.16 (a) The Board of Regents of the University of Minnesota, through the University of
284.17 Minnesota Water Council, is requested to develop a scope of work, timeline, and budget
284.18 for a plan to promote and protect clean water in Minnesota for the next 50 years. The 50-year
284.19 clean water plan must:

284.20 (1) provide a literature-based assessment of the current status and trends regarding the
284.21 quality and quantity of all Minnesota waters, both surface and subsurface;

284.22 (2) identify gaps in the data or understanding and provide recommended action steps to
284.23 address gaps;

284.24 (3) identify existing and potential future threats to Minnesota's waters; and

284.25 (4) propose a road map of scenarios and policy recommendations to allow the state to
284.26 proactively protect, remediate, and conserve clean water for human use and biodiversity
284.27 for the next 50 years.

284.28 (b) The scope of work must outline the steps and resources necessary to develop the
284.29 plan, including but not limited to:

284.30 (1) the data sets that are required and how the University of Minnesota will obtain access;

284.31 (2) the suite of proposed analysis methods;

- 285.1 (3) the roles and responsibilities of project leaders, key personnel, and stakeholders;
285.2 (4) the project timeline with milestones; and
285.3 (5) a budget with expected costs for tasks and milestones.

285.4 (c) By December 1, 2023, the Board of Regents of the University of Minnesota is
285.5 requested to submit the scope of work to the chairs and ranking minority members of the
285.6 house of representatives and senate committees and divisions with jurisdiction over
285.7 environment and natural resources.

285.8 **ARTICLE 8**

285.9 **GRANTS MANAGEMENT**

285.10 Section 1. **FINANCIAL REVIEW OF NONPROFIT GRANT RECIPIENTS**
285.11 **REQUIRED.**

285.12 Subdivision 1. **Financial review required.** (a) Before awarding a competitive,
285.13 legislatively named, single-source, or sole-source grant to a nonprofit organization under
285.14 this act, the grantor must require the applicant to submit financial information sufficient for
285.15 the grantor to document and assess the applicant's current financial standing and management.
285.16 Items of significant concern must be addressed with the applicant and resolved to the
285.17 satisfaction of the grantor before a grant is awarded. The grantor must document the material
285.18 requested and reviewed; whether the applicant had a significant operating deficit, a deficit
285.19 in unrestricted net assets, or insufficient internal controls; whether and how the applicant
285.20 resolved the grantor's concerns; and the grantor's final decision. This documentation must
285.21 be maintained in the grantor's files.

285.22 (b) At a minimum, the grantor must require each applicant to provide the following
285.23 information:

285.24 (1) the applicant's most recent Form 990, Form 990-EZ, or Form 990-N filed with the
285.25 Internal Revenue Service. If the applicant has not been in existence long enough or is not
285.26 required to file Form 990, Form 990-EZ, or Form 990-N, the applicant must demonstrate
285.27 to the grantor that the applicant is exempt and must instead submit documentation of internal
285.28 controls and the applicant's most recent financial statement prepared in accordance with
285.29 generally accepted accounting principles and approved by the applicant's board of directors
285.30 or trustees or, if there is no such board, by the applicant's managing group;

285.31 (2) evidence of registration and good standing with the secretary of state under Minnesota
285.32 Statutes, chapter 317A, or other applicable law;

286.1 (3) unless exempt under Minnesota Statutes, section 309.515, evidence of registration
286.2 and good standing with the attorney general under Minnesota Statutes, chapter 309; and

286.3 (4) if required under Minnesota Statutes, section 309.53, subdivision 3, the applicant's
286.4 most recent audited financial statement prepared in accordance with generally accepted
286.5 accounting principles.

286.6 Subd. 2. Authority to postpone or forgo. Notwithstanding any contrary provision in
286.7 this act, a grantor that identifies an area of significant concern regarding the financial standing
286.8 or management of a legislatively named applicant may postpone or forgo awarding the
286.9 grant.

286.10 Subd. 3. Authority to award subject to additional assistance and oversight. A grantor
286.11 that identifies an area of significant concern regarding an applicant's financial standing or
286.12 management may award a grant to the applicant if the grantor provides or the grantee
286.13 otherwise obtains additional technical assistance, as needed, and the grantor imposes
286.14 additional requirements in the grant agreement. Additional requirements may include but
286.15 are not limited to enhanced monitoring, additional reporting, or other reasonable requirements
286.16 imposed by the grantor to protect the interests of the state.

286.17 Subd. 4. Relation to other law and policy. The requirements in this section are in
286.18 addition to any other requirements imposed by law; the commissioner of administration
286.19 under Minnesota Statutes, sections 16B.97 and 16B.98; or agency policy.

286.20 **ARTICLE 9**

286.21 **CLIMATE AND ENERGY FINANCE**

286.22 Section 1. **APPROPRIATIONS.**

286.23 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
286.24 and for the purposes specified in this article. The appropriations are from the general fund,
286.25 or another named fund, and are available for the fiscal years indicated for each purpose.
286.26 The figures "2024" and "2025" used in this article mean that the appropriations listed under
286.27 them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.
286.28 "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium"
286.29 is fiscal years 2024 and 2025. If an appropriation in this article is enacted more than once
286.30 in the 2023 legislative session, the appropriation must be given effect only once.

286.31	<u>APPROPRIATIONS</u>	
286.32	<u>Available for the Year</u>	
286.33	<u>Ending June 30</u>	
286.34	<u>2024</u>	<u>2025</u>

288.1 a utility's implementation of a natural gas
288.2 innovation plan under Minnesota Statutes,
288.3 section 216B.2427.

288.4 (e) \$1,444,000 the first year and \$1,621,000
288.5 the second year are to maintain the current
288.6 level of service delivery in the division of
288.7 energy resources. The base in fiscal year 2026
288.8 and beyond is \$1,621,000.

288.9 (f) \$20,000,000 in the first year is transferred
288.10 to the solar for schools program account
288.11 established under Minnesota Statutes, section
288.12 216C.375, to provide financial assistance to
288.13 schools to purchase and install solar energy
288.14 generating systems under Minnesota Statutes,
288.15 section 216C.375. The appropriations under
288.16 this section must be expended on schools
288.17 located outside the electric service territory of
288.18 the public utility that is subject to Minnesota
288.19 Statutes, section 116C.779. This is a onetime
288.20 appropriation.

288.21 (g) \$6,239,000 the first year and \$1,239,000
288.22 the second year are for transfer to the
288.23 strengthen Minnesota homes program account
288.24 established under Minnesota Statutes, section
288.25 65A.299, subdivision 4. The base in fiscal year
288.26 2026 and beyond is \$1,239,000.

288.27 (h) \$22,461,000 the first year and \$22,672,000
288.28 the second year are for transfer to the state
288.29 supplementary weatherization grants account
288.30 established under Minnesota Statutes, section
288.31 216C.264, to provide grants to community
288.32 action agencies and other agencies that
288.33 weatherize residences to install
288.34 preweatherization measures in residential
288.35 buildings occupied by eligible low-income

289.1 households, as provided under Minnesota
289.2 Statutes, sections 216B.2403, subdivision 5;
289.3 216B.241, subdivision 7; and 216C.264.

289.4 Of the amount appropriated under this
289.5 paragraph:

289.6 (1) up to ten percent may be used to
289.7 supplement utility spending on
289.8 preweatherization measures as part of a
289.9 low-income conservation program; and

289.10 (2) up to ten percent may be used to:

289.11 (i) recruit and train energy auditors and
289.12 installers of weatherization services; and

289.13 (ii) provide financial incentives to contractors
289.14 and workers to install weatherization services.

289.15 The base in fiscal year 2026 is \$720,000 and
289.16 the base in fiscal year 2027 is \$3,000,000.

289.17 (i) \$5,000,000 the first year is to award rebates
289.18 to purchase or lease eligible electric vehicles
289.19 under Minnesota Statutes, section 216C.401.

289.20 Rebates must be awarded under this paragraph
289.21 only to eligible persons located outside the
289.22 retail electric service area of the public utility
289.23 that is subject to Minnesota Statutes, section
289.24 116C.779. This is a onetime appropriation and
289.25 is available until June 30, 2027.

289.26 (j) \$500,000 the first year is to award grants
289.27 under Minnesota Statutes, section 216C.402,
289.28 to automobile dealers seeking certification to
289.29 sell electric vehicles. Grants must only be
289.30 awarded under this paragraph to eligible
289.31 dealers located outside the retail electric
289.32 service area of the public utility that is subject
289.33 to Minnesota Statutes, section 116C.779. This

290.1 is a onetime appropriation and is available
290.2 until June 30, 2025.

290.3 (k) \$164,000 the second year is for activities
290.4 associated with a public utility's filing a
290.5 transportation electrification plan under
290.6 Minnesota Statutes, section 216B.1615. The
290.7 base in fiscal year 2026 and beyond is
290.8 \$164,000.

290.9 (l) \$5,000,000 the first year is for transfer to
290.10 the solar on public buildings grant program
290.11 account established under Minnesota Statutes,
290.12 section 216C.377. The appropriation in this
290.13 paragraph must be used only to provide grants
290.14 to public buildings located outside the electric
290.15 service area of the electric utility subject to
290.16 Minnesota Statutes, section 116C.779. This is
290.17 a onetime appropriation.

290.18 (m) \$2,500,000 the first year is for transfer to
290.19 the residential electric panel upgrade grant
290.20 program account established under Minnesota
290.21 Statutes, section 216C.45, to award electric
290.22 panel upgrade grants and to reimburse the
290.23 reasonable costs incurred by the department
290.24 to administer the program. Grants must be
290.25 awarded under this paragraph only to owners
290.26 of single-family homes or multifamily
290.27 buildings located outside the electric service
290.28 area of the public utility subject to Minnesota
290.29 Statutes, section 116C.779. This is a onetime
290.30 appropriation and is available until June 30,
290.31 2027.

290.32 (n) \$3,000,000 the first year is for grants to
290.33 install on-site energy storage systems, as
290.34 defined in Minnesota Statutes, section
290.35 216B.2422, subdivision 1, paragraph (f), with

291.1 a capacity of 50 kilowatt hours or less and that
291.2 are located outside the electric service area of
291.3 the electric utility subject to Minnesota
291.4 Statutes, section 116C.779. To receive a grant
291.5 under this subdivision, an owner of the energy
291.6 storage system must be operating or have filed
291.7 an application with a utility to interconnect a
291.8 solar energy generating system at the same
291.9 site as the energy storage system. The grant
291.10 amount must be based on the number of
291.11 watt-hours that reflects the duration of the
291.12 energy storage system at the system's rated
291.13 capacity, up to a maximum of \$5,000. This is
291.14 a onetime appropriation and is available until
291.15 June 30, 2027.

291.16 (o) \$164,000 each year is for activities
291.17 required under Minnesota Statutes, sections
291.18 216B.1616 and 216B.1697, to review energy
291.19 storage proposals made by utilities and to
291.20 establish a docket to develop an energy storage
291.21 peak shaving tariff.

291.22 (p) \$3,000,000 the first year is for grants to
291.23 the clean energy resource teams partnerships
291.24 under Minnesota Statutes, section 216C.385,
291.25 subdivision 2, to provide additional capacity
291.26 to perform the duties specified under
291.27 Minnesota Statutes, section 216C.385,
291.28 subdivision 3. This appropriation is onetime
291.29 and is available until June 30, 2029.

291.30 (q) \$2,500,000 the first year and \$1,000,000
291.31 the second year are to implement energy
291.32 benchmarking under Minnesota Statutes,
291.33 section 216C.331. The base in fiscal year 2026
291.34 is \$226,000 and the base in fiscal year 2027
291.35 is \$742,000.

292.1 Of the amount appropriated under this
292.2 paragraph, \$750,000 the first year is to award
292.3 grants to qualifying utilities that are not
292.4 investor-owned utilities to support the
292.5 development of technology for implementing
292.6 energy benchmarking under Minnesota
292.7 Statutes, section 216C.331. This is a onetime
292.8 appropriation.

292.9 (r) \$7,000,000 the first year is for transfer to
292.10 the electric school bus program account
292.11 established under Minnesota Statutes, section
292.12 216C.374, to award grants to school districts,
292.13 and to transportation service providers and
292.14 electric utilities on behalf of school districts,
292.15 to purchase electric school buses and related
292.16 infrastructure. This is a onetime appropriation
292.17 and is available until June 30, 2027. Any
292.18 unencumbered money remaining after that
292.19 date cancels to the general fund.

292.20 (s) \$10,000,000 the first year is for transfer to
292.21 the heat pump rebate program account
292.22 established under Minnesota Statutes, section
292.23 216C.46, to implement the heat pump rebate
292.24 program and to reimburse the reasonable costs
292.25 incurred by the department to administer the
292.26 program. Of this amount:

292.27 (1) up to \$1,400,000 the first year is to
292.28 contract with an energy coordinator under
292.29 Minnesota Statutes, section 216C.46,
292.30 subdivision 5; and

292.31 (2) up to \$1,400,000 the first year is to conduct
292.32 contractor training and support under
292.33 Minnesota Statutes, section 216C.46,
292.34 subdivision 6.

293.1 (t) \$1,000,000 the first year is to award air
293.2 ventilation pilot program grants under
293.3 Minnesota Statutes, section 123B.663, for
293.4 assessments, testing, and equipment upgrades
293.5 in schools, and for the department's costs to
293.6 administer the program. This is a onetime
293.7 appropriation.

293.8 (u) \$77,000 each year is for activities
293.9 associated with appeals of consumer
293.10 complaints to the commission under
293.11 Minnesota Statutes, section 216B.172.

293.12 (v) \$500,000 the first year is for a grant to the
293.13 city of Anoka for feasibility studies and
293.14 design, engineering, and environmental
293.15 analysis related to the repair and
293.16 reconstruction of the Rum River Dam.

293.17 Findings from the feasibility studies must be
293.18 incorporated into the design and engineering
293.19 funded by the appropriation under this
293.20 paragraph. This appropriation is onetime and
293.21 is available until June 30, 2027.

293.22 The appropriation under this paragraph
293.23 includes money for the following feasibility
293.24 studies:

293.25 (1) to assess the feasibility of adding a lock or
293.26 other means for boats to traverse the dam to
293.27 navigate between the lower Rum River and
293.28 upper Rum River;

293.29 (2) to assess the feasibility of constructing the
293.30 dam in a manner that would facilitate
293.31 recreational river surfing at the dam site; and

293.32 (3) to assess the feasibility of constructing the
293.33 dam in a manner to generate hydroelectric
293.34 power.

294.1 Subd. 3. **Petroleum Tank Release Compensation**
 294.2 **Board** 1,076,000 1,097,000

294.3 This appropriation is from the petroleum tank
 294.4 fund.

294.5 Sec. 3. **PUBLIC UTILITIES COMMISSION** **\$** 10,331,000 **\$** 10,689,000

294.6 (a) \$8,202,000 each year is to the Public
 294.7 Utilities Commission for operating expenses.

294.8 (b) \$112,000 each year is for activities
 294.9 associated with a utility's implementation of
 294.10 a natural gas innovation plan under Minnesota
 294.11 Statutes, section 216B.2427.

294.12 (c) \$96,000 the second year is for activities
 294.13 associated with a public utility's filing a
 294.14 transportation electrification plan under
 294.15 Minnesota Statutes, section 216B.1615. The
 294.16 base in fiscal year 2026 and beyond is
 294.17 \$96,000.

294.18 (d) \$32,000 each year is for activities
 294.19 associated with determining compensation for
 294.20 participants in commission proceedings under
 294.21 Minnesota Statutes, section 216B.631.

294.22 (e) \$236,000 the first year and \$229,000 the
 294.23 second year are for activities associated with
 294.24 appeals of consumer complaints to the
 294.25 commission under Minnesota Statutes, section
 294.26 216B.172.

294.27 (f) \$1,522,000 the first year and \$1,791,000
 294.28 the second year are to maintain the current
 294.29 level of service delivery in the Public Utilities
 294.30 Commission. The base in fiscal year 2026 and
 294.31 beyond is \$1,791,000.

294.32 (g) \$227,000 each year is for activities
 294.33 required under Minnesota Statutes, sections
 294.34 216B.1616 and 216B.1697, to review energy

295.1 storage proposals made by utilities and to
 295.2 establish a docket to develop an energy storage
 295.3 peak shaving tariff.

295.4 **Sec. 4. POLLUTION CONTROL AGENCY \$ 2,000,000 \$ -0-**

295.5 \$2,000,000 is for transfer to the local climate
 295.6 action grant program account established in
 295.7 the special revenue fund to:
 295.8 (1) award grants to eligible applicants;
 295.9 (2) provide technical assistance to applicants;
 295.10 (3) pay a contractor to provide greenhouse gas
 295.11 emissions data to grantees; and
 295.12 (4) reimburse the reasonable costs of the
 295.13 agency to administer the program.

295.14 Of this amount, 65 percent is available the first
 295.15 year, of which half is reserved for applicants
 295.16 located outside the counties of Hennepin,
 295.17 Ramsey, Anoka, Dakota, Scott, Carver, and
 295.18 Washington. In the second year, any
 295.19 unencumbered first year money and the
 295.20 balance of the appropriation are available to
 295.21 all eligible applicants, and remain available
 295.22 until June 30, 2025. The base in fiscal year
 295.23 2026 is \$0.

295.24 **Sec. 5. HIGHER EDUCATION \$ 750,000 \$ -0-**

295.25 Of the amount appropriated in the first year
 295.26 under section 2, subdivision 2, paragraph (q),
 295.27 \$750,000 the first year is for a grant to
 295.28 Building Owners and Managers Association
 295.29 Greater Minneapolis to establish partnerships
 295.30 with three technical colleges and high school
 295.31 career counselors with a goal of increasing the
 295.32 number of building engineers across
 295.33 Minnesota. This is a onetime appropriation

296.1 and is available until June 30, 2028. The grant
 296.2 recipient must provide a detailed report
 296.3 describing how the grant funds were used to
 296.4 the chairs and ranking minority members of
 296.5 the legislative committees having jurisdiction
 296.6 over higher education by January 15 of each
 296.7 year until 2028. The report must describe the
 296.8 progress made toward the goal of increasing
 296.9 the number of building engineers and
 296.10 strategies used.

296.11 **Sec. 6. CLIMATE INNOVATION FINANCE**
 296.12 **AUTHORITY**

\$	<u>20,000,000</u>	\$	<u>-0-</u>
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296.13 \$20,000,000 the first year is for transfer to the
 296.14 climate innovation finance authority account
 296.15 for purposes of Minnesota Statutes, section
 296.16 216C.441. This is a onetime appropriation.

296.17 Of this amount, the commissioner of
 296.18 management and budget may make up to
 296.19 \$500,000 available to the commissioner of
 296.20 commerce, at the request of the commissioner
 296.21 of commerce, to conduct necessary start-up
 296.22 activities before the authority has sufficient
 296.23 staff resources to do so.

296.24 **Sec. 7. UNIVERSITY OF MINNESOTA**

\$	<u>1,000,000</u>	\$	<u>1,000,000</u>
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296.25 \$1,000,000 the first year and \$1,000,000 the
 296.26 second year are for a program in the
 296.27 University of Minnesota Extension Service
 296.28 that enhances the capacity of the state's
 296.29 agricultural sector, land and resource
 296.30 managers, and communities to plan for and
 296.31 adapt to weather extremes, including but not
 296.32 limited to droughts and floods. This is a
 296.33 onetime appropriation and is available until
 296.34 June 30, 2030. The base in fiscal year 2026
 296.35 and beyond is \$1,000,000.

297.1 The appropriation under this section must be
 297.2 used to support existing extension service staff
 297.3 members and to hire additional staff members
 297.4 for a program with broad geographic reach
 297.5 throughout the state. The program must:
 297.6 (1) identify, develop, implement, and evaluate
 297.7 educational programs that increase the
 297.8 capacity of Minnesota's agricultural sector,
 297.9 land and resource managers, and communities
 297.10 to be prepared for and adapt to projected
 297.11 physical changes in temperature, precipitation,
 297.12 and other weather parameters that affect crops,
 297.13 lands, horticulture, pests, and wildlife in ways
 297.14 that present challenges to the state's
 297.15 agricultural sector and the communities that
 297.16 depend on the agricultural sector; and
 297.17 (2) communicate and interpret the latest
 297.18 research on critical weather trends and the
 297.19 scientific basis for critical weather trends to
 297.20 further prepare extension service staff
 297.21 throughout the state to educate and provide
 297.22 technical assistance to the agricultural sector,
 297.23 land and resource managers, and community
 297.24 members at the local level regarding technical
 297.25 information on water resource management,
 297.26 agriculture and forestry, engineering and
 297.27 infrastructure design, and emergency
 297.28 management that is necessary to develop
 297.29 strategies to mitigate the effects of extreme
 297.30 weather change.

297.31 **Sec. 8. DEPARTMENT OF**
 297.32 **ADMINISTRATION**

<u>\$</u>	<u>1,712,000</u>	<u>\$</u>	<u>367,000</u>
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297.33 (a) \$1,022,000 the first year and \$367,000 the
 297.34 second year are for activities regarding
 297.35 environmental analysis of construction

298.1 materials under Minnesota Statutes, section
 298.2 16B.312. Of the first year amount, \$200,000
 298.3 is to provide grants to assist manufacturers to
 298.4 obtain environmental product declarations for
 298.5 certain materials used in public buildings. Of
 298.6 this amount, up to ten percent may be used by
 298.7 the commissioner of administration to
 298.8 administer this section. This appropriation is
 298.9 available until June 30, 2027.

298.10 (b) \$690,000 the first year is to develop,
 298.11 oversee, and administer the sustainable
 298.12 building guidelines under Minnesota Statutes,
 298.13 section 16B.325, in consultation with the
 298.14 commissioner of commerce and the Center
 298.15 for Sustainable Building Research at the
 298.16 University of Minnesota. The appropriation
 298.17 under this paragraph includes money for the
 298.18 commissioner of administration to contract
 298.19 with the Center for Sustainable Building
 298.20 Research at the University of Minnesota to
 298.21 administer the guidelines. This is a onetime
 298.22 appropriation.

298.23 **Sec. 9. DEPARTMENT OF**
 298.24 **TRANSPORTATION**

<u>\$</u>	<u>310,000</u>	<u>\$</u>	<u>-0-</u>
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298.25 \$310,000 the first year is for awarding grants
 298.26 to assist manufacturers to obtain
 298.27 environmental product declarations for certain
 298.28 construction materials used to build roads and
 298.29 other transportation infrastructure under
 298.30 Minnesota Statutes, section 16B.312. Of this
 298.31 amount, up to \$10,000 is for the reasonable
 298.32 costs of the department to administer that
 298.33 section. This appropriation is available until
 298.34 June 30, 2027.

ARTICLE 10

RENEWABLE DEVELOPMENT ACCOUNT APPROPRIATIONS

Section 1. **RENEWABLE DEVELOPMENT FINANCE.**

(a) The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j), the appropriations are from the renewable development account in the special revenue fund established in Minnesota Statutes, section 116C.779, subdivision 1, and are available for the fiscal years indicated for each purpose. The figures "2024" and "2025" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025.

(b) If an appropriation in this article is enacted more than once in the 2023 regular or special legislative session, the appropriation must be given effect only once.

APPROPRIATIONS

Available for the Year

Ending June 30

2024

2025

Sec. 2. **DEPARTMENT OF COMMERCE** **\$ 67,614,000** **\$ 18,829,000**

(a) The amounts that may be spent for each purpose are specified in the following subdivisions.

(b) \$100,000 the first year and \$100,000 the second year are to administer the "Made in Minnesota" solar energy production incentive program under Minnesota Statutes, section 216C.417. Any unspent amount remaining on June 30, 2025, cancels to the renewable development account.

(c) \$1,000,000 the first year and \$400,000 the second year are for grants to the University of St. Thomas Center for Microgrid Research. The base in fiscal year 2026 is \$400,000 and the base in fiscal year 2027 is \$0. These

300.1 appropriations are available until June 30,
300.2 2027.

300.3 The appropriations in this paragraph must be
300.4 used by the University of St. Thomas Center
300.5 for Microgrid Research to:

300.6 (1) increase the center's capacity to provide
300.7 industry partners opportunities to test
300.8 near-commercial microgrid products on a real
300.9 world scale and to multiply opportunities for
300.10 innovative research;

300.11 (2) procure advanced equipment and controls
300.12 to enable the extension of the university's
300.13 microgrid to additional buildings; and

300.14 (3) expand (i) hands-on educational
300.15 opportunities for undergraduate and graduate
300.16 electrical engineering students to increase
300.17 understanding of microgrid operations, and
300.18 (ii) partnerships with community colleges.

300.19 (d) \$9,126,000 the first year and \$3,329,000
300.20 the second year are for transfer to the electric
300.21 vehicle rebate program account established
300.22 under Minnesota Statutes, section 216C.401,
300.23 to award rebates to purchase or lease eligible
300.24 electric vehicles. Rebates must be awarded
300.25 under this paragraph only to eligible persons
300.26 located within the retail electric service area
300.27 of the public utility that is subject to
300.28 Minnesota Statutes, section 116C.779. The
300.29 base in fiscal year 2026 is \$0. These
300.30 appropriations are available until June 30,
300.31 2027.

300.32 (e) \$500,000 the first year is to award grants
300.33 under Minnesota Statutes, section 216C.402,
300.34 to automobile dealers seeking certification

301.1 from an electric vehicle manufacturer to sell
301.2 electric vehicles. Grants must only be awarded
301.3 under this paragraph to eligible dealers located
301.4 within the retail electric service area of the
301.5 public utility that is subject to Minnesota
301.6 Statutes, section 116C.779. This is a onetime
301.7 appropriation and is available until June 30,
301.8 2025.

301.9 (f) \$7,000,000 the first year is for transfer to
301.10 the electric school bus program account
301.11 established under Minnesota Statutes, section
301.12 216C.374, to provide grants to (1) accelerate
301.13 the deployment of electric school buses and
301.14 related electric vehicle infrastructure, and (2)
301.15 to pay the commissioner's costs to administer
301.16 Minnesota Statutes, section 216C.374. This is
301.17 a onetime appropriation and is available until
301.18 June 30, 2027.

301.19 (g) \$5,000,000 the first year is for transfer to
301.20 the solar on public buildings grant program
301.21 account established under Minnesota Statutes,
301.22 section 216C.377, to award grants for the
301.23 installation of solar energy generating systems
301.24 on public buildings. The appropriation in this
301.25 paragraph must be used only to award grants
301.26 for solar installations on public buildings
301.27 located within the electric service area of the
301.28 electric utility subject to Minnesota Statutes,
301.29 section 116C.779. This is a onetime
301.30 appropriation and is available until June 30,
301.31 2027.

301.32 (h) \$2,500,000 the first year is to award grants
301.33 for upgrades to residential electric panels
301.34 under Minnesota Statutes, section 216C.45,
301.35 and pay the reasonable costs incurred by the

302.1 department to administer that section.
302.2 Appropriations made under this paragraph
302.3 must be used only for grants to owners of
302.4 residences that are located within the electric
302.5 service area of the public utility that is subject
302.6 to Minnesota Statutes, section 116C.779. This
302.7 is a onetime appropriation and is available
302.8 until June 30, 2025.

302.9 (i) \$3,000,000 the first year is to award grants
302.10 to install energy storage systems under
302.11 Minnesota Statutes, section 216C.378, and to
302.12 pay the reasonable costs incurred by the
302.13 department to administer that section. This is
302.14 a onetime appropriation and is available until
302.15 June 30, 2027.

302.16 (j) \$3,000,000 in fiscal year 2024 is for deposit
302.17 in the Area C contingency account established
302.18 under Minnesota Statutes, section 116C.7793,
302.19 for disbursement to the owner of a solar
302.20 energy generating system installed on land on
302.21 the former Ford Motor Company site in St.
302.22 Paul known as Area C. This appropriation is
302.23 available until five years after the Pollution
302.24 Control Agency issues a corrective action
302.25 determination regarding the remediation of
302.26 Area C. Any unexpended money remaining
302.27 in the account as of that date cancels to the
302.28 renewable development account.

302.29 (k) \$5,000,000 the first year and \$5,000,000
302.30 the second year are for transfer to the
302.31 distributed energy resources system upgrade
302.32 program account established under Minnesota
302.33 Statutes, section 216C.379, to provide grants
302.34 to upgrade the distribution system of the public
302.35 utility that is subject to Minnesota Statutes,

303.1 section 116C.7792, in order to allow for the
303.2 interconnection of distributed energy
303.3 resources. The base in fiscal year 2026 is \$0.
303.4 (l) \$250,000 in fiscal year 2024 is for transfer
303.5 to the distributed energy resources system
303.6 upgrade program account established under
303.7 Minnesota Statutes, section 216C.379, for
303.8 grants to the utility subject to Minnesota
303.9 Statutes, section 116C.779, to implement the
303.10 small interconnection cost-sharing program
303.11 ordered by the Public Utilities Commission
303.12 on December 19, 2022, in docket No.
303.13 E-002/M-18-714, to pay the costs of certain
303.14 distribution upgrades for customers of the
303.15 utility subject to Minnesota Statutes, section
303.16 116C.779, seeking interconnection of
303.17 distributed generation. This is a onetime
303.18 appropriation.
303.19 (m) \$20,000,000 the first year is for transfer
303.20 to the solar for schools program account
303.21 established under Minnesota Statutes, section
303.22 216C.375, to provide financial assistance to
303.23 schools to purchase and install solar energy
303.24 generating systems under Minnesota Statutes,
303.25 section 216C.375. The appropriations under
303.26 this paragraph must be expended on schools
303.27 located within the electric service territory of
303.28 the public utility that is subject to Minnesota
303.29 Statutes, section 116C.779. This is a onetime
303.30 appropriation.
303.31 (n) \$2,500,000 the first year and \$2,500,000
303.32 the second year are for transfer to the state
303.33 supplementary weatherization grants account
303.34 established under Minnesota Statutes, section
303.35 216C.264, to provide grants to community

304.1 action agencies and other agencies that
 304.2 weatherize residences to install
 304.3 preweatherization measures in residential
 304.4 buildings occupied by eligible low-income
 304.5 households, as provided under Minnesota
 304.6 Statutes, sections 216B.2403, subdivision 5;
 304.7 216B.241, subdivision 7; and 216C.264. The
 304.8 base in fiscal year 2026 is \$0.

304.9	Sec. 3. <u>MINNESOTA AMATEUR SPORTS</u>			
304.10	<u>COMMISSION</u>	<u>\$</u>	<u>-0-</u>	<u>\$ 4,200,000</u>

304.11 \$4,200,000 the second year is to install solar
 304.12 arrays on an ice rink and a maintenance
 304.13 facility at the National Sports Center in Blaine.
 304.14 This is a onetime appropriation.

304.15	Sec. 4. <u>DEPARTMENT OF</u>			
304.16	<u>ADMINISTRATION</u>	<u>\$</u>	<u>780,000</u>	<u>\$ 92,000</u>

304.17 \$690,000 the first year is to contract with the
 304.18 Board of Regents of the University of
 304.19 Minnesota for a grant to the Institute on the
 304.20 Environment to conduct research examining
 304.21 how projections of future weather trends may
 304.22 exacerbate conditions, including but not
 304.23 limited to drought, elevated temperatures, and
 304.24 flooding, that:

304.25 (1) can be integrated into the design and
 304.26 evaluation of buildings constructed by the state
 304.27 of Minnesota and local units of government,
 304.28 in order to:

304.29 (i) reduce energy costs by deploying
 304.30 cost-effective energy efficiency measures,
 304.31 innovative construction materials and
 304.32 techniques, and renewable energy sources;
 304.33 and

304.34 (ii) prevent and minimize damage to buildings
 304.35 caused by extreme weather conditions,

305.1 including but not limited to increased
 305.2 frequency of intense precipitation events and
 305.3 tornadoes, flooding, and elevated
 305.4 temperatures; and
 305.5 (2) may weaken the ability of natural systems
 305.6 to mitigate the conditions to the point where
 305.7 human intervention in the form of building or
 305.8 redesigning the scale and operation of
 305.9 infrastructure is required to address those
 305.10 conditions in order to:
 305.11 (i) maintain and increase the amount and
 305.12 quality of food and wood production;
 305.13 (ii) reduce fire risk on forested land;
 305.14 (iii) maintain and enhance water quality; and
 305.15 (iv) maintain and enhance natural habitats.
 305.16 The contract must provide that no later than
 305.17 February 1, 2025, the director of the Institute
 305.18 on the Environment or the director's designee
 305.19 must submit a written report to the chairs and
 305.20 ranking minority members of the legislative
 305.21 committees with primary jurisdiction over
 305.22 environment policy and capital investment
 305.23 summarizing the findings and
 305.24 recommendations of the research, including
 305.25 any recommendations for policy changes or
 305.26 other legislation. This is a onetime
 305.27 appropriation.

305.28 **Sec. 5. POLLUTION CONTROL AGENCY \$ 2,000,000 \$ -0-**

305.29 \$2,000,000 is for transfer to the local climate
 305.30 action grant program account established in
 305.31 the special revenue fund to:
 305.32 (1) award grants to eligible applicants;
 305.33 (2) provide technical assistance to applicants;

306.1 (3) pay a contractor to provide greenhouse gas
306.2 emissions data to grantees; and
306.3 (4) reimburse the reasonable costs of the
306.4 agency to administer the program.
306.5 Of this amount, 65 percent is available the first
306.6 year, of which half is reserved for applicants
306.7 located outside the counties of Hennepin,
306.8 Ramsey, Anoka, Dakota, Scott, Carver, and
306.9 Washington. In the second year, any
306.10 unencumbered first year money and the
306.11 balance of the appropriation are available to
306.12 all eligible applicants, and remains available
306.13 until June 30, 2025. The base in fiscal year
306.14 2026 is \$0.

ARTICLE 11

ELECTRIFICATION

306.15
306.16
306.17 Section 1. Minnesota Statutes 2022, section 16B.58, is amended by adding a subdivision
306.18 to read:

306.19 Subd. 9. **Electric vehicle charging.** A person that charges a privately owned electric
306.20 vehicle at a charging station located within the Capitol Area, as defined in section 15B.02,
306.21 must pay an electric service fee established by the commissioner.

306.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

306.23 Sec. 2. Minnesota Statutes 2022, section 16C.135, subdivision 3, is amended to read:

306.24 Subd. 3. **Vehicle purchases.** (a) Consistent with section 16C.137, subdivision 1, when
306.25 purchasing a motor vehicle for the enterprise fleet or for use by an agency, the commissioner
306.26 or the agency shall purchase a motor vehicle that is capable of being powered by cleaner
306.27 fuels, or a motor vehicle powered by electricity or by a combination of electricity and liquid
306.28 fuel, if the total life-cycle cost of ownership is less than or comparable to that of other
306.29 vehicles and if the vehicle is capable the motor vehicle according to the following vehicle
306.30 preference order:

306.31 (1) an electric vehicle;

306.32 (2) a hybrid electric vehicle;

307.1 (3) a vehicle capable of being powered by cleaner fuels; and

307.2 (4) a vehicle powered by gasoline or diesel fuel.

307.3 (b) The commissioner may only reject a vehicle that is higher on the vehicle preference
307.4 order if:

307.5 (1) the vehicle type is incapable of carrying out the purpose for which it is purchased;

307.6 or

307.7 (2) the total life-cycle cost of ownership of a preferred vehicle type is more than ten
307.8 percent higher than the next vehicle type on the vehicle preference order.

307.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

307.10 Sec. 3. Minnesota Statutes 2022, section 16C.137, subdivision 1, is amended to read:

307.11 Subdivision 1. **Goals and actions.** Each state department must, whenever legally,
307.12 technically, and economically feasible, subject to the specific needs of the department and
307.13 responsible management of agency finances:

307.14 (1) ensure that all new on-road vehicles ~~purchased~~, excluding emergency and law
307.15 enforcement vehicles; are purchased in conformity with the vehicle preference order
307.16 established in section 16C.135, subdivision 3;

307.17 ~~(i) use "cleaner fuels" as that term is defined in section 16C.135, subdivision 1;~~

307.18 ~~(ii) have fuel efficiency ratings that exceed 30 miles per gallon for city usage or 35 miles~~
307.19 ~~per gallon for highway usage, including but not limited to hybrid electric cars and~~
307.20 ~~hydrogen-powered vehicles; or~~

307.21 ~~(iii) are powered solely by electricity;~~

307.22 (2) increase its use of renewable transportation fuels, including ethanol, biodiesel, and
307.23 hydrogen from agricultural products; and

307.24 (3) increase its use of web-based Internet applications and other electronic information
307.25 technologies to enhance the access to and delivery of government information and services
307.26 to the public, and reduce the reliance on the department's fleet for the delivery of such
307.27 information and services.

307.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.

308.1 Sec. 4. Minnesota Statutes 2022, section 168.27, is amended by adding a subdivision to
308.2 read:

308.3 Subd. 2a. Dealer training; electric vehicles. (a) A new motor vehicle dealer licensed
308.4 under this chapter that operates under an agreement or franchise from a manufacturer and
308.5 sells electric vehicles must maintain at least one employee who is certified as having
308.6 completed a training course offered by a Minnesota motor vehicle dealership association
308.7 that addresses at least the following elements:

308.8 (1) fundamentals of electric vehicles;

308.9 (2) electric vehicle charging options and costs;

308.10 (3) publicly available electric vehicle incentives;

308.11 (4) projected maintenance and fueling costs for electric vehicles;

308.12 (5) reduced tailpipe emissions, including greenhouse gas emissions, produced by electric
308.13 vehicles;

308.14 (6) the impacts of Minnesota's cold climate on electric vehicle operation; and

308.15 (7) best practices to sell electric vehicles.

308.16 (b) For the purposes of this section, "electric vehicle" has the meaning given in section
308.17 169.011, subdivision 26a, paragraphs (a) and (b), clause (3).

308.18 **EFFECTIVE DATE.** This section is effective January 1, 2024.

308.19 Sec. 5. [216B.1615] ELECTRIC VEHICLE DEPLOYMENT PROGRAM.

308.20 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
308.21 the meanings given.

308.22 (b) "Battery exchange station" means a physical location deploying equipment that
308.23 enables a used electric vehicle battery to be removed and exchanged for a fresh electric
308.24 vehicle battery.

308.25 (c) "Electric drive mine truck" means a truck that carries mined rock from a mine pit
308.26 for crushing operations and whose wheels are powered by electric drive motors.

308.27 (d) "Electric drive mine truck trolley system" means an electric trolley system that helps
308.28 propel an electric drive mine truck out of a mine pit.

308.29 (e) "Electric vehicle" means any device or contrivance that transports persons or property
308.30 and is capable of being powered by an electric motor drawing current from rechargeable

- 309.1 storage batteries, fuel cells, or other portable sources of electricity. Electric vehicle includes
309.2 but is not limited to:
- 309.3 (1) an electric vehicle, as defined in section 169.011, subdivision 26a;
309.4 (2) an electric-assisted bicycle, as defined in section 169.011, subdivision 27;
309.5 (3) an off-road vehicle, as defined in section 84.797, subdivision 7;
309.6 (4) a motorboat, as defined in section 86B.005, subdivision 9;
309.7 (5) an aircraft, as defined in section 360.013, subdivision 37; or
309.8 (6) an electric drive mine truck.
- 309.9 (f) "Electric vehicle charging station" means a physical location deploying equipment
309.10 that:
- 309.11 (1) transfers electricity to an electric vehicle battery;
309.12 (2) dispenses hydrogen into an electric vehicle powered by a fuel cell;
309.13 (3) exchanges electric vehicle batteries; or
309.14 (4) provides other equipment used to charge or fuel electric vehicles.
- 309.15 (g) "Electric vehicle infrastructure" means electric vehicle charging stations and any
309.16 associated machinery, equipment, and infrastructure necessary for a public utility to supply
309.17 electricity or hydrogen to an electric vehicle charging station and to support electric vehicle
309.18 operation. Electric vehicle infrastructure includes an electric drive mine truck trolley system.
- 309.19 (h) "Fuel cell" means a cell that converts the chemical energy of hydrogen directly into
309.20 electricity through electrochemical reactions.
- 309.21 (i) "Government entity" means the state, a state agency, or a political subdivision, as
309.22 defined in section 13.02, subdivision 11.
- 309.23 (j) "Public utility" has the meaning given in section 216B.02, subdivision 4.
- 309.24 **Subd. 2. Transportation electrification plan; contents.** (a) By June 1, 2024, and on a
309.25 schedule determined by the commission thereafter, a public utility must file a transportation
309.26 electrification plan with the commission that is designed to:
- 309.27 (1) maximize the overall benefits of electric vehicles and other electrified transportation
309.28 while minimizing overall costs; and
- 309.29 (2) promote the:
- 309.30 (i) purchase of electric vehicles by the public utility's customers; and

- 310.1 (ii) deployment of electric vehicle infrastructure in the public utility's service territory.
- 310.2 (b) A transportation electrification plan may include but is not limited to the following
- 310.3 elements:
- 310.4 (1) programs to educate and increase the awareness and benefits of electric vehicles and
- 310.5 electric vehicle charging equipment among individuals, electric vehicle dealers, single-family
- 310.6 and multifamily housing developers and property management companies, building owners
- 310.7 and tenants, vehicle service stations, vehicle fleet owners and managers, and other potential
- 310.8 users of electric vehicles;
- 310.9 (2) utility investments and customer incentives the utility provides and offers to support
- 310.10 transportation electrification across all customer classes, including but not limited to
- 310.11 investments and customer incentives to facilitate:
- 310.12 (i) the deployment of: electric vehicles for personal and commercial use; customer- and
- 310.13 utility-owned electric vehicle charging stations; electric vehicle infrastructure to support
- 310.14 light-duty, medium-duty, and heavy-duty vehicle electrification; and other electric utility
- 310.15 infrastructure;
- 310.16 (ii) widespread access to publicly available electric vehicle charging stations; and
- 310.17 (iii) the electrification of public transit and vehicle fleets owned or operated by a
- 310.18 government entity;
- 310.19 (3) research and demonstration projects to increase access to electricity as a transportation
- 310.20 fuel, minimize the system costs of electric transportation, and inform future transportation
- 310.21 electrification plans;
- 310.22 (4) rate structures or programs that encourage electric vehicle charging that optimizes
- 310.23 electric grid operation, including time-varying rates and charging optimization programs;
- 310.24 (5) programs to increase access to the benefits of electricity as a transportation fuel (i)
- 310.25 for low- or moderate-income customers and communities, and (ii) in neighborhoods most
- 310.26 affected by transportation-related air emissions; and
- 310.27 (6) proposals to expedite commission consideration of program adjustments requested
- 310.28 during the term of an approved transportation electrification plan.
- 310.29 (c) A transportation electrification plan must include planned upgrades to and investments
- 310.30 in a utility's distribution system that are necessary to accommodate future growth in
- 310.31 transportation electrification and support the plan's proposed programs and activities.

311.1 Subd. 3. **Transportation electrification plan; review and implementation.** The
311.2 commission may approve, modify, or reject a transportation electrification plan. When
311.3 reviewing a transportation electrification plan, the commission must consider whether the
311.4 programs, investments, and expenditures as a whole are reasonably expected to:

311.5 (1) improve the operation of the electric grid;

311.6 (2) increase access to the use of electricity as a transportation fuel for all customers,
311.7 including customers in low- or moderate-income communities, rural communities, and
311.8 communities most affected by emissions from the transportation sector;

311.9 (3) increase access to publicly available electric vehicle charging for all types of electric
311.10 vehicles;

311.11 (4) support the electrification of medium-duty and heavy-duty vehicles and associated
311.12 charging infrastructure;

311.13 (5) reduce statewide greenhouse gas emissions, as defined in section 216H.01, and
311.14 emissions of other air pollutants that impair the environment and public health;

311.15 (6) stimulate private capital investment and the creation of skilled jobs;

311.16 (7) educate the public about the benefits of electric vehicles and related infrastructure;
311.17 and

311.18 (8) be transparent and incorporate reasonable public reporting of program activities,
311.19 consistent with existing technology and data capabilities, to inform program design and
311.20 commission policy with respect to electric vehicles.

311.21 Subd. 4. **Cost recovery.** (a) Notwithstanding any other provision of this chapter, the
311.22 commission may approve, with respect to any prudent and reasonable investments made or
311.23 expenses incurred by a public utility to administer and implement an approved transportation
311.24 electrification plan, including expenditures on information technology systems necessary
311.25 to track activities and spending and to administer and implement transportation electrification
311.26 plan programs, and investments made in a public utility's distribution system to support
311.27 transportation electrification:

311.28 (1) a rider or other tariff mechanism to automatically adjust charges annually;

311.29 (2) performance-based incentives; or

311.30 (3) placing the investment, including (i) rebates for electric vehicle infrastructure and
311.31 electric buses, and (ii) other costs reasonably incurred to support transportation electrification,
311.32 in the public utility's rate base and allowing the public utility to earn a rate of return on the

312.1 investment at the level approved by the commission in the public utility's most recent general
312.2 rate case, unless the commission finds a different rate of return is in the public interest.

312.3 (b) Notwithstanding section 216B.16, subdivision 8, paragraph (a), clause (3), the
312.4 commission must approve recovery costs for expenses reasonably incurred by a public
312.5 utility to provide public advertisement as part of a transportation electrification plan approved
312.6 by the commission under subdivision 3.

312.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

312.8 Sec. 6. **[216C.374] ELECTRIC SCHOOL BUS DEPLOYMENT PROGRAM.**

312.9 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
312.10 the meanings given.

312.11 (b) "Battery exchange station" means a physical location deploying equipment that
312.12 enables a used electric vehicle battery to be removed and exchanged for a fully charged
312.13 electric vehicle battery.

312.14 (c) "Electric school bus" means an electric vehicle: (1) designed to carry a driver and
312.15 more than ten passengers; and (2) primarily used to transport preprimary, primary, and
312.16 secondary students.

312.17 (d) "Electric utility" means any utility that provides wholesale or retail electric service
312.18 to customers in Minnesota.

312.19 (e) "Electric vehicle" has the meaning given in section 169.011, subdivision 26a.

312.20 (f) "Electric vehicle charging station" means a physical location deploying equipment
312.21 that provides electricity to charge a battery in an electric vehicle.

312.22 (g) "Electric vehicle infrastructure" means electric vehicle charging stations and any
312.23 associated electric panels, machinery, equipment, and infrastructure necessary for an electric
312.24 utility to supply electricity to an electric vehicle charging station and to support electric
312.25 vehicle operation.

312.26 (h) "Electric vehicle service provider" means an organization that installs, maintains, or
312.27 otherwise services a battery exchange station, electric vehicle infrastructure, or electric
312.28 vehicle charging stations.

312.29 (i) "Eligible applicant" means a school district or an electric utility, electric vehicle
312.30 service provider, or transportation service provider applying for a grant under this section
312.31 on behalf of a school district.

313.1 (j) "Federal vehicle electrification grants" means grants that fund electric school buses
313.2 or electric vehicle infrastructure under the federal Infrastructure Investment and Jobs Act,
313.3 Public Law 117-58, or the Inflation Reduction Act of 2022, Public Law 117-169.

313.4 (k) "Poor air quality" means:

313.5 (1) ambient air levels that air monitoring data reveals approach or exceed state or federal
313.6 air quality standards or chronic health inhalation risk benchmarks for total suspended
313.7 particulates, particulate matter less than ten microns wide (PM-10), particulate matter less
313.8 than 2.5 microns wide (PM-2.5), sulfur dioxide, or nitrogen dioxide; or

313.9 (2) areas in which levels of asthma among children significantly exceed the statewide
313.10 average.

313.11 (l) "Prioritized school district" means:

313.12 (1) a school district listed in the Small Area Income and Poverty Estimates School
313.13 District Estimates as having 7.5 percent or more students living in poverty based on the
313.14 most recent decennial U.S. census;

313.15 (2) a school district identified with locale codes "43-Rural: Remote" and "42-Rural:
313.16 Distant" by the National Center for Education Statistics;

313.17 (3) a school district funded by the Bureau of Indian Affairs; or

313.18 (4) a school district that receives basic support payments under United States Code, title
313.19 20, section 7703(b)(1), for children who reside on Indian land.

313.20 (m) "School" means a school that operates as part of an independent or special school
313.21 district.

313.22 (n) "School bus" has the meaning given in section 169.011, subdivision 71.

313.23 (o) "School district" means:

313.24 (1) an independent school district, as defined in section 120A.05, subdivision 10; or

313.25 (2) a special school district, as defined in section 120A.05, subdivision 14.

313.26 (p) "Transportation service provider" means a person that has a contract with a school
313.27 district to transport students to and from school.

313.28 Subd. 2. **Establishment; purpose.** An electric school bus deployment program is
313.29 established in the department. The purpose of the program is to provide grants to accelerate
313.30 the deployment of electric school buses by school districts and to encourage schools to use
313.31 vehicle electrification as a teaching tool that can be integrated into the school's curriculum.

314.1 Subd. 3. **Establishment of account.** An electric school bus program account is established
314.2 as a separate account in the special revenue fund in the state treasury. The commissioner
314.3 shall credit to the account appropriations and transfers to the account. Earnings, including
314.4 interest, dividends, and any other earnings arising from assets of the account, must be
314.5 credited to the account. Money in the account at the end of a fiscal year does not cancel to
314.6 the general fund but remains available in the account until expended. The commissioner
314.7 shall manage the account.

314.8 Subd. 4. **Appropriation; expenditures.** Money in the account is appropriated to the
314.9 commissioner and must be used only:

314.10 (1) for grant awards made under this section; and

314.11 (2) to pay the reasonable costs incurred by the department to administer this section,
314.12 including the cost of providing technical assistance to eligible applicants, including but not
314.13 limited to grant writing assistance for applications for federal vehicle electrification grants
314.14 under subdivision 6, paragraph (c).

314.15 Subd. 5. **Eligible grant expenditures.** A grant awarded under this section may be used
314.16 only to pay:

314.17 (1) a school district or transportation service provider to purchase one or more electric
314.18 school buses, or convert or repower fossil-fuel-powered school buses to be powered by
314.19 electricity;

314.20 (2) up to 75 percent of the cost a school district or transportation service provider incurs
314.21 to purchase one or more electric school buses, or to convert or repower fossil-fuel-powered
314.22 school buses to be powered by electricity;

314.23 (3) for prioritized school districts, up to 95 percent of the cost a school district or
314.24 transportation service provider incurs to purchase one or more electric school buses, or to
314.25 convert or repower fossil-fuel-powered school buses to be powered by electricity;

314.26 (4) up to 75 percent of the cost of deploying, on the school district or transportation
314.27 service provider's real property, infrastructure required to operate electric school buses,
314.28 including but not limited to battery exchange stations, electric vehicle infrastructure, or
314.29 electric vehicle charging stations;

314.30 (5) for prioritized school districts, up to 95 percent of the cost of deploying, on the school
314.31 district or transportation service provider's real property, infrastructure required to operate
314.32 electric school buses, including but not limited to battery exchange stations, electric vehicle
314.33 infrastructure, or electric vehicle charging stations; and

315.1 (6) the reasonable costs of technical assistance related to electric school bus deployment
315.2 program planning and to prepare grant applications for federal vehicle electrification grants.

315.3 Subd. 6. **Application process.** (a) The commissioner must develop administrative
315.4 procedures governing the application and grant award process.

315.5 (b) The commissioner must issue a request for proposals to eligible applicants who may
315.6 wish to apply for a grant under this section on behalf of a school.

315.7 (c) An eligible applicant must submit an application for an electric school bus deployment
315.8 grant to the commissioner on a form prescribed by the commissioner. The form must require
315.9 an applicant to supply, at a minimum, the following information:

315.10 (1) the number of and a description of the electric school buses the school district or
315.11 transportation service provider intends to purchase;

315.12 (2) the total cost to purchase the electric school buses and the incremental cost, if any,
315.13 of the electric school buses when compared with fossil-fuel-powered school buses;

315.14 (3) a copy of the proposed contract agreement between the school district, the electric
315.15 utility, the electric vehicle service provider, or the transportation service provider that
315.16 includes provisions addressing responsibility for maintenance of the electric school buses
315.17 and related electric vehicle infrastructure and battery exchange stations;

315.18 (4) whether the school district is a prioritized school district;

315.19 (5) areas of the school district that serve significant numbers of students eligible for free
315.20 and reduced-price school meals, and areas that disproportionately experience poor air quality,
315.21 as measured by indicators such as the Minnesota Pollution Control Agency's air quality
315.22 monitoring network, the Minnesota Department of Health's air quality and health monitoring,
315.23 or other relevant indicators;

315.24 (6) the school district's plan to prioritize the deployment of electric school buses in areas
315.25 of the school district that:

315.26 (i) serve students eligible for free and reduced-price school meals;

315.27 (ii) experience disproportionately poor air quality; or

315.28 (iii) are located within environmental justice areas, as defined in section 216B.1691,
315.29 subdivision 1, paragraph (e);

315.30 (7) areas of the school district that are located within environmental justice areas, as
315.31 defined in section 216B.1691, subdivision 1, paragraph (e);

316.1 (8) the school district's plan, if any, to make the electric school buses serve as a visible
316.2 learning tool for students, teachers, and visitors to the school, including how vehicle
316.3 electrification may be integrated into the school district's curriculum;

316.4 (9) information that demonstrates the school district's level of need for financial assistance
316.5 available under this section;

316.6 (10) any federal vehicle electrification grants awarded to or applied for by the eligible
316.7 applicant for the same electric school buses or electric vehicle infrastructure proposed by
316.8 the eligible applicant in a grant application made under this section;

316.9 (11) information that demonstrates the school district's readiness to implement the project
316.10 and to operate the electric school buses for no less than five years;

316.11 (12) with respect to the installation and operation of the infrastructure required to operate
316.12 electric school buses, the willingness and ability of the electric vehicle service provider or
316.13 the electric utility to:

316.14 (i) pay employees and contractors a prevailing wage rate, as defined in section 177.42,
316.15 subdivision 6; and

316.16 (ii) comply with section 177.43; and

316.17 (13) any other information deemed relevant by the commissioner.

316.18 (d) An eligible applicant may seek a technical assistance grant under this section to assist
316.19 the eligible applicant apply for federal vehicle electrification grants. An eligible applicant
316.20 seeking a technical assistance grant under this section must submit an application to the
316.21 commissioner on behalf of a school district on a form prescribed by the commissioner. The
316.22 form must include, at a minimum, the following information:

316.23 (1) the names of the federal programs to which the applicant intends to apply;

316.24 (2) a description of the technical assistance the applicants need in order to complete the
316.25 federal application; and

316.26 (3) any other information deemed relevant by the commissioner.

316.27 (e) In awarding grants under this section, the commissioner must give priority to
316.28 applications from or on behalf of prioritized school districts, and must endeavor to award
316.29 no less than 40 percent of the total amount of grants awarded under this section to prioritized
316.30 school districts.

316.31 (f) The commissioner must administer an open application process under this section at
316.32 least twice annually.

317.1 Subd. 7. **Technical assistance.** The department must provide technical assistance to
317.2 school districts to develop and execute projects applied for or funded by grants awarded
317.3 under this section.

317.4 Subd. 8. **Grant amounts.** (a) In making grant awards under this section, the amount of
317.5 the grant must be based on the commissioner's assessment of the school district's need for
317.6 financial assistance.

317.7 (b) A grant awarded under this section, when combined with any federal vehicle
317.8 electrification grants obtained by an eligible applicant for the same electric school buses or
317.9 electric vehicle infrastructure as proposed by the eligible applicant in a grant application
317.10 made under this section, must not exceed the total cost of the electric school buses or electric
317.11 vehicle infrastructure funded by the grant.

317.12 Subd. 9. **Application deadline.** No application may be submitted under this section
317.13 after December 31, 2032.

317.14 Subd. 10. **Reporting.** Beginning January 15, 2024, and each year thereafter until January
317.15 15, 2034, the commissioner must report to the chairs and ranking minority members of the
317.16 legislative committees with jurisdiction over energy regarding:

317.17 (1) grants and amounts awarded to school districts under this section during the previous
317.18 year; and

317.19 (2) any remaining balance available in the electric school bus program account.

317.20 Subd. 11. **Cost recovery.** (a) A prudent and reasonable investment on electric vehicle
317.21 infrastructure installed on a school district's real property that is made by a public utility
317.22 may be placed in the public utility's rate base and earn a rate of return determined by the
317.23 commission.

317.24 (b) Notwithstanding any other provision of this chapter, the commission may approve
317.25 a tariff mechanism to automatically adjust annual charges for prudent and reasonable
317.26 investments made by a public utility on electric vehicle infrastructure installed on a school
317.27 district's real property.

317.28 Sec. 7. **[216C.401] ELECTRIC VEHICLE REBATES.**

317.29 Subdivision 1. **Definitions.** (a) For purposes of this section and section 216C.402, the
317.30 terms in this subdivision have the meanings given.

317.31 (b) "Dealer" means a person, firm, or corporation that:

317.32 (1) possesses a new motor vehicle license under chapter 168;

318.1 (2) regularly engages in the business of manufacturing or selling, purchasing, and
318.2 generally dealing in new and unused motor vehicles;

318.3 (3) has an established place of business to sell, trade, and display new and unused motor
318.4 vehicles; and

318.5 (4) possesses new and unused motor vehicles to sell or trade the motor vehicles.

318.6 (c) "Electric vehicle" has the meaning given in section 169.011, subdivision 26a,
318.7 paragraphs (a) and (b), clause (3).

318.8 (d) "Eligible new electric vehicle" means an electric vehicle that meets the requirements
318.9 of subdivision 2, paragraph (a).

318.10 (e) "Eligible used electric vehicle" means an electric vehicle that meets the requirements
318.11 of subdivision 2, paragraph (b).

318.12 (f) "Lease" means a business transaction under which a dealer furnishes an eligible
318.13 electric vehicle to a person for a fee under a bailor-bailee relationship where no incidences
318.14 of ownership transferred other than the right to use the vehicle for a term of at least 24
318.15 months.

318.16 (g) "Lessee" means a person who leases an eligible electric vehicle from a dealer.

318.17 (h) "New eligible electric vehicle" means an eligible electric vehicle that has not been
318.18 registered in any state.

318.19 Subd. 2. **Eligible vehicle.** (a) A new electric vehicle is eligible for a rebate under this
318.20 section if the electric vehicle:

318.21 (1) has not been previously owned;

318.22 (2) is used by a dealer as a floor model or test drive vehicle and has not been previously
318.23 registered in Minnesota or any other state;

318.24 (3) is returned to a dealer by a purchaser or lessee:

318.25 (i) within two weeks of purchase or leasing or when a purchaser's or lessee's financing
318.26 for the electric vehicle has been disapproved; or

318.27 (ii) before the purchaser or lessee takes delivery, even if the electric vehicle is registered
318.28 in Minnesota;

318.29 (4) has not been modified from the original manufacturer's specifications;

318.30 (5) has a base manufacturer's suggested retail price that does not exceed \$55,000;

319.1 (6) is purchased or leased from a dealer or directly from an original equipment
319.2 manufacturer that does not have licensed franchised dealers in Minnesota; and

319.3 (7) is purchased or leased after the effective date of this act for use by the purchaser and
319.4 not for resale.

319.5 (b) A used electric vehicle is eligible for an electric vehicle rebate under this section if
319.6 the electric vehicle has previously been owned in Minnesota or another state and has not
319.7 been modified from the original manufacturer's specifications.

319.8 Subd. 3. **Eligible purchaser or lessee.** A person who purchases or leases an eligible
319.9 new or used electric vehicle is eligible for a rebate under this section if the purchaser or
319.10 lessee:

319.11 (1) is one of the following:

319.12 (i) a resident of Minnesota, as defined in section 290.01, subdivision 7, paragraph (a),
319.13 when the electric vehicle is purchased or leased;

319.14 (ii) a business that has a valid address in Minnesota from which business is conducted;

319.15 (iii) a nonprofit corporation incorporated under chapter 317A; or

319.16 (iv) a political subdivision of the state;

319.17 (2) has not received a rebate or tax credit for the purchase or lease of an electric vehicle
319.18 from the state of Minnesota; and

319.19 (3) registers the electric vehicle in Minnesota.

319.20 Subd. 4. **Rebate amounts.** (a) A \$2,500 rebate may be issued under this section to an
319.21 eligible purchaser to purchase or lease an eligible new electric vehicle.

319.22 (b) A \$500 rebate may be issued under this section to an eligible purchaser or lessee of
319.23 an eligible used electric vehicle.

319.24 (c) A purchaser or lessee whose household income at the time the eligible electric vehicle
319.25 is purchased or leased is less than 150 percent of the current federal poverty guidelines
319.26 established by the United States Department of Health and Human Services is eligible for
319.27 a rebate of \$500 to purchase or lease an eligible new electric vehicle and \$100 to purchase
319.28 or lease an eligible used electric vehicle. The rebate under this paragraph is in addition to
319.29 the rebate under paragraph (a) or (b), as applicable.

319.30 Subd. 5. **Limits.** The number of rebates allowed under this section is limited to:

319.31 (1) no more than one rebate per resident per household; and

320.1 (2) no more than one rebate per business entity per year.

320.2 Subd. 6. **Program administration.** (a) A rebate application under this section must be
320.3 filed with the commissioner on a form developed by the commissioner.

320.4 (b) The commissioner must develop administrative procedures governing the application
320.5 and rebate award process. Applications must be reviewed and rebates awarded by the
320.6 commissioner on a first-come, first-served basis.

320.7 (c) The commissioner must, in coordination with dealers and other state agencies as
320.8 applicable, develop a procedure to allow a rebate to be used by an eligible purchaser or
320.9 lessee at the point of sale so that the rebate amount may be subtracted from the selling price
320.10 of the eligible electric vehicle.

320.11 (d) The commissioner may reduce the rebate amounts provided under subdivision 4 or
320.12 restrict program eligibility based on the availability of money to award rebates or other
320.13 factors.

320.14 Subd. 7. **Account established.** (a) The electric vehicle rebate account is established as
320.15 a separate account in the special revenue fund in the state treasury. The commissioner shall
320.16 credit to the account appropriations and transfers to the account. Earnings, including interest,
320.17 dividends, and any other earnings arising from assets of the account, must be credited to
320.18 the account. Money remaining in the account at the end of a fiscal year does not cancel to
320.19 the general fund, but remains in the account until expended. The commissioner shall manage
320.20 the account.

320.21 (b) Money in the account is appropriated to the commissioner to award rebates for electric
320.22 vehicles and to reimburse the reasonable costs of the department to administer this section.

320.23 Subd. 8. **Expiration.** This section expires June 30, 2027.

320.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

320.25 Sec. 8. **[216C.402] GRANT PROGRAM; MANUFACTURERS' CERTIFICATION**
320.26 **OF AUTO DEALERS TO SELL ELECTRIC VEHICLES.**

320.27 Subdivision 1. **Establishment.** A grant program is established in the department to
320.28 award grants to dealers to offset the costs of obtaining the necessary training and equipment
320.29 that is required by electric vehicle manufacturers in order to certify a dealer to sell electric
320.30 vehicles produced by the manufacturer.

320.31 Subd. 2. **Application.** An application for a grant under this section must be made to the
320.32 commissioner on a form developed by the commissioner. The commissioner must develop

321.1 administrative procedures and processes to review applications and award grants under this
321.2 section.

321.3 Subd. 3. **Eligible applicants.** An applicant for a grant awarded under this section must
321.4 be a dealer of new motor vehicles licensed under chapter 168 operating under a franchise
321.5 from a manufacturer of electric vehicles.

321.6 Subd. 4. **Eligible expenditures.** Appropriations made to support the activities of this
321.7 section must be used only to reimburse:

321.8 (1) a dealer for the reasonable costs to obtain training and certification for the dealer's
321.9 employees from the electric vehicle manufacturer that awarded the franchise to the dealer;

321.10 (2) a dealer for the reasonable costs to purchase and install equipment to service and
321.11 repair electric vehicles, as required by the electric vehicle manufacturer that awarded the
321.12 franchise to the dealer; and

321.13 (3) the department for the reasonable costs to administer this section.

321.14 Subd. 5. **Limitation.** A grant awarded under this section to a single dealer must not
321.15 exceed \$40,000.

321.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

321.17 Sec. 9. **[216C.45] RESIDENTIAL ELECTRIC PANEL UPGRADE GRANT**
321.18 **PROGRAM.**

321.19 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
321.20 the meanings given.

321.21 (b) "Area median income" means the median income of the geographic area in which a
321.22 single-family or multifamily building whose owner is applying for a grant under this section
321.23 is located, as reported by the United States Department of Housing and Urban Development.

321.24 (c) "Automatic overcurrent protection device" means a device that protects against excess
321.25 current by interrupting the flow of current.

321.26 (d) "Bus" means a metallic strip or bar that carries current.

321.27 (e) "Electric panel" means an enclosed box or cabinet containing a building's electric
321.28 panels, including subpanels, that consists of buses, automatic overcurrent protection devices,
321.29 and equipment, with or without switches to control light, heat, and power circuits. Electric
321.30 panel includes a smart panel.

321.31 (f) "Electrical work" has the meaning given in section 326B.31, subdivision 17.

322.1 (g) "Eligible applicant" means:

322.2 (1) an owner of a single-family building whose occupants have an annual household
322.3 income no greater than 150 percent of the area median income; or

322.4 (2) an owner of a multifamily building in which at least 50 percent of the units are
322.5 occupied by households whose annual income is no greater than 150 percent of the area
322.6 median income.

322.7 (h) "Multifamily building" means a building containing two or more units.

322.8 (i) "Smart panel" means an electrical panel that may be electronically programmed to
322.9 manage electricity use in a building automatically.

322.10 (j) "Unit" means a residential living space in a multifamily building occupied by an
322.11 individual or a household.

322.12 (k) "Upgrade" means:

322.13 (1) for a single-family residence:

322.14 (i) the installation of equipment, devices, and wiring necessary to increase an electrical
322.15 panel's capacity to a total rating:

322.16 (A) of not less than 200 amperes; or

322.17 (B) that allows all the building's energy needs to be provided solely by electricity, as
322.18 calculated using the National Electrical Code adopted in Minnesota; or

322.19 (ii) the installation of a smart panel with or without additional equipment, devices, or
322.20 wiring; and

322.21 (2) for a multifamily building, the installation of equipment, devices, and wiring necessary
322.22 to increase the capacity of an electric panel, including feeder panels, to a total rating that
322.23 allows all the building's energy needs to be provided solely by electricity, as calculated
322.24 using the National Electrical Code adopted in Minnesota.

322.25 Subd. 2. **Program establishment.** A residential electric panel upgrade grant program
322.26 is established in the department to provide financial assistance to owners of single-family
322.27 residences and multifamily buildings to upgrade residential electric panels.

322.28 Subd. 3. **Account established.** (a) The residential electric panel upgrade grant account
322.29 is established as a separate account in the special revenue fund in the state treasury. The
322.30 commissioner shall credit to the account appropriations and transfers to the account. Earnings,
322.31 including interest, dividends, and any other earnings arising from assets of the account,

323.1 must be credited to the account. Money remaining in the account at the end of a fiscal year
323.2 does not cancel to the general fund, but remains in the account until expended. The
323.3 commissioner shall manage the account.

323.4 (b) Money in the account is appropriated to the commissioner to award electric panel
323.5 upgrade grants and to reimburse the reasonable costs of the department to administer this
323.6 section.

323.7 Subd. 4. **Application process.** An applicant seeking a grant under this section must
323.8 submit an application to the commissioner on a form developed by the commissioner. The
323.9 commissioner must develop administrative procedures to govern the application and grant
323.10 award process. The commissioner may contract with a third party to conduct some or all of
323.11 the program's operations.

323.12 Subd. 5. **Grant awards.** A grant may be awarded under this section to:

323.13 (1) an eligible applicant; or

323.14 (2) with the written permission of an eligible applicant submitted to the commissioner,
323.15 a contractor performing an upgrade or a third party on behalf of the eligible applicant.

323.16 Subd. 6. **Grant amount.** (a) Subject to the limits of paragraphs (b) to (e), a grant awarded
323.17 under this section may be used to pay 100 percent of the equipment and installation costs
323.18 of an upgrade.

323.19 (b) The commissioner may not award a grant to an eligible applicant under this section
323.20 which, in combination with a federal grant awarded to the eligible applicant under the federal
323.21 Inflation Reduction Act of 2022, Public Law 117-189, for the same electric panel upgrade,
323.22 exceeds 100 percent of the equipment and installation costs of the upgrade.

323.23 (c) The maximum grant amount under this section that may be awarded to an eligible
323.24 applicant who owns a single-family residence is:

323.25 (1) \$3,000 for an owner whose annual household income is less than 80 percent of area
323.26 median income; and

323.27 (2) \$2,000 for an owner whose annual household income exceeds 80 percent but is not
323.28 greater than 150 percent of area median income.

323.29 (d) The maximum grant amount that may be awarded under this section to an eligible
323.30 applicant who owns a multifamily building is the sum of \$5,000, plus \$500 multiplied by
323.31 the number of units containing a separate electric panel receiving an upgrade in the
323.32 multifamily building, not to exceed \$50,000 per multifamily building.

324.1 (e) The commissioner may approve a grant amount that exceeds the maximum grant
324.2 amount in paragraph (c) or (d), up to 100 percent of the equipment and installation costs of
324.3 the upgrade, if the commissioner determines that a larger grant amount is necessary in order
324.4 to complete the upgrade.

324.5 Subd. 7. **Limitation.** No more than one grant may be awarded to an owner under this
324.6 section for work conducted at the same single-family residence or multifamily building.

324.7 Subd. 8. **Outreach.** The department must publicize the availability of grants under this
324.8 section to, at a minimum:

324.9 (1) income-eligible households;

324.10 (2) community action agencies and other public and private nonprofit organizations that
324.11 provide weatherization and other energy services to income-eligible households; and

324.12 (3) multifamily property owners and property managers.

324.13 Subd. 9. **Contractor or subcontractor requirements.** Contractors and subcontractors
324.14 performing electrical work under a grant awarded under this section:

324.15 (1) must comply with the provisions of sections 326B.31 to 326B.399;

324.16 (2) must certify that the electrical work is performed by a licensed journeyworker
324.17 electrician or a registered unlicensed individual under the direct supervision of a licensed
324.18 journeyworker electrician or master electrician employed by the same licensed electrical
324.19 contractor; and

324.20 (3) must pay workers the prevailing wage rate, as defined in section 177.42, and are
324.21 subject to the requirements and enforcement provisions in sections 177.27, 177.30, 177.32,
324.22 177.41 to 177.435, and 177.45.

324.23 Subd. 10. **Report.** Beginning January 1, 2025, and each January 1 through 2033, the
324.24 department must submit a report to the chairs and ranking minority members of the legislative
324.25 committees with primary jurisdiction over climate and energy policy describing the activities
324.26 and expenditures under the program established in this section. The report must include, at
324.27 a minimum:

324.28 (1) the number of units in multifamily buildings and the number of single-family
324.29 residences whose owners received grants;

324.30 (2) the geographic distribution of grant recipients; and

324.31 (3) the average amount of grants awarded per building in multifamily buildings and in
324.32 single-family residences.

325.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

325.2 Sec. 10. **TRANSPORTATION ELECTRIFICATION FACILITY UPGRADES;**
 325.3 **TARIFF FILING.**

325.4 No later than November 1, 2023, each public utility must file with the Public Utilities
 325.5 Commission revised tariffs for charges related to the extension, enlargement, or other
 325.6 modifications to the public utility's distribution system that are necessary to support
 325.7 transportation electrification.

325.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

325.9 Sec. 11. **REPEALER.**

325.10 Minnesota Statutes 2022, section 16B.24, subdivision 13, is repealed.

325.11 **ARTICLE 12**

325.12 **ENERGY CONSERVATION AND STORAGE**

325.13 Section 1. Minnesota Statutes 2022, section 16B.325, is amended to read:

325.14 **16B.325 SUSTAINABLE BUILDING GUIDELINES.**

325.15 Subdivision 1. **Development of sustainable building guidelines.** The Department of
 325.16 Administration and the Department of Commerce, with the assistance of other agencies,
 325.17 shall develop sustainable building design guidelines for all new state buildings by January
 325.18 15, 2003, and for all major renovations of state buildings by February 1, 2009. ~~The primary~~
 325.19 ~~objectives of these guidelines are to ensure that all new state buildings, and major renovations~~
 325.20 ~~of state buildings, initially exceed the state energy code, as established in Minnesota Rules,~~
 325.21 ~~chapter 7676, by at least 30 percent.~~

325.22 Subd. 1a. **Definitions.** (a) For the purposes of this section, the following terms have the
 325.23 meanings given.

325.24 (b) "Capital project" or "project" means the acquisition or betterment of buildings or
 325.25 other fixed assets and other improvements of a capital nature.

325.26 (c) "CSBR" means the Center for Sustainable Building Research at the University of
 325.27 Minnesota.

325.28 (d) "Guidelines" means the sustainable building design guidelines developed under this
 325.29 section.

325.30 (e) "Major renovation" means a project that:

326.1 (1) has a renovated area that is at least 10,000 square feet; or

326.2 (2) includes, at a minimum, the replacement of the mechanical, ventilation, or cooling
 326.3 system of a building or a section of a building.

326.4 (f) "New building" means a newly constructed structure and additions to existing buildings
 326.5 that meet both of the following criteria:

326.6 (1) the addition is heated, whether or not the addition's source of energy is from an
 326.7 adjacent building or district heating system; and

326.8 (2) the addition is cooled, whether or not the addition's source of energy is from an
 326.9 adjacent building or district cooling system.

326.10 (g) "State agency" means a state agency that is appropriated money from the bond
 326.11 proceeds fund or general fund for a project that is subject to the guidelines under this section.

326.12 ~~Subd. 2. **Lowest possible cost; energy conservation.** The guidelines must focus on~~
 326.13 ~~achieving the lowest possible lifetime cost for new buildings and major renovations, and~~
 326.14 ~~allow for changes in the guidelines that encourage continual energy conservation~~
 326.15 ~~improvements in new buildings and major renovations. The guidelines shall define "major~~
 326.16 ~~renovations" for purposes of this section. The definition may not allow "major renovations"~~
 326.17 ~~to encompass less than 10,000 square feet or to encompass less than the replacement of the~~
 326.18 ~~mechanical, ventilation, or cooling system of the building or a section of the building. The~~
 326.19 ~~design guidelines must establish sustainability guidelines that include air quality and lighting~~
 326.20 ~~standards and that create and maintain a healthy environment and facilitate productivity~~
 326.21 ~~improvements; specify ways to reduce material costs; and must consider the long-term~~
 326.22 ~~operating costs of the building, including the use of renewable energy sources and distributed~~
 326.23 ~~electric energy generation that uses a renewable source or natural gas or a fuel that is as~~
 326.24 ~~clean or cleaner than natural gas.~~

326.25 Subd. 2a. **Guidelines; purpose.** (a) The primary objectives of the guidelines are to:

326.26 (1) reduce energy consumption and statewide greenhouse gas emissions, as defined in
 326.27 section 216H.01, subdivision 2;

326.28 (2) improve the quality of the environment;

326.29 (3) achieve the lowest possible lifetime cost for new buildings and major renovations;

326.30 and

327.1 (4) encourage design of resilient buildings to adapt to and accommodate projected
327.2 climate-related changes that are reflected in both acute events and chronic trends, including
327.3 but not limited to changes in temperature and precipitation levels.

327.4 (b) The guidelines must consider the following to meet the objectives in paragraph (a):

327.5 (1) the health, well-being, and productivity of building occupants;

327.6 (2) material costs and sustainability;

327.7 (3) construction and operating costs;

327.8 (4) the use of renewable energy sources;

327.9 (5) water usage;

327.10 (6) diversion of waste from landfills;

327.11 (7) air quality and lighting standards;

327.12 (8) site design; and

327.13 (9) any other factors the commissioner deems relevant.

327.14 (c) The guidelines may be revised to encourage continual energy conservation

327.15 improvements in new buildings and major renovations.

327.16 **Subd. 3. Development of guidelines; applicability.** (a) In developing the guidelines,
327.17 the departments shall use an open process, including providing the opportunity for public
327.18 comment. The guidelines established under this section are mandatory for all new buildings
327.19 receiving funding from the bond proceeds fund after January 1, 2004, and for all major
327.20 renovations receiving funding from the bond proceeds fund after January 1, 2009. The
327.21 guidelines are also mandatory for all new buildings and major renovations receiving funding
327.22 from the general fund after January 1, 2023.

327.23 (b) The guidelines do not apply to projects that have:

327.24 (1) already completed design at the time money is received from the bond proceeds fund
327.25 or general fund; and

327.26 (2) not received an appropriation from the bond proceeds fund before January 1, 2023.

327.27 **Subd. 4. Guideline revisions.** ~~The commissioners of administration and commerce shall~~
327.28 ~~review the guidelines periodically and as soon as practicable revise the guidelines to~~
327.29 ~~incorporate performance standards developed under section 216B.241, subdivision 9.~~

328.1 Subd. 4a. **Guidelines; annual review.** On or before February 1, 2024, and each year
328.2 thereafter, the commissioner of administration must review and amend the guidelines to
328.3 better meet the goals under subdivision 6. The review must be conducted with the
328.4 commissioner of commerce and in consultation with other stakeholders.

328.5 Subd. 5. **Guideline administration and oversight.** (a) The commissioner of
328.6 administration, in consultation with the commissioner of commerce, shall contract with
328.7 CSBR to administer the guidelines. At a minimum, CSBR must:

328.8 (1) offer training on an annual basis to state agencies, project team members, and other
328.9 entities involved in designing projects subject to the guidelines on how projects may meet
328.10 the guideline requirements;

328.11 (2) develop procedures for compliance with the guidelines, in accordance with the criteria
328.12 under subdivision 7;

328.13 (3) periodically conduct postconstruction performance evaluations on projects to evaluate
328.14 the effectiveness of the guidelines in meeting the goals under subdivision 6;

328.15 (4) determine whether project designs comply with the guidelines;

328.16 (5) administer a tracking system for all projects subject to the guidelines;

328.17 (6) develop measurable goals for the guidelines based in accordance with subdivision
328.18 6;

328.19 (7) offer technical assistance to state agencies, project team members, and other entities
328.20 with responsibility for managing and designing projects subject to the guidelines;

328.21 (8) provide a report on or before December 1 annually to the commissioner of
328.22 administration on the following:

328.23 (i) the current status of all projects subject to the guidelines and the projects' compliance
328.24 with the guidelines; and

328.25 (ii) an analysis of the effects of the guidelines on the goals under subdivision 6; and

328.26 (9) perform any other duties required by the commissioner of administration to administer
328.27 the guidelines.

328.28 (b) State agencies, project team members, and other entities that are responsible for
328.29 managing or designing projects subject to the guidelines must provide any compliance data
328.30 requested by CSBR that CSBR deems necessary to fulfill the duties described under this
328.31 subdivision.

329.1 (c) The commissioner of administration is responsible for ensuring that the oversight
329.2 duties under this subdivision are fulfilled.

329.3 Subd. 6. **Measurable goals.** CSBR, in collaboration with the commissioner of
329.4 administration and the commissioner of commerce, must develop measurable goals for the
329.5 guidelines based on the objectives and considerations described in subdivision 2a. The
329.6 commissioner of administration must provide final approval of the goals under this
329.7 subdivision.

329.8 Subd. 7. **Procedures.** (a) The commissioner of administration must develop procedures
329.9 to administer the guidelines. The commissioner of administration may delegate guideline
329.10 administration responsibilities to state agencies. The procedures under this subdivision must
329.11 specify the administrative activities for which state agencies are responsible.

329.12 (b) The procedures must include:

329.13 (1) criteria to identify whether a project is subject to the guidelines;

329.14 (2) information on project team member roles and guideline administration requirements
329.15 for each role;

329.16 (3) a process to notify projects subject to the guidelines of the guideline requirements;

329.17 (4) a guideline-related data submission process coordinated by the commissioner of
329.18 administration;

329.19 (5) activities and a timeline to monitor project compliance with the guidelines; and

329.20 (6) record-keeping requirements and related retention schedules for materials related to
329.21 guideline compliance.

329.22 Subd. 8. **Guidelines waivers.** (a) The commissioner of administration, in consultation
329.23 with the commissioner of commerce and other stakeholders, must develop a process to
329.24 review and approve waivers to the guidelines.

329.25 (b) A waiver under this subdivision is only permitted due to technological limitations
329.26 or when the project's intended use conflicts with the guidelines.

329.27 (c) A waiver request for a project owned by a state agency must be reviewed and approved
329.28 by the commissioner of administration. If the waiver request is for a project owned by the
329.29 Department of Administration, the waiver request must be approved by the commissioner
329.30 of management and budget.

329.31 Subd. 9. **Report.** The commissioner of administration must report to the legislature by
329.32 February 1 of each year. The report must include:

330.1 (1) information on the current status of all projects subject to the guidelines and the
330.2 projects' compliance with the guidelines;

330.3 (2) an analysis of the effects of the guidelines on the measurable goals under subdivision
330.4 6; and

330.5 (3) any other information the commissioner of administration deems relevant.

330.6 **EFFECTIVE DATE.** This section is effective July 1, 2023.

330.7 Sec. 2. Minnesota Statutes 2022, section 216B.1611, is amended by adding a subdivision
330.8 to read:

330.9 Subd. 5. **Distributed generation capacity; treatment.** (a) No later than November 1,
330.10 2023, the commission must issue an order clarifying that for the purpose of interconnecting
330.11 an on-site customer-owned distributed generation facility, the capacity of the facility must
330.12 be measured and expressed as:

330.13 (1) export capacity rather than nameplate capacity; and

330.14 (2) alternating current capacity.

330.15 (b) For the purposes of this subdivision, "export capacity" means a distributed generation
330.16 facility's nameplate capacity net of any limitations on the amount of power the distributed
330.17 generating facility is capable of exporting to a utility's distribution system resulting from
330.18 physical equipment that is part of or connected to the generating facility, including but not
330.19 limited to an inverter, relay, or energy storage system, as defined in section 216B.2422,
330.20 subdivision 1, paragraph (f), as reported to the utility by the owner of the distributed
330.21 generation facility.

330.22 (c) The owner of a distributed generation facility interconnected to a utility's distribution
330.23 system may not increase the export capacity of the distributed generation facility beyond
330.24 the level that was first interconnected to the utility's distribution system without the utility's
330.25 written approval. The utility must respond in writing to an owner's notice of intent to increase
330.26 export capacity within 90 days of the date the notice of interest is received, and may reject
330.27 the request only upon determining that approving the request would reduce safety or the
330.28 reliability of electric service.

330.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

331.1 **Sec. 3. [216B.1616] ENERGY STORAGE; PEAK SHAVING TARIFF.**

331.2 (a) No later than September 15, 2023, the commission must initiate a docket designed
331.3 to result in a commission order requiring public utilities providing electric service to file a
331.4 tariff with the commission, based on guidelines established in the order, to compensate
331.5 customer-owners of on-site energy storage systems, as defined in section 216B.2422,
331.6 subdivision 1, paragraph (f), for the discharge of stored energy that is net input to the utility
331.7 during periods of peak electricity demand by utility customers.

331.8 (b) Within 90 days of the date the commission issues an order under this subdivision,
331.9 each public utility must file with the commission for commission approval, disapproval, or
331.10 modification a tariff that is consistent with the order.

331.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

331.12 **Sec. 4. [216B.1697] ENERGY STORAGE SYSTEMS; DEPLOYMENT TARGETS.**

331.13 Subdivision 1. **Definition.** For the purposes of this section, "energy storage system" has
331.14 the meaning given in section 216B.2422, subdivision 1.

331.15 Subd. 2. **Deployment targets.** (a) Each utility required to file a resource plan under
331.16 section 216B.2422 must deploy energy storage systems of a capacity determined by the
331.17 commission under paragraph (b). No later than December 31, 2033, the aggregate statewide
331.18 capacity of energy storage systems deployed by all utilities subject to this section must be
331.19 at least 3,000 megawatts.

331.20 (b) No later than October 1, 2023, the commission must issue an order specifying the
331.21 amount of energy storage capacity required of each utility subject to this section in order
331.22 to meet the statewide capacity target and schedule in paragraph (a). The amount of energy
331.23 storage capacity required of an individual utility must be calculated by dividing each utility's
331.24 total electric retail sales to Minnesota customers in 2022 by total electric retail sales to
331.25 Minnesota customers in 2022 of all utilities subject to this section, and multiplying that
331.26 quotient by 3,000 megawatts. The commission may establish interim energy storage capacity
331.27 targets that utilities are required to meet before the 2033 target date.

331.28 Subd. 3. **Application.** (a) A utility must file an application with the commission prior
331.29 to installing each proposed energy storage system contributing to the energy storage target
331.30 assigned to the utility under subdivision 2. Each application must contain:

331.31 (1) the energy storage system's technical specifications, including but not limited to:

331.32 (i) the maximum amount of electric output that the energy storage system can provide;

- 332.1 (ii) the length of time the energy storage system can sustain maximum output;
- 332.2 (iii) the location of the project within the utility's distribution system and a description
- 332.3 of the analysis conducted to determine the location;
- 332.4 (iv) a description of the utility's electric system needs that the proposed energy storage
- 332.5 system addresses;
- 332.6 (v) a description of the types of services the energy storage system is expected to provide;
- 332.7 and
- 332.8 (vi) a description of the technology required to construct, operate, and maintain the
- 332.9 energy storage system, including any data or communication system necessary to operate
- 332.10 the energy storage system;
- 332.11 (2) the estimated cost of the project, including:
- 332.12 (i) capital costs;
- 332.13 (ii) the estimated cost per unit of energy delivered by the energy storage system; and
- 332.14 (iii) an evaluation of the cost-effectiveness of the energy storage system;
- 332.15 (3) the estimated benefits of the energy storage system to the utility's electric system,
- 332.16 including but not limited to:
- 332.17 (i) deferred investments in generation, transmission, or distribution capacity;
- 332.18 (ii) reduced need for electricity during times of peak demand;
- 332.19 (iii) improved reliability of the utility's transmission or distribution system; and
- 332.20 (iv) improved integration of the utility's renewable energy resources;
- 332.21 (4) a description indicating how the addition of an energy storage system complements
- 332.22 the utility's proposed actions described in the most recent integrated resource plan submitted
- 332.23 under section 216B.2422 to meet expected demand with the least expensive combination
- 332.24 of resources; and
- 332.25 (5) any additional information required by the commission.
- 332.26 (b) A utility must include in the application an evaluation of the potential to store energy
- 332.27 throughout the utility's electric system and must identify geographic areas in the utility's
- 332.28 service area where the deployment of energy storage systems has the greatest potential to
- 332.29 achieve the economic benefits identified in paragraph (a), clause (3).

333.1 Subd. 4. **Commission review.** The commission must review each proposal submitted
333.2 under this section and may approve, reject, or modify the proposal. The commission must
333.3 approve a proposal the commission determines: (1) is in the public interest; and (2) reasonably
333.4 balances the value derived from the deployment of an energy storage system for ratepayers
333.5 and the utility's operations with the cost to procure, construct, operate, and maintain the
333.6 energy storage system.

333.7 Subd. 5. **Cost recovery.** A public utility may recover from ratepayers all costs prudently
333.8 incurred by the public utility to deploy an energy storage system approved by the commission
333.9 under this section, net of any revenues generated by the operation of the energy storage
333.10 system.

333.11 Subd. 6. **Reporting; compliance.** The commission must establish reporting procedures
333.12 for utilities that are sufficient in content and frequency to keep the commission informed
333.13 regarding compliance with this section.

333.14 Subd. 7. **Commission authority; orders.** The commission may issue orders and conduct
333.15 proceedings necessary to implement and administer this section.

333.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

333.17 Sec. 5. Minnesota Statutes 2022, section 216B.2402, subdivision 16, is amended to read:

333.18 Subd. 16. **Low-income household.** "Low-income household" means a household whose
333.19 household income:

333.20 (1) is ~~60~~ 80 percent or less of the ~~state~~ area median household income: for the geographic
333.21 area in which the low-income household is located, as calculated by the United States
333.22 Department of Housing and Urban Development; or

333.23 (2) meets the income eligibility standards, as determined by the commissioner, required
333.24 for a household to receive financial assistance from a federal, state, municipal, or utility
333.25 program administered or approved by the department.

333.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

333.27 Sec. 6. Minnesota Statutes 2022, section 216B.2422, subdivision 7, is amended to read:

333.28 Subd. 7. **Energy storage systems assessment.** (a) Each ~~public~~ utility required to file a
333.29 resource plan under subdivision 2 must incorporate in the utility's resource planning the
333.30 energy storage targets the utility is required to meet under section 216B.1697 and must

334.1 include in the filing an assessment of energy storage systems that analyzes how the
334.2 deployment of energy storage systems contributes to:

334.3 (1) meeting identified generation and capacity needs; ~~and~~

334.4 (2) the factors identified in section 216B.1697, subdivision 3, paragraph (a), clause (3);

334.5 and

334.6 ~~(2)~~ (3) evaluating ancillary services.

334.7 (b) The assessment must employ appropriate modeling methods to enable the analysis
334.8 required in paragraph (a).

334.9 Sec. 7. Minnesota Statutes 2022, section 216C.05, subdivision 2, is amended to read:

334.10 Subd. 2. **Energy policy goals.** It is the energy policy of the state of Minnesota that:

334.11 (1) annual energy savings equal to at least 1.5 percent of annual retail energy sales of
334.12 electricity and natural gas ~~be~~ is achieved through cost-effective energy efficiency;

334.13 (2) the per capita use of fossil fuel as an energy input ~~be~~ is reduced by 15 percent by the
334.14 year 2015, through increased reliance on energy efficiency and renewable energy alternatives;

334.15 (3) 25 percent of the total energy used in ~~the state~~ Minnesota ~~is~~ derived from renewable
334.16 energy resources by the year 2025; ~~and~~

334.17 (4) energy use in existing commercial and residential buildings is reduced by 50 percent
334.18 by 2035, and is achieved by: (i) using the most effective current energy-saving incentive
334.19 programs, evaluated by participation and efficacy; and (ii) developing and implementing
334.20 new programs, prioritizing solutions that achieve the highest overall carbon reduction; and

334.21 ~~(4)~~ (5) retail electricity rates for each customer class ~~be~~ are at least five percent below
334.22 the national average.

334.23 Sec. 8. Minnesota Statutes 2022, section 216C.264, is amended by adding a subdivision
334.24 to read:

334.25 Subd. 1a. **Definitions.** (a) For purposes of this section, the following terms have the
334.26 meanings given.

334.27 (b) "Low-income conservation program" means a utility program that offers energy
334.28 conservation services to low-income households under sections 216B.2403, subdivision 5,
334.29 and 216B.241, subdivision 7.

335.1 (c) "Preweatherization measure" has the meaning given in section 216B.2402, subdivision
335.2 20.

335.3 (d) "Weatherization assistance program" means the federal program described in Code
335.4 of Federal Regulations, title 10, part 440 et seq., designed to assist low-income households
335.5 reduce energy use in a cost-effective manner.

335.6 (e) "Weatherization services" means the energy conservation preweatherization measures
335.7 installed in households under the weatherization assistance program and low-income
335.8 conservation program.

335.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

335.10 Sec. 9. Minnesota Statutes 2022, section 216C.264, is amended by adding a subdivision
335.11 to read:

335.12 Subd. 1b. **State supplementary weatherization grants account.** (a) A state
335.13 supplementary weatherization grants account is established as a separate account in the
335.14 special revenue fund in the state treasury. The commissioner must credit appropriations and
335.15 transfers to the account. Earnings, including interest, dividends, and any other earnings
335.16 arising from assets of the account, must be credited to the account. Money remaining in the
335.17 account at the end of a fiscal year does not cancel to the general fund but remains in the
335.18 account until expended. The commissioner must manage the account.

335.19 (b) Money in the account is appropriated to the commissioner for the purposes of
335.20 subdivision 5.

335.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

335.22 Sec. 10. Minnesota Statutes 2022, section 216C.264, subdivision 5, is amended to read:

335.23 Subd. 5. **Grant allocation.** (a) The commissioner must distribute supplementary state
335.24 grants in a manner consistent with the goal of producing the maximum number of weatherized
335.25 units. Supplementary state grants ~~are provided primarily for the payment of~~ may be used:

335.26 (1) to address physical deficiencies in a residence that increase heat loss, including
335.27 deficiencies that prohibit the residence from being eligible to receive federal weatherization
335.28 assistance;

335.29 (2) to install preweatherization measures established by the commissioner under section
335.30 216B.241, subdivision 7, paragraph (g);

335.31 (3) to increase the number of weatherized residences;

336.1 (4) to conduct outreach activities to make income-eligible households aware of the
336.2 weatherization services available to income-eligible households, to assist applicants to fill
336.3 out applications for weatherization assistance, and to provide translation services where
336.4 necessary;

336.5 (5) to enable a project in a multifamily building to proceed even if the project cannot
336.6 comply with the federal requirement that the project must be completed within the same
336.7 federal fiscal year in which a project begins;

336.8 (6) to address shortages of workers trained to provide weatherization services, including
336.9 expanding training opportunities in existing and new training programs;

336.10 (7) to support the operation of the weatherization training program under section
336.11 216C.2641;

336.12 (8) to pay additional labor costs for the federal weatherization program; and

336.13 (9) as an incentive for the increased production of weatherized units.

336.14 (b) Criteria for the allocation of state grants to local agencies include existing local
336.15 agency production levels, emergency needs, and the potential for maintaining or increasing
336.16 acceptable levels of production in the area.

336.17 (c) An eligible local agency may receive advance funding for 90 days' production, but
336.18 thereafter must receive grants solely on the basis of program criteria.

336.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

336.20 **Sec. 11. [216C.2641] WEATHERIZATION TRAINING GRANT PROGRAM.**

336.21 Subdivision 1. **Establishment.** The commissioner of commerce must establish a
336.22 weatherization training grant program to award grants to train workers for careers in the
336.23 weatherization industry.

336.24 Subd. 2. **Grants.** (a) The commissioner must award grants through a competitive grant
336.25 process.

336.26 (b) An eligible entity under paragraph (c) seeking a grant under this section must submit
336.27 a written application to the commissioner using a form developed by the commissioner.

336.28 (c) The commissioner may award grants under this section only to:

336.29 (1) a nonprofit organization exempt from taxation under section 501(c)(3) of the United
336.30 States Internal Revenue Code;

336.31 (2) a labor organization, as defined in section 179.01, subdivision 6; or

337.1 (3) a job training center or educational institution that the commissioner of commerce
337.2 determines has the ability to train workers for weatherization careers.

337.3 (d) Grant funds must be used to pay costs associated with training workers for careers
337.4 in the weatherization industry, including related supplies, materials, instruction, and
337.5 infrastructure.

337.6 (e) When awarding grants under this section, the commissioner must give priority to
337.7 applications that provide the highest quality training to prepare trainees for weatherization
337.8 employment opportunities that meet technical standards and certifications developed by the
337.9 Building Performance Institute, Inc., or the Standard Work Specifications developed by the
337.10 United States Department of Energy for the federal Weatherization Assistance Program.

337.11 Subd. 3. **Reports.** By January 15, 2025, and each January 15 thereafter, the commissioner
337.12 must submit a report to the chairs and ranking minority members of the senate and house
337.13 of representatives committees with jurisdiction over energy policy. The report must detail
337.14 the use of grant funds under this section, including data on the number of trainees trained
337.15 and the career progress of trainees supported by prior grants.

337.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

337.17 Sec. 12. **[216C.331] ENERGY BENCHMARKING.**

337.18 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
337.19 the meanings given.

337.20 (b) "Aggregated customer energy use data" means customer energy use data, which is
337.21 combined into one collective data point per time interval. Aggregated customer energy use
337.22 data is data with any unique identifiers or other personal information removed that a
337.23 qualifying utility collects and aggregates in at least monthly intervals for an entire building
337.24 on a covered property.

337.25 (c) "Benchmark" means to electronically input into a benchmarking tool the total energy
337.26 use data and other descriptive information about a building that is required by a benchmarking
337.27 tool.

337.28 (d) "Benchmarking information" means data related to a building's energy use generated
337.29 by a benchmarking tool, and other information about the building's physical and operational
337.30 characteristics. Benchmarking information includes but is not limited to the building's:

337.31 (1) address;

338.1 (2) owner and, if applicable, the building manager responsible for operating the building's
338.2 physical systems;

338.3 (3) total floor area, expressed in square feet;

338.4 (4) energy use intensity;

338.5 (5) greenhouse gas emissions; and

338.6 (6) energy performance score comparing the building's energy use with that of similar
338.7 buildings.

338.8 (e) "Benchmarking tool" means the United States Environmental Protection Agency's
338.9 Energy Star Portfolio Manager tool or an equivalent tool determined by the commissioner.

338.10 (f) "Customer energy use data" refers to data collected from the utility customer meters
338.11 that reflect the quantity, quality, or timing of customers' usage.

338.12 (g) "Covered property" means any property that is served by an investor-owned utility
338.13 in the metropolitan area as defined in section 473.121, subdivision 2, or by a municipal
338.14 energy utility or investor-owned utility in any city outside the metropolitan area with a
338.15 population of over 50,000 residents, and that has one or more buildings containing in sum
338.16 50,000 gross square feet or greater. Covered property does not include:

338.17 (1) a residential property containing fewer than five dwelling units;

338.18 (2) a property that is: (i) classified as manufacturing under the North American Industrial
338.19 Classification System (NAICS); (ii) an energy-intensive trade-exposed customer, as defined
338.20 in section 216B.1696; (iii) an electric power generation facility; or (iv) otherwise an industrial
338.21 building incompatible with benchmarking in the benchmarking tool;

338.22 (3) an agricultural building; or

338.23 (4) a multitenant building that is served by a utility that cannot supply aggregated
338.24 customer usage data, and other property types that do not meet the purposes of this section,
338.25 as determined by the commissioner.

338.26 (h) "Energy" means electricity, natural gas, steam, or another product used to: (1) provide
338.27 heating, cooling, lighting, or water heating; or (2) power other end uses in a building.

338.28 (i) "Energy use intensity" means the total annual energy consumed in a building divided
338.29 by the building's total floor area.

339.1 (j) "Energy performance score" means a numerical value from one to 100 that the Energy
339.2 Star Portfolio Manager tool calculates to rate a building's energy efficiency against that of
339.3 comparable buildings nationwide.

339.4 (k) "Energy Star Portfolio Manager" means an interactive resource management tool
339.5 developed by the United States Environmental Protection Agency that (1) enables the
339.6 periodic entry of a building's energy use data and other descriptive information about a
339.7 building, and (2) rates a building's energy efficiency against that of comparable buildings
339.8 nationwide.

339.9 (l) "Financial distress" means a covered property that, at the time benchmarking is
339.10 conducted:

339.11 (1) is the subject of a qualified tax lien sale or public auction due to property tax
339.12 arrears;

339.13 (2) is controlled by a court-appointed receiver based on financial distress;

339.14 (3) is owned by a financial institution through default by the borrower;

339.15 (4) has been acquired by deed in lieu of foreclosure; or

339.16 (5) has a senior mortgage that is subject to a notice of default.

339.17 (m) "Local government" means a statutory or home rule municipality or county.

339.18 (n) "Owner" means:

339.19 (1) an individual or entity that possesses title to a covered property; or

339.20 (2) an agent authorized to act on behalf of the covered property owner.

339.21 (o) "Qualifying utility" means a utility serving the covered property, including:

339.22 (1) an electric or gas utility, including:

339.23 (i) an investor-owned electric or gas utility; or

339.24 (ii) a municipally owned electric or gas utility;

339.25 (2) a natural gas supplier with five or more active commercial connections, accounts,
339.26 or customers in the state; or

339.27 (3) a district steam, hot water, or chilled water provider.

339.28 (p) "Tenant" means a person that occupies or holds possession of a building or part of
339.29 a building or premises pursuant to a rental or lease agreement.

340.1 (q) "Total floor area" means the sum of gross square footage inside a building's envelope,
 340.2 measured between the outside exterior walls of the building. Total floor area includes covered
 340.3 parking structures.

340.4 (r) "Utility customer" means the building owner or tenant listed on the utility's records
 340.5 as the customer liable for payment of the utility service or additional charges assessed on
 340.6 the utility account.

340.7 Subd. 2. **Establishment.** The commissioner must establish and maintain a building
 340.8 energy benchmarking program. The purpose of the program is to:

340.9 (1) make a building's owners, tenants, and potential tenants aware of (i) the building's
 340.10 energy consumption levels and patterns, and (ii) how the building's energy use compares
 340.11 with that of similar buildings nationwide; and

340.12 (2) enhance the likelihood that an owner adopts energy conservation measures in the
 340.13 owner's building as a way to reduce energy use, operating costs, and greenhouse gas
 340.14 emissions.

340.15 Subd. 3. **Classification of covered properties.** For the purposes of this section, a covered
 340.16 property is classified as follows:

	<u>Class</u>	<u>Total Floor Area (square feet)</u>
340.18	<u>1</u>	<u>100,000 or more</u>
340.19	<u>2</u>	<u>50,000 to 99,999</u>

340.20 Subd. 4. **Benchmarking requirement.** (a) An owner must annually benchmark all
 340.21 covered property owned as of December 31 in conformity with the schedule in subdivision
 340.22 7. Energy use data must be compiled by:

340.23 (1) obtaining the data from the utility providing the energy; or

340.24 (2) reading a master meter.

340.25 (b) Before entering information in a benchmarking tool, an owner must run all automated
 340.26 data quality assurance functions available within the benchmarking tool and must correct
 340.27 all data identified as missing or incorrect.

340.28 (c) An owner who becomes aware that any information entered into a benchmarking
 340.29 tool is inaccurate or incomplete must amend the information in the benchmarking tool within
 340.30 30 days of the date the owner learned of the inaccuracy.

340.31 (d) Nothing in this subdivision prohibits an owner of property that is not a covered
 340.32 property from voluntarily benchmarking a property under this section.

341.1 Subd. 5. Exemption by individual building. (a) The commissioner may exempt an
341.2 owner of a covered property from the requirements of subdivision 4 if the owner provides
341.3 evidence satisfactory to the commissioner that the covered property:

341.4 (1) is presently experiencing financial distress;

341.5 (2) has been less than 50 percent occupied during the previous calendar year;

341.6 (3) does not have a certificate of occupancy or temporary certificate of occupancy for
341.7 the full previous calendar year;

341.8 (4) was issued a demolition permit during the previous calendar year that remains current;

341.9 or

341.10 (5) received no energy services for at least 30 days during the previous calendar year.

341.11 (b) An exemption granted under this subdivision applies only to a single calendar year.

341.12 An owner must reapply to the commissioner each year an extension is sought.

341.13 (c) Within 30 days of the date an owner makes a request under this paragraph, a tenant
341.14 of a covered property subject to this section must provide the owner with any information
341.15 regarding energy use of the tenant's rental unit that the property owner cannot otherwise
341.16 obtain and that is needed by the owner to comply with this section. The tenant must provide
341.17 the information required under this paragraph in a format approved by the commissioner.

341.18 Subd. 6. Exemption by other government benchmarking program. An owner is
341.19 exempt from the requirements of subdivision 4 for a covered property if the property is
341.20 subject to a benchmarking requirement by the state, a city, or other political subdivision
341.21 with a benchmarking requirement that the commissioner determines is equivalent or more
341.22 stringent, as determined under subdivision 11, paragraph (b), than the benchmarking
341.23 requirement established in this section. The exemption under this subdivision applies in
341.24 perpetuity unless or until the benchmarking requirement is changed or revoked and the
341.25 commissioner determines the benchmarking requirement is no longer equivalent nor more
341.26 stringent.

341.27 Subd. 7. Benchmarking schedule. (a) An owner must annually benchmark each covered
341.28 property for the previous calendar year according to the following schedule:

341.29 (1) all Class 1 properties by June 1, 2025, and by every June 1 thereafter; and

341.30 (2) all Class 2 properties by June 1, 2026, and by every June 1 thereafter.

342.1 (b) Beginning June 1, 2025, for Class 1 properties, and June 1, 2026, for Class 2
342.2 properties, an owner who is selling a covered property must provide the following to the
342.3 new owner at the time of sale:

342.4 (1) benchmarking information for the most recent 12-month period, including monthly
342.5 energy use by source; or

342.6 (2) ownership of the digital property record in the benchmarking tool through an online
342.7 transfer.

342.8 **Subd. 8. Utility data requirements.** (a) In implementing this section, a qualifying utility
342.9 shall implement the data aggregation standards established by the commission in docket
342.10 number 19-505, including changes to the standards adopted in an order issued after the
342.11 effective date of this section. A municipal energy utility serving a covered property under
342.12 this section shall adopt data aggregation standards that are substantially similar to the
342.13 standards included in the commission's order in that docket and subsequent relevant orders.

342.14 (b) Customer energy use data that a qualifying utility provides an owner pursuant to this
342.15 subdivision must be:

342.16 (1) available on, or able to be requested through, an easily navigable web portal or online
342.17 request form using up-to-date standards for digital authentication;

342.18 (2) provided to the owner within 30 days after receiving the owner's valid written or
342.19 electronic request;

342.20 (3) provided for at least 24 consecutive months of energy consumption or as many
342.21 months of consumption data that are available if the owner has owned the building for less
342.22 than 24 months;

342.23 (4) directly uploaded to the owner's benchmarking tool account, delivered in the
342.24 spreadsheet template specified by the benchmarking tool, or delivered in another format
342.25 approved by the commissioner;

342.26 (5) provided to the owner on at least an annual basis until the owner revokes the request
342.27 for energy use data or sells the covered property; and

342.28 (6) provided in monthly intervals, or the shortest available intervals based in billing.

342.29 (c) Data necessary to establish, utilize, or maintain information in the benchmarking
342.30 tool under this section may be collected or shared as provided by this section and are
342.31 considered public data whether or not the data have been aggregated.

342.32 **Subd. 9. Data collection and management.** (a) The commissioner must:

343.1 (1) collect benchmarking information generated by a benchmarking tool and other related
343.2 information for each covered property;

343.3 (2) provide technical assistance to owners entering data into a benchmarking tool;

343.4 (3) collaborate with the Department of Revenue to collect the data necessary for
343.5 establishing the covered property list annually; and

343.6 (4) provide technical guidance to utilities in the establishment of data aggregation and
343.7 access tools.

343.8 (b) Upon request of the commissioner, a county assessor shall provide readily available
343.9 property data necessary for the development of the covered property list, including but not
343.10 limited to gross floor area, property type, and owner information by January 15 annually.

343.11 (c) The commissioner must:

343.12 (1) rank benchmarked covered properties in each property class from highest to lowest
343.13 performance score or, if a performance score is unavailable for a covered property, from
343.14 lowest to highest energy use intensity;

343.15 (2) divide covered properties in each property class into four quartiles based on the
343.16 applicable measure in clause (1);

343.17 (3) assign four stars to each covered property in the quartile of each property class with
343.18 the highest performance scores or lowest energy use intensities, as applicable;

343.19 (4) assign three stars to each covered property in the quartile of each property class with
343.20 the second highest performance scores or second lowest energy use intensities, as applicable;

343.21 (5) assign two stars to each covered property in the quartile of each property class with
343.22 the third highest performance scores or third lowest energy use intensities, as applicable;

343.23 (6) assign one star to each covered property in the quartile of each property class with
343.24 the lowest performance scores or highest energy use intensities, as applicable; and

343.25 (7) serve notice in writing to each owner identifying the number of stars assigned by the
343.26 commissioner to each of the owner's covered properties.

343.27 Subd. 10. **Data disclosure to public.** (a) The commissioner must post on the department's
343.28 website and update by December 1 annually the following information for the previous
343.29 calendar year:

343.30 (1) annual summary statistics on energy use for all covered properties;

344.1 (2) annual summary statistics on energy use for all covered properties, aggregated by
344.2 covered property class, as defined in subdivision 3, city, and county;

344.3 (3) the percentage of covered properties in each building class listed in subdivision 3
344.4 that are in compliance with the benchmarking requirements under subdivisions 4 to 7; and

344.5 (4) for each covered property, at a minimum, the address, total energy use, energy use
344.6 intensity, annual greenhouse gas emissions, and energy performance score, if available.

344.7 (b) The commissioner must post the information required under this subdivision for:

344.8 (1) all Class 1 properties by November 1, 2025, and by every November 1 thereafter;

344.9 and

344.10 (2) all Class 2 properties by November 1, 2026, and by every November 1 thereafter.

344.11 Subd. 11. **Coordination with other benchmarking programs.** (a) The commissioner
344.12 shall coordinate with any state agency or local government that implements an energy
344.13 benchmarking program, including the coordination of reporting requirements.

344.14 (b) This section does not restrict a local government from adopting or implementing an
344.15 ordinance or resolution that imposes more stringent benchmarking requirements. For purposes
344.16 of this section, a local government benchmarking program is more stringent if the program
344.17 requires:

344.18 (1) buildings to be benchmarked that are not required to be benchmarked under this
344.19 section; or

344.20 (2) benchmarking of information that is not required to be benchmarked under this
344.21 section.

344.22 (c) Benchmarking program requirements of local governments must:

344.23 (1) be at least as comprehensive in scope and application as the program operated under
344.24 this section; and

344.25 (2) include annual enforcement of a penalty on covered properties that do not comply
344.26 with the local government's benchmarking ordinance.

344.27 (d) Local governments must notify the commissioner of the local government's existing
344.28 benchmarking ordinance requirements. Local governments must notify the commissioner
344.29 of new, changed, or revoked ordinance requirements, which when made by December 31
344.30 would apply to the benchmarking schedule for the following year.

345.1 (e) The commissioner shall make available for local governments upon request all
345.2 benchmarking data for covered properties within the local government's jurisdiction by
345.3 December 1, annually.

345.4 Subd. 12. **Building performance disclosure to occupants.** The commissioner must
345.5 provide disclosure materials for public display within a building to building owners, so that
345.6 building owners can prominently display the performance of the building. The materials
345.7 must include the number of stars assigned to the building by the commissioner under
345.8 subdivision 9, paragraph (c), and a relevant explanation of the rating.

345.9 Subd. 13. **Notifications.** By March 1 each year, the commissioner must notify the owner
345.10 of each covered property required to benchmark for the previous calendar year of the
345.11 requirement to benchmark by June 1 of the current year.

345.12 Subd. 14. **Program implementation.** The commissioner may contract with an
345.13 independent third party to implement any or all of the commissioner's duties required under
345.14 this section. To implement the benchmarking program, the commissioner shall assist building
345.15 owners to increase energy efficiency and reduce greenhouse gas emissions from the owners'
345.16 buildings, including by providing outreach, training, and technical assistance to building
345.17 owners to help the owners' buildings come into compliance with the benchmarking program.

345.18 Subd. 15. **Enforcement.** By June 15 each year, the commissioner must notify the owner
345.19 of each covered property required to comply with this section that has failed to comply that
345.20 the owner has until July 15 to come into compliance, unless the owner requests an extension,
345.21 in which case the owner has until August 15 to come into compliance. If an owner fails to
345.22 comply with the requirements of this section by July 15 and fails to request an extension
345.23 by that date, or is given an extension and fails to comply by August 15, the commissioner
345.24 may impose a civil fine of \$1,000 on the owner. The commissioner may by rule increase
345.25 the civil fine to adjust for inflation.

345.26 Subd. 16. **Recovery of expenses.** The commission shall allow a public utility to recover
345.27 reasonable and prudent expenses of implementing this section under section 216B.16,
345.28 subdivision 6b. The costs and benefits associated with implementing this section may, at
345.29 the discretion of the utility, be excluded from the calculation of net economic benefits for
345.30 purposes of calculating the financial incentive to the public utility under section 216B.16,
345.31 subdivision 6c. The energy and demand savings may, at the discretion of the public utility,
345.32 be applied toward the calculation of overall portfolio energy and demand savings for purposes
345.33 of determining progress toward annual goals under section 216B.241, subdivision 1c, and
345.34 in the financial incentive mechanism under section 216B.16, subdivision 6c.

346.1 **EFFECTIVE DATE.** This section is effective the day following final enactment, except
346.2 that subdivision 15 is effective June 15, 2026.

346.3 Sec. 13. **[216C.378] ENERGY STORAGE INCENTIVE PROGRAM.**

346.4 (a) The public utility subject to section 116C.779 must develop and operate a program
346.5 to provide a grant to customers to reduce the cost to purchase and install an on-site energy
346.6 storage system, as defined in section 216B.2422, subdivision 1, paragraph (f). The public
346.7 utility subject to this section must file a plan with the commissioner to operate the program
346.8 no later than November 1, 2023. The public utility must not operate the program until the
346.9 program is approved by the commissioner. Any change to an operating program must be
346.10 approved by the commissioner.

346.11 (b) In order to be eligible to receive a grant under this section, an energy storage system
346.12 must:

346.13 (1) have a capacity no greater than 50 kilowatt hours; and

346.14 (2) be located within the electric service area of the public utility subject to this section.

346.15 (c) An owner of an energy storage system is eligible to receive a grant under this section
346.16 if:

346.17 (1) a solar energy generating system is operating at the same site as the proposed energy
346.18 storage system; or

346.19 (2) the owner has filed an application with the public utility subject to this section to
346.20 interconnect a solar energy generating system at the same site as the proposed energy storage
346.21 system.

346.22 (d) The amount of a grant awarded under this section must be based on the number of
346.23 watt-hours that reflects the duration of the energy storage system at the system's rated
346.24 capacity, up to a maximum of \$5,000.

346.25 (e) The commissioner must annually review and may adjust the amount of grants awarded
346.26 under this section, but must not increase the amount over that awarded in previous years
346.27 unless the commissioner demonstrates in writing that an upward adjustment is warranted
346.28 by market conditions.

346.29 (f) A customer who receives a grant under this section is eligible to receive financial
346.30 assistance under programs operated by the state or the utility for the solar energy generating
346.31 system operating in conjunction with the energy storage system.

347.1 (g) For the purposes of this section, "solar energy generating system" has the meaning
347.2 given in section 216E.01, subdivision 9a.

347.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

347.4 Sec. 14. **[216C.46] RESIDENTIAL HEAT PUMP REBATE PROGRAM.**

347.5 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
347.6 the meanings given.

347.7 (b) "Eligible applicant" means a person who provides evidence to the commissioner's
347.8 satisfaction demonstrating that the person has received or has applied for a heat pump rebate
347.9 available from the federal Department of Energy under the Inflation Reduction Act of 2022,
347.10 Public Law 117-189.

347.11 (c) "Heat pump" means a cold climate rated air-source heat pump composed of (1) a
347.12 mechanism that heats and cools indoor air by transferring heat from outdoor or indoor air
347.13 using a fan, (2) a refrigerant-filled heat exchanger, and (3) an inverter-driven compressor
347.14 that varies the pressure of the refrigerant to warm or cool the refrigerant vapor.

347.15 Subd. 2. **Establishment.** A residential heat pump rebate program is established in the
347.16 department to provide financial assistance to eligible applicants that purchase and install a
347.17 heat pump in the applicant's Minnesota residence.

347.18 Subd. 3. **Application.** (a) An application for a rebate under this section must be made
347.19 to the commissioner on a form developed by the commissioner. The application must be
347.20 accompanied by documentation, as required by the commissioner, demonstrating that:

347.21 (1) the applicant is an eligible applicant;

347.22 (2) the applicant owns the Minnesota residence in which the heat pump is to be installed;

347.23 (3) the applicant has had an energy audit conducted of the residence in which the heat
347.24 pump is to be installed within the last 18 months by a person with a Building Analyst
347.25 Technician certification issued by the Building Performance Institute, Inc., or an equivalent
347.26 certification, as determined by the commissioner;

347.27 (4) either:

347.28 (i) the applicant has installed in the applicant's residence, by a contractor with an Air
347.29 Leakage Control Installer certification issued by the Building Performance Institute, Inc.,
347.30 or an equivalent certification, as determined by the commissioner, the amount of insulation
347.31 and the air sealing measures recommended by the auditor; or

348.1 (ii) the auditor has otherwise determined that the amount of insulation and air sealing
348.2 measures in the residence are sufficient to enable effective heat pump performance;

348.3 (5) the applicant has purchased a heat pump of the capacity recommended by the auditor
348.4 or contractor, and has had the heat pump installed by a contractor with sufficient training
348.5 and experience in installing heat pumps, as determined by the commissioner; and

348.6 (6) the total cost to purchase and install the heat pump in the applicant's residence.

348.7 (b) The commissioner must develop administrative procedures governing the application
348.8 and rebate award processes.

348.9 (c) The commissioner may modify program requirements under this section when
348.10 necessary to align with comparable federal programs administered by the department under
348.11 the federal Inflation Reduction Act of 2022, Public Law 117-189.

348.12 Subd. 4. **Rebate amount.** A rebate awarded under this section must not exceed the lesser
348.13 of:

348.14 (1) \$4,000; or

348.15 (2) the total cost to purchase and install the heat pump in an eligible applicant's residence
348.16 net of the rebate amount received for the heat pump from the federal Department of Energy
348.17 under the Inflation Reduction Act of 2022, Public Law 117-189.

348.18 Subd. 5. **Assisting applicants.** The commissioner may issue a request for proposal
348.19 seeking an entity to serve as an energy coordinator to interact directly with applicants and
348.20 potential applicants to:

348.21 (1) explain the technical aspects of heat pumps, energy audits, and energy conservation
348.22 measures, and the energy and financial savings that can result from implementing each;

348.23 (2) identify federal, state, and utility programs available to homeowners to reduce the
348.24 costs of energy audits, energy conservation, and heat pumps;

348.25 (3) explain the requirements and scheduling of the application process;

348.26 (4) provide access to certified contractors who can perform energy audits, install
348.27 insulation and air sealing measures, and install heat pumps; and

348.28 (5) conduct outreach to make potential applicants aware of the program.

348.29 Subd. 6. **Contractor training and support.** The commissioner may issue a request for
348.30 proposals seeking an entity to develop and organize programs to train contractors with
348.31 respect to the technical aspects and installation of heat pumps in residences. The training

349.1 curriculum must be at a level sufficient to provide contractors who complete training with
349.2 the knowledge and skills necessary to install heat pumps to industry best practice standards,
349.3 as determined by the commissioner. Training programs must: (1) be accessible in all regions
349.4 of the state; and (2) provide mentoring and ongoing support, including continuing education
349.5 and financial assistance, to trainees.

349.6 Subd. 7. **Account established.** (a) The residential heat pump rebate account is established
349.7 as a separate account in the special revenue fund in the state treasury. The commissioner
349.8 shall credit to the account appropriations and transfers to the account. Earnings, including
349.9 interest, dividends, and any other earnings arising from assets of the account, must be
349.10 credited to the account. Money remaining in the account at the end of a fiscal year does not
349.11 cancel to the general fund, but remains in the account until expended. The commissioner
349.12 shall manage the account.

349.13 (b) Money in the account is appropriated to the commissioner for the purposes of this
349.14 section and to reimburse the reasonable costs of the department to administer this section.

349.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

349.16 Sec. 15. Minnesota Statutes 2022, section 216E.01, is amended by adding a subdivision
349.17 to read:

349.18 Subd. 3a. **Energy storage system.** "Energy storage system" means equipment and
349.19 associated facilities designed with a nameplate capacity of 5,000 kilowatts or more that is
349.20 capable of storing generated electricity for a period of time and delivering the electricity
349.21 for use after storage.

349.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

349.23 Sec. 16. Minnesota Statutes 2022, section 216E.01, subdivision 6, is amended to read:

349.24 Subd. 6. **Large electric power facilities.** "Large electric power facilities" means high
349.25 voltage transmission lines ~~and~~, large electric power generating plants, and energy storage
349.26 systems.

349.27 Sec. 17. Minnesota Statutes 2022, section 216E.03, subdivision 1, is amended to read:

349.28 Subdivision 1. **Site permit.** No person may construct a large electric generating plant
349.29 or an energy storage system without a site permit from the commission. A large electric
349.30 generating plant or an energy storage system may be constructed only on a site approved
349.31 by the commission. The commission must incorporate into one proceeding the route selection

350.1 for a high-voltage transmission line that is directly associated with and necessary to
350.2 interconnect the large electric generating plant to the transmission system and whose need
350.3 is certified under section 216B.243.

350.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

350.5 Sec. 18. Minnesota Statutes 2022, section 216E.03, subdivision 3, is amended to read:

350.6 Subd. 3. **Application.** Any person seeking to construct a large electric power ~~generating~~
350.7 ~~plant or a high-voltage transmission line~~ facility must apply to the commission for a site or
350.8 route permit, as applicable. The application shall contain such information as the commission
350.9 may require. The applicant shall propose at least two sites for a large electric power
350.10 ~~generating plant~~ facility and two routes for a high-voltage transmission line. Neither of the
350.11 two proposed routes may be designated as a preferred route and all proposed routes must
350.12 be numbered and designated as alternatives. The commission shall determine whether an
350.13 application is complete and advise the applicant of any deficiencies within ten days of
350.14 receipt. An application is not incomplete if information not in the application can be obtained
350.15 from the applicant during the first phase of the process and that information is not essential
350.16 for notice and initial public meetings.

350.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

350.18 Sec. 19. Minnesota Statutes 2022, section 216E.03, subdivision 5, as amended by Laws
350.19 2023, chapter 7, section 25, is amended to read:

350.20 Subd. 5. **Environmental review.** (a) The commissioner of the Department of Commerce
350.21 shall prepare for the commission an environmental impact statement on each proposed large
350.22 electric power ~~generating plant or high-voltage transmission line~~ facility for which a complete
350.23 application has been submitted. The commissioner shall not consider whether or not the
350.24 project is needed. No other state environmental review documents shall be required. The
350.25 commissioner shall study and evaluate any site or route proposed by an applicant and any
350.26 other site or route the commission deems necessary that was proposed in a manner consistent
350.27 with rules concerning the form, content, and timeliness of proposals for alternate sites or
350.28 routes, excluding any alternate site for a solar energy generating system that was not proposed
350.29 by an applicant.

350.30 (b) For a cogeneration facility as defined in section 216H.01, subdivision 1a, that is a
350.31 large electric power generating plant and is not proposed by a utility, the commissioner
350.32 must make a finding in the environmental impact statement whether the project is likely to
350.33 result in a net reduction of carbon dioxide emissions, considering both the utility providing

351.1 electric service to the proposed cogeneration facility and any reduction in carbon dioxide
351.2 emissions as a result of increased efficiency from the production of thermal energy on the
351.3 part of the customer operating or owning the proposed cogeneration facility.

351.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

351.5 Sec. 20. Minnesota Statutes 2022, section 216E.03, subdivision 6, is amended to read:

351.6 Subd. 6. **Public hearing.** The commission shall hold a public hearing on an application
351.7 for a site or route permit for a large electric power ~~generating plant or a route permit for a~~
351.8 ~~high-voltage transmission line~~ facility. All hearings held for designating a site or route shall
351.9 be conducted by an administrative law judge from the Office of Administrative Hearings
351.10 pursuant to the contested case procedures of chapter 14. Notice of the hearing shall be given
351.11 by the commission at least ten days in advance but no earlier than 45 days prior to the
351.12 commencement of the hearing. Notice shall be by publication in a legal newspaper of general
351.13 circulation in the county in which the public hearing is to be held and by certified mail to
351.14 chief executives of the regional development commissions, counties, organized towns,
351.15 townships, and the incorporated municipalities in which a site or route is proposed. Any
351.16 person may appear at the hearings and offer testimony and exhibits without the necessity
351.17 of intervening as a formal party to the proceedings. The administrative law judge may allow
351.18 any person to ask questions of other witnesses. The administrative law judge shall hold a
351.19 portion of the hearing in the area where the power plant or transmission line is proposed to
351.20 be located.

351.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

351.22 Sec. 21. Minnesota Statutes 2022, section 216E.03, subdivision 7, as amended by Laws
351.23 2023, chapter 7, section 26, is amended to read:

351.24 Subd. 7. **Considerations in designating sites and routes.** (a) The commission's site
351.25 and route permit determinations must be guided by the state's goals to conserve resources,
351.26 minimize environmental impacts, minimize human settlement and other land use conflicts,
351.27 and ensure the state's electric energy security through efficient, cost-effective power supply
351.28 and electric transmission infrastructure.

351.29 (b) To facilitate the study, research, evaluation, and designation of sites and routes, the
351.30 commission shall be guided by, but not limited to, the following considerations:

351.31 (1) evaluation of research and investigations relating to the effects on land, water and
351.32 air resources of large electric power ~~generating plants and high-voltage transmission lines~~

- 352.1 facilities and the effects of water and air discharges and electric and magnetic fields resulting
352.2 from such facilities on public health and welfare, vegetation, animals, materials and aesthetic
352.3 values, including baseline studies, predictive modeling, and evaluation of new or improved
352.4 methods for minimizing adverse impacts of water and air discharges and other matters
352.5 pertaining to the effects of power plants on the water and air environment;
- 352.6 (2) environmental evaluation of sites and routes proposed for future development and
352.7 expansion and their relationship to the land, water, air and human resources of the state;
- 352.8 (3) evaluation of the effects of new electric power generation and transmission
352.9 technologies and systems related to power plants designed to minimize adverse environmental
352.10 effects;
- 352.11 (4) evaluation of the potential for beneficial uses of waste energy from proposed large
352.12 electric power generating plants;
- 352.13 (5) analysis of the direct and indirect economic impact of proposed sites and routes
352.14 including, but not limited to, productive agricultural land lost or impaired;
- 352.15 (6) evaluation of adverse direct and indirect environmental effects that cannot be avoided
352.16 should the proposed site and route be accepted;
- 352.17 (7) evaluation of alternatives to the applicant's proposed site or route proposed pursuant
352.18 to subdivisions 1 and 2;
- 352.19 (8) evaluation of potential routes that would use or parallel existing railroad and highway
352.20 rights-of-way;
- 352.21 (9) evaluation of governmental survey lines and other natural division lines of agricultural
352.22 land so as to minimize interference with agricultural operations;
- 352.23 (10) evaluation of the future needs for additional high-voltage transmission lines in the
352.24 same general area as any proposed route, and the advisability of ordering the construction
352.25 of structures capable of expansion in transmission capacity through multiple circuiting or
352.26 design modifications;
- 352.27 (11) evaluation of irreversible and irretrievable commitments of resources should the
352.28 proposed site or route be approved;
- 352.29 (12) when appropriate, consideration of problems raised by other state and federal
352.30 agencies and local entities;

353.1 (13) evaluation of the benefits of the proposed facility with respect to (i) the protection
353.2 and enhancement of environmental quality, and (ii) the reliability of state and regional
353.3 energy supplies;

353.4 (14) evaluation of the proposed facility's impact on socioeconomic factors; and

353.5 (15) evaluation of the proposed facility's employment and economic impacts in the
353.6 vicinity of the facility site and throughout Minnesota, including the quantity and quality of
353.7 construction and permanent jobs and their compensation levels. The commission must
353.8 consider a facility's local employment and economic impacts, and may reject or place
353.9 conditions on a site or route permit based on the local employment and economic impacts.

353.10 (c) If the commission's rules are substantially similar to existing regulations of a federal
353.11 agency to which the utility in the state is subject, the federal regulations must be applied by
353.12 the commission.

353.13 (d) No site or route shall be designated which violates state agency rules.

353.14 (e) The commission must make specific findings that it has considered locating a route
353.15 for a high-voltage transmission line on an existing high-voltage transmission route and the
353.16 use of parallel existing highway right-of-way and, to the extent those are not used for the
353.17 route, the commission must state the reasons.

353.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

353.19 Sec. 22. Minnesota Statutes 2022, section 216E.04, subdivision 2, as amended by Laws
353.20 2023, chapter 7, section 29, is amended to read:

353.21 Subd. 2. **Applicable projects.** The requirements and procedures in this section apply to
353.22 the following projects:

353.23 (1) large electric power generating plants with a capacity of less than 80 megawatts;

353.24 (2) large electric power generating plants that are fueled by natural gas;

353.25 (3) high-voltage transmission lines of between 100 and 200 kilovolts;

353.26 (4) high-voltage transmission lines in excess of 200 kilovolts and less than 30 miles in
353.27 length in Minnesota;

353.28 (5) high-voltage transmission lines in excess of 200 kilovolts if at least 80 percent of
353.29 the distance of the line in Minnesota will be located along existing high-voltage transmission
353.30 line right-of-way;

354.1 (6) a high-voltage transmission line service extension to a single customer between 200
354.2 and 300 kilovolts and less than ten miles in length;

354.3 (7) a high-voltage transmission line rerouting to serve the demand of a single customer
354.4 when the rerouted line will be located at least 80 percent on property owned or controlled
354.5 by the customer or the owner of the transmission line; ~~and~~

354.6 (8) large electric power generating plants that are powered by solar energy; and

354.7 (9) energy storage systems.

354.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

354.9 Sec. 23. Minnesota Statutes 2022, section 216E.05, subdivision 2, is amended to read:

354.10 Subd. 2. **Applicable projects.** Applicants may seek approval from local units of
354.11 government to construct the following projects:

354.12 (1) large electric power generating plants with a capacity of less than 80 megawatts;

354.13 (2) large electric power generating plants of any size that burn natural gas and are intended
354.14 to be a peaking plant;

354.15 (3) high-voltage transmission lines of between 100 and 200 kilovolts;

354.16 (4) substations with a voltage designed for and capable of operation at a nominal voltage
354.17 of 100 kilovolts or more;

354.18 (5) a high-voltage transmission line service extension to a single customer between 200
354.19 and 300 kilovolts and less than ten miles in length; ~~and~~

354.20 (6) a high-voltage transmission line rerouting to serve the demand of a single customer
354.21 when the rerouted line will be located at least 80 percent on property owned or controlled
354.22 by the customer or the owner of the transmission line; and

354.23 (7) energy storage systems.

354.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

354.25 Sec. 24. Minnesota Statutes 2022, section 216E.06, is amended to read:

354.26 **216E.06 EMERGENCY PERMIT.**

354.27 (a) Any utility whose electric power system requires the immediate construction of a
354.28 large electric power ~~generating plant or high-voltage transmission line~~ facility due to a major
354.29 unforeseen event may apply to the commission for an emergency permit. The application

355.1 shall provide notice in writing of the major unforeseen event and the need for immediate
355.2 construction. The permit must be issued in a timely manner, no later than 195 days after
355.3 the commission's acceptance of the application and upon a finding by the commission that
355.4 (1) a demonstrable emergency exists, (2) the emergency requires immediate construction,
355.5 and (3) adherence to the procedures and time schedules specified in section 216E.03 would
355.6 jeopardize the utility's electric power system or would jeopardize the utility's ability to meet
355.7 the electric needs of its customers in an orderly and timely manner.

355.8 (b) A public hearing to determine if an emergency exists must be held within 90 days
355.9 of the application. The commission, after notice and hearing, shall adopt rules specifying
355.10 the criteria for emergency certification.

355.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

355.12 Sec. 25. Minnesota Statutes 2022, section 216E.07, is amended to read:

355.13 **216E.07 ANNUAL HEARING.**

355.14 The commission shall hold an annual public hearing at a time and place prescribed by
355.15 rule in order to afford interested persons an opportunity to be heard regarding any matters
355.16 relating to the siting and routing of large electric ~~generating power plants and routing of~~
355.17 ~~high-voltage transmission lines~~ facilities. At the meeting, the commission shall advise the
355.18 public of the permits issued by the commission in the past year. The commission shall
355.19 provide at least ten days but no more than 45 days' notice of the annual meeting by mailing
355.20 or serving electronically, as provided in section 216.17, a notice to those persons who have
355.21 requested notice and by publication in the EQB Monitor and the commission's weekly
355.22 calendar.

355.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

355.24 Sec. 26. Minnesota Statutes 2022, section 216E.10, is amended to read:

355.25 **216E.10 APPLICATION TO LOCAL REGULATION AND OTHER STATE**
355.26 **PERMITS.**

355.27 Subdivision 1. **Site or route permit prevails over local provisions.** To assure the
355.28 paramount and controlling effect of the provisions herein over other state agencies, regional,
355.29 county, and local governments, and special purpose government districts, the issuance of a
355.30 site permit or route permit and subsequent purchase and use of such site or route locations
355.31 for large electric power ~~generating plant and high-voltage transmission line~~ facility purposes
355.32 shall be the sole site or route approval required to be obtained by the utility. Such permit

356.1 shall supersede and preempt all zoning, building, or land use rules, regulations, or ordinances
356.2 promulgated by regional, county, local and special purpose government.

356.3 Subd. 2. **Other state permits.** Notwithstanding anything herein to the contrary, utilities
356.4 shall obtain state permits that may be required to construct and operate large electric power
356.5 ~~generating plants and high-voltage transmission lines~~ facilities. A state agency in processing
356.6 a utility's facility permit application shall be bound to the decisions of the commission, with
356.7 respect to the site or route designation, and with respect to other matters for which authority
356.8 has been granted to the commission by this chapter.

356.9 Subd. 3. **State agency participation.** (a) State agencies authorized to issue permits
356.10 required for construction or operation of large electric power generating plants or high-voltage
356.11 transmission lines shall participate during routing and siting at public hearings and all other
356.12 activities of the commission on specific site or route designations and design considerations
356.13 of the commission, and shall clearly state whether the site or route being considered for
356.14 designation or permit and other design matters under consideration for approval will be in
356.15 compliance with state agency standards, rules, or policies.

356.16 (b) An applicant for a permit under this section or under chapter 216G shall notify the
356.17 commissioner of agriculture if the proposed project will impact cultivated agricultural land,
356.18 as that term is defined in section 216G.01, subdivision 4. The commissioner may participate
356.19 and advise the commission as to whether to grant a permit for the project and the best options
356.20 for mitigating adverse impacts to agricultural lands if the permit is granted. The Department
356.21 of Agriculture shall be the lead agency on the development of any agricultural mitigation
356.22 plan required for the project.

356.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

356.24 Sec. 27. Minnesota Statutes 2022, section 326B.106, subdivision 1, is amended to read:

356.25 Subdivision 1. **Adoption of code.** (a) Subject to paragraphs (c) and (d) and sections
356.26 326B.101 to 326B.194, the commissioner shall by rule and in consultation with the
356.27 Construction Codes Advisory Council establish a code of standards for the construction,
356.28 reconstruction, alteration, and repair of buildings, governing matters of structural materials,
356.29 design and construction, fire protection, health, sanitation, and safety, including design and
356.30 construction standards regarding heat loss control, illumination, and climate control. The
356.31 code must also include duties and responsibilities for code administration, including
356.32 procedures for administrative action, penalties, and suspension and revocation of certification.
356.33 The code must conform insofar as practicable to model building codes generally accepted
356.34 and in use throughout the United States, including a code for building conservation. In the

357.1 preparation of the code, consideration must be given to the existing statewide specialty
357.2 codes presently in use in the state. Model codes with necessary modifications and statewide
357.3 specialty codes may be adopted by reference. The code must be based on the application
357.4 of scientific principles, approved tests, and professional judgment. To the extent possible,
357.5 the code must be adopted in terms of desired results instead of the means of achieving those
357.6 results, avoiding wherever possible the incorporation of specifications of particular methods
357.7 or materials. To that end the code must encourage the use of new methods and new materials.
357.8 Except as otherwise provided in sections 326B.101 to 326B.194, the commissioner shall
357.9 administer and enforce the provisions of those sections.

357.10 (b) The commissioner shall develop rules addressing the plan review fee assessed to
357.11 similar buildings without significant modifications including provisions for use of building
357.12 systems as specified in the industrial/modular program specified in section 326B.194.
357.13 Additional plan review fees associated with similar plans must be based on costs
357.14 commensurate with the direct and indirect costs of the service.

357.15 (c) Beginning with the 2018 edition of the model building codes and every six years
357.16 thereafter, the commissioner shall review the new model building codes and adopt the model
357.17 codes as amended for use in Minnesota, within two years of the published edition date. The
357.18 commissioner may adopt amendments to the building codes prior to the adoption of the
357.19 new building codes to advance construction methods, technology, or materials, or, where
357.20 necessary to protect the health, safety, and welfare of the public, or to improve the efficiency
357.21 or the use of a building.

357.22 (d) Notwithstanding paragraph (c), the commissioner shall act on each new model
357.23 residential energy code and the new model commercial energy code in accordance with
357.24 federal law for which the United States Department of Energy has issued an affirmative
357.25 determination in compliance with United States Code, title 42, section 6833. The
357.26 commissioner shall consider amendments to the model energy codes that mitigate the impact
357.27 of climate change and reduce greenhouse gas emissions by increasing and optimizing energy
357.28 efficiency and improving resiliency of new buildings and existing buildings undergoing
357.29 additions, alterations, and changes of use. The commissioner may adopt amendments prior
357.30 to adoption of the new energy codes, as amended for use in Minnesota, to advance
357.31 construction methods, technology, or materials, or, where necessary to protect the health,
357.32 safety, and welfare of the public, or to improve the efficiency or use of a building.

357.33 (e) Beginning in 2024, the commissioner shall act on the new model commercial energy
357.34 code by adopting each new published edition of ASHRAE 90.1 or a more efficient standard.
357.35 The commercial energy code in effect in 2036 and thereafter must achieve an 80 percent

358.1 reduction in annual net energy consumption or greater, using the ASHRAE 90.1-2004 as a
358.2 baseline. The commissioner shall adopt commercial energy codes from 2024 to 2036 that
358.3 incrementally move toward achieving the 80 percent reduction in annual net energy
358.4 consumption. By January 15 of the year following each new code adoption, the commissioner
358.5 shall report on the progress made under this section to the legislative committees with
358.6 jurisdiction over the energy code.

358.7 (f) Nothing in this section limits the ability of a public utility to offer code support
358.8 programs, or to claim energy savings resulting from code support programs, through the
358.9 public utility's energy conservation and optimization plans approved by the commissioner
358.10 of commerce under section 216B.241.

358.11 **Sec. 28. RULEMAKING AUTHORIZED.**

358.12 (a) The commission is authorized to develop and adopt rules for siting energy storage
358.13 systems and to reflect the provisions of this act.

358.14 (b) Until the commission adopts rules under this section, the commission shall utilize
358.15 applicable provisions of Minnesota Rules, chapter 7850, to site energy storage systems,
358.16 except that Minnesota Rules, part 7850.4400, subpart 4, does not apply to energy storage
358.17 systems.

358.18 (c) For the purposes of this section, "energy storage system" has the meaning given in
358.19 Minnesota Statutes, section 216E.01, subdivision 3a.

358.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

358.21 **Sec. 29. REVISOR INSTRUCTION.**

358.22 The revisor of statutes shall make any necessary changes in Minnesota Rules resulting
358.23 from the changes made to Minnesota Statutes, chapter 216E, in this act.

358.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

358.25 **ARTICLE 13**

358.26 **PUBLIC UTILITIES COMMISSION PROCEDURES**

358.27 Section 1. Minnesota Statutes 2022, section 216B.17, subdivision 1, is amended to read:

358.28 Subdivision 1. **Investigation.** On ~~its~~ the commissioner's own motion or upon a complaint
358.29 made against any public utility; by the governing body of any political subdivision, by
358.30 another public utility, by the department, ~~or~~ by any 50 consumers of ~~the~~ a particular utility,

359.1 or by a complainant under section 216B.172 that any of the rates, tolls, tariffs, charges, or
359.2 schedules or any joint rate or any regulation, measurement, practice, act, or omission affecting
359.3 or relating to the production, transmission, delivery, or furnishing of natural gas or electricity
359.4 or any service in connection therewith is in any respect unreasonable, insufficient, or unjustly
359.5 discriminatory, or that any service is inadequate or cannot be obtained, the commission
359.6 shall proceed, with notice, to make such investigation as it may deem necessary. The
359.7 commission may dismiss any complaint without a hearing if in its opinion a hearing is not
359.8 in the public interest.

359.9 **EFFECTIVE DATE.** This section is effective the day following final enactment and
359.10 applies to any complaint filed with the commission on or after that date.

359.11 **Sec. 2. [216B.172] CONSUMER DISPUTES.**

359.12 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
359.13 the meanings given.

359.14 (b) "Appeal" means a request a complainant files with the commission to review and
359.15 make a final decision regarding the resolution of the complainant's complaint by the consumer
359.16 affairs office.

359.17 (c) "Complainant" means an individual residential customer who files with the consumer
359.18 affairs office a complaint against a public utility.

359.19 (d) "Complaint" means an allegation submitted to the consumer affairs office by a
359.20 complainant that a public utility's action or practice regarding billing or terms and conditions
359.21 of service:

359.22 (1) violates a statute, rule, tariff, service contract, or other provision of law;

359.23 (2) is unreasonable; or

359.24 (3) has harmed or, if not addressed, harms a complainant.

359.25 Complaint does not include an objection to or a request to modify any natural gas or
359.26 electricity rate contained in a tariff that has been approved by the commission. A complaint
359.27 under this section is an informal complaint under Minnesota Rules, chapter 7829.

359.28 (e) "Consumer affairs office" means the staff unit of the commission that is organized
359.29 to receive and respond to complaints.

359.30 (f) "Informal proceeding" has the meaning given in Minnesota Rules, part 7829.0100,
359.31 subpart 8.

360.1 (g) "Public assistance" has the meaning given in section 550.37, subdivision 14.

360.2 (h) "Public utility" has the meaning given in section 216B.02, subdivision 4.

360.3 Subd. 2. **Complaint resolution procedure.** A complainant must first attempt to resolve
360.4 a dispute with a public utility by filing a complaint with the consumer affairs office. The
360.5 consumer affairs office must: (1) notify the complainant of the resolution of the complaint;
360.6 and (2) provide written notice of (i) the complainant's right to appeal the resolution to the
360.7 commission, and (ii) the steps the complainant may take to appeal the resolution. Upon
360.8 request, the consumer affairs office must provide to the complainant a written notice
360.9 containing the substance of and basis for the resolution. Nothing in this section affects any
360.10 other rights existing under this chapter or other law.

360.11 Subd. 3. **Appeal; final commission decision.** (a) If a complainant is not satisfied with
360.12 the resolution of a complaint by the consumer affairs office, the complainant may file an
360.13 appeal with the commission requesting that the commission make a final decision on the
360.14 complaint. The commission's response to an appeal filed under this subdivision must comply
360.15 with the notice requirements under section 216B.17, subdivisions 2 to 5.

360.16 (b) Upon the commission's receipt of an appeal filed under paragraph (a), the chair of
360.17 the commission or a subcommittee delegated under section 216A.03, subdivision 8, to
360.18 review the resolution of the complaint must decide whether the complaint be:

360.19 (1) dismissed because there is no reasonable basis on which to proceed;

360.20 (2) resolved through an informal commission proceeding; or

360.21 (3) referred to the Office of Administrative Hearings for a contested case proceeding
360.22 under chapter 14.

360.23 A decision made under this paragraph must be provided in writing to the complainant and
360.24 the public utility.

360.25 (c) If the commission decides that the complaint be resolved through an informal
360.26 proceeding before the commission or referred to the Office of Administrative Hearings for
360.27 a contested case proceeding, the executive secretary must issue any procedural schedules,
360.28 notices, or orders required to initiate an informal proceeding or a contested case.

360.29 (d) The commission's dismissal of an appeal request or a decision rendered after
360.30 conducting an informal proceeding is a final decision constituting an order or determination
360.31 of the commission.

361.1 Subd. 4. **Judicial review.** Notwithstanding section 216B.27, a complainant may seek
361.2 judicial review in district court of an adverse final decision under subdivision 3, paragraph
361.3 (b), clause (1) or (2). Judicial review of the commission's decision in a contested case referred
361.4 under subdivision 3, paragraph (b), clause (3), is governed by chapter 14.

361.5 Subd. 5. **Right to service during pendency of dispute.** A public utility must continue
361.6 or promptly restore service to a complainant during the pendency of an administrative or
361.7 judicial procedure pursued by a complainant under this section, provided that the
361.8 complainant:

361.9 (1) agrees to enter into a payment agreement under section 216B.098, subdivision 3;

361.10 (2) posts the full disputed payment in escrow;

361.11 (3) demonstrates receipt of public assistance or eligibility for legal aid services; or

361.12 (4) demonstrates the complainant's household income is at or below 50 percent of the
361.13 median income in Minnesota.

361.14 Subd. 6. **Rulemaking authority.** The commission may adopt rules to carry out the
361.15 purposes of this section.

361.16 **EFFECTIVE DATE.** This section is effective the day following final enactment and
361.17 applies to any complaint filed with the commission on or after that date.

361.18 Sec. 3. **[216B.631] COMPENSATION FOR PARTICIPANTS IN PROCEEDINGS.**

361.19 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
361.20 the meanings given.

361.21 (b) "Participant" means a person who files comments or appears in a commission
361.22 proceeding concerning one or more public utilities, excluding public hearings held in
361.23 contested cases and commission proceedings conducted to receive general public comments.

361.24 (c) "Party" means a person by or against whom a proceeding before the commission is
361.25 commenced or a person permitted to intervene in a proceeding, other than public hearings,
361.26 concerning one or more public utilities.

361.27 (d) "Proceeding" means a process or procedural means the commission engages in under
361.28 this chapter to attempt to resolve an issue affecting one or more public utilities and that
361.29 results in a commission order.

361.30 (e) "Public utility" has the meaning given in section 216B.02, subdivision 4.

362.1 Subd. 2. **Participants; eligibility.** Any of the following participants is eligible to receive
362.2 compensation under this section:

362.3 (1) a nonprofit organization that:

362.4 (i) is exempt from taxation under section 501(c)(3) of the Internal Revenue Code;

362.5 (ii) is incorporated or organized in Minnesota;

362.6 (iii) is governed under chapter 317A or section 322C.1101; and

362.7 (iv) the commission determines under subdivision 3, paragraph (c), would suffer financial
362.8 hardship if not compensated for the nonprofit organization's participation in the applicable
362.9 proceeding;

362.10 (2) a Tribal government of a federally recognized Indian Tribe that is located in
362.11 Minnesota; or

362.12 (3) a Minnesota resident, except that an individual who owns a for-profit business that
362.13 has earned revenue from a Minnesota utility in the past two years is not eligible for
362.14 compensation.

362.15 Subd. 3. **Compensation; conditions.** (a) The commission may order a public utility to
362.16 compensate all or part of a participant's reasonable costs incurred to participate in a
362.17 proceeding before the commission if the participant is eligible under subdivision 2 and the
362.18 commission finds:

362.19 (1) that the participant has materially assisted the commission's deliberation; and

362.20 (2) if the participant is a nonprofit organization, that the participant would suffer financial
362.21 hardship if the nonprofit organization's participation in the proceeding was not compensated.

362.22 (b) In determining whether a participant has materially assisted the commission's
362.23 deliberation, the commission must find that:

362.24 (1) the participant made a unique contribution to the record and represented an interest
362.25 that would not otherwise have been adequately represented;

362.26 (2) the evidence or arguments presented or the positions taken by the participant were
362.27 an important factor in producing a fair decision;

362.28 (3) the participant's position promoted a public purpose or policy;

362.29 (4) the evidence presented, arguments made, issues raised, or positions taken by the
362.30 participant would not otherwise have been part of the record;

362.31 (5) the participant was active in any stakeholder process included in the proceeding; and

363.1 (6) the proceeding resulted in a commission order that adopted, in whole or in part, a
363.2 position advocated by the participant.

363.3 (c) In determining whether a nonprofit participant has demonstrated that a lack of
363.4 compensation would present financial hardship, the commission must find that the nonprofit
363.5 participant:

363.6 (1) incorporated or organized within three years of the beginning of the applicable
363.7 proceeding;

363.8 (2) has payroll expenses less than \$750,000; or

363.9 (3) has secured less than \$100,000 in current year funding dedicated to participation in
363.10 commission proceedings, not including any participant compensation awarded under this
363.11 section.

363.12 (d) In reviewing a compensation request, the commission must consider whether the
363.13 costs presented in the participant's claim are reasonable. If the commission determines that
363.14 an eligible participant materially assisted the commission's deliberation, the commission
363.15 shall award all or part of the requested compensation, up to the maximum amounts provided
363.16 under subdivision 4.

363.17 Subd. 4. **Compensation; amount.** (a) Compensation must not exceed \$50,000 for a
363.18 single participant in any proceeding, except that:

363.19 (1) if a proceeding extends longer than 12 months, a participant may request and be
363.20 awarded compensation of up to \$50,000 for costs incurred in each calendar year; and

363.21 (2) in an integrated resource plan proceeding under section 216B.2422 or a proceeding
363.22 that has been referred to the Office of Administrative Hearings for a contested case
363.23 proceeding, a participant may request and be awarded up to \$75,000.

363.24 (b) No single participant may be awarded more than \$200,000 under this section in a
363.25 single calendar year.

363.26 (c) Compensation requests from joint participants must be presented as a single request.

363.27 (d) Notwithstanding paragraphs (a) and (b), the commission must not, in any calendar
363.28 year, require a single public utility to pay aggregate compensation under this section that
363.29 exceeds the following amounts:

363.30 (1) \$100,000, for a public utility with up to \$300,000,000 annual gross operating revenue
363.31 in Minnesota;

364.1 (2) \$275,000, for a public utility with at least \$300,000,000 but less than \$900,000,000
364.2 annual gross operating revenue in Minnesota;

364.3 (3) \$375,000, for a public utility with at least \$900,000,000 but less than \$2,000,000,000
364.4 annual gross operating revenue in Minnesota; and

364.5 (4) \$1,250,000, for a public utility with \$2,000,000,000 or more annual gross operating
364.6 revenue in Minnesota.

364.7 (e) When requests for compensation from any public utility approach the limits established
364.8 in paragraph (d), the commission may give priority to requests from participants that received
364.9 less than \$150,000 in total compensation during the previous two years and from participants
364.10 who represent residential ratepayers, particularly those residential ratepayers who the
364.11 participant can demonstrate have been underrepresented in past commission proceedings.

364.12 Subd. 5. **Compensation; process.** (a) A participant seeking compensation must file a
364.13 request and an affidavit of service with the commission, and serve a copy of the request on
364.14 each party to the proceeding. The request must be filed no more than 30 days after the later
364.15 of:

364.16 (1) the expiration of the period within which a petition for rehearing, amendment,
364.17 vacation, reconsideration, or reargument must be filed; or

364.18 (2) the date the commission issues an order following rehearing, amendment, vacation,
364.19 reconsideration, or reargument.

364.20 (b) A compensation request must include:

364.21 (1) the name and address of the participant or nonprofit organization the participant is
364.22 representing;

364.23 (2) evidence of the organization's nonprofit, tax-exempt status, if applicable;

364.24 (3) the name and docket number of the proceeding for which compensation is requested;

364.25 (4) for a nonprofit participant, evidence supporting the nonprofit organization's eligibility
364.26 for compensation under the financial hardship test under subdivision 3, paragraph (c);

364.27 (5) amounts of compensation awarded to the participant under this section during the
364.28 current year and any pending requests for compensation, itemized by docket;

364.29 (6) an itemization of the participant's costs, not including overhead costs;

364.30 (7) participant revenues dedicated for the proceeding;

364.31 (8) the total compensation request; and

365.1 (9) a narrative describing the unique contribution made to the proceeding by the
365.2 participant.

365.3 (c) A participant must comply with reasonable requests for information by the commission
365.4 and other parties or participants. A participant must reply to information requests within
365.5 ten calendar days of the date the request is received, unless doing so would place an extreme
365.6 hardship upon the replying participant. The replying participant must provide a copy of the
365.7 information to any other participant or interested person upon request. Disputes regarding
365.8 information requests may be resolved by the commission.

365.9 (d) A party or participant objecting to a request for compensation must, within 30 days
365.10 after service of the request for compensation, file a response and an affidavit of service with
365.11 the commission. A copy of the response must be served on the requesting participant and
365.12 all other parties to the proceeding.

365.13 (e) The requesting participant may file a reply with the commission within 15 days after
365.14 a response is filed under paragraph (d). A copy of the reply and an affidavit of service must
365.15 be served on all other parties to the proceeding.

365.16 (f) If additional costs are incurred by a participant as a result of additional proceedings
365.17 following the commission's initial order, the participant may file an amended request within
365.18 30 days after the commission issues an amended order. Paragraphs (b) to (e) apply to an
365.19 amended request.

365.20 (g) The commission must issue a decision on participant compensation within 120 days
365.21 of the date a request for compensation is filed by a participant.

365.22 (h) The commission may extend the deadlines in paragraphs (d), (e), and (g) for up to
365.23 30 days upon the request of a participant or on the commission's own initiative.

365.24 (i) A participant may request reconsideration of the commission's compensation decision
365.25 within 30 days of the decision date.

365.26 Subd. 6. **Compensation; orders.** (a) If the commission issues an order requiring payment
365.27 of participant compensation, the public utility that was the subject of the proceeding must
365.28 pay the full compensation to the participant and file proof of payment with the commission
365.29 within 30 days after the later of:

365.30 (1) the expiration of the period within which a petition for reconsideration of the
365.31 commission's compensation decision must be filed; or

365.32 (2) the date the commission issues an order following reconsideration of the commission's
365.33 order on participant compensation.

366.1 (b) If the commission issues an order requiring payment of participant compensation in
366.2 a proceeding involving multiple public utilities, the commission must apportion costs among
366.3 the public utilities in proportion to each public utility's annual revenue.

366.4 (c) The commission may issue orders necessary to allow a public utility to recover the
366.5 costs of participant compensation on a timely basis.

366.6 Subd. 7. **Report.** By July 1, 2026, the commission must report to the chairs and ranking
366.7 minority members of the senate and house of representatives committees with primary
366.8 jurisdiction over energy policy on the operation of this section. The report must include but
366.9 is not limited to:

366.10 (1) the amount of compensation paid each year by each utility;

366.11 (2) each recipient of compensation, the commission dockets in which compensation was
366.12 awarded, and the compensation amounts; and

366.13 (3) the impact of the participation of compensated participants.

366.14 **EFFECTIVE DATE.** This section is effective the day following final enactment and
366.15 applies to any proceeding in which the commission has not issued a final order as of that
366.16 date.

366.17 Sec. 4. **REPEALER.**

366.18 Minnesota Statutes 2022, section 216B.16, subdivision 10, is repealed.

366.19 **ARTICLE 14**

366.20 **CLIMATE**

366.21 Section 1. **[16B.312] CONSTRUCTION MATERIALS; ENVIRONMENTAL**
366.22 **ANALYSIS.**

366.23 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
366.24 the meanings given.

366.25 (b) "Carbon steel" means steel in which the main alloying element is carbon and whose
366.26 properties are chiefly dependent on the percentage of carbon present.

366.27 (c) "Commissioner" means the commissioner of administration.

366.28 (d) "Electric arc furnace" means a furnace that produces molten alloy metal and heats
366.29 the charge materials with electric arcs from carbon electrodes.

366.30 (e) "Eligible material" means:

- 367.1 (1) carbon steel rebar;
- 367.2 (2) structural steel;
- 367.3 (3) concrete; or
- 367.4 (4) asphalt paving mixtures.
- 367.5 (f) "Eligible project" means:
- 367.6 (1) new construction of a state building larger than 50,000 gross square feet of occupied
- 367.7 or conditioned space;
- 367.8 (2) renovation of more than 50,000 gross square feet of occupied or conditioned space
- 367.9 in a state building whose renovation cost exceeds 50 percent of the building's assessed value;
- 367.10 or
- 367.11 (3) new construction or reconstruction of two or more lane-miles of a trunk highway.
- 367.12 (g) "Environmental product declaration" means a supply chain specific type III
- 367.13 environmental product declaration that:
- 367.14 (1) contains a material production life cycle assessment of the environmental impacts
- 367.15 of manufacturing a specific product by a specific firm, including the impacts of extracting
- 367.16 and producing the raw materials and components that compose the product;
- 367.17 (2) is verified by a third party; and
- 367.18 (3) meets the ISO 14025 standard developed and maintained by the International
- 367.19 Organization for Standardization (ISO).
- 367.20 (h) "Global warming potential" has the meaning given in section 216H.10, subdivision
- 367.21 6.
- 367.22 (i) "Greenhouse gas" has the meaning given to "statewide greenhouse gas emissions"
- 367.23 in section 216H.01, subdivision 2.
- 367.24 (j) "Integrated steel production" means the production of iron and subsequently steel
- 367.25 primarily from iron ore or iron ore pellets.
- 367.26 (k) "Material production life cycle" means an analysis that includes the environmental
- 367.27 impacts of all stages of a specific product's production, from mining and processing the
- 367.28 product's raw materials to the process of manufacturing the product.
- 367.29 (l) "Rebar" means a steel reinforcing bar or rod encased in concrete.

368.1 (m) "Secondary steel production" means the production of steel from primarily ferrous
368.2 scrap and other metallic inputs that are melted and refined in an electric arc furnace.

368.3 (n) "State building" means a building owned by the state of Minnesota or a Minnesota
368.4 state agency.

368.5 (o) "Structural steel" means steel that is used in structural applications in accordance
368.6 with industry standard definitions.

368.7 (p) "Supply chain specific" means an environmental product declaration that includes
368.8 specific data for the production processes of the materials and components composing a
368.9 product that contribute at least 80 percent of the product's material production life cycle
368.10 global warming potential, as defined in ISO standard 21930.

368.11 Subd. 2. **Standard; maximum global warming potential.** (a) The commissioner shall,
368.12 after reviewing the recommendations from the Environmental Standards Procurement Task
368.13 Force made under subdivision 5, paragraph (c), establish and publish a maximum acceptable
368.14 global warming potential for each eligible material used in an eligible project, in accordance
368.15 with the following schedule:

368.16 (1) for concrete used in buildings, no later than January 15, 2026; and

368.17 (2) for carbon steel rebar and structural steel and, after conferring with the commissioner
368.18 of transportation, for asphalt paving mixtures and concrete pavement, no later than January
368.19 15, 2028.

368.20 (b) The commissioner shall, after considering nationally or internationally recognized
368.21 databases of environmental product declarations for an eligible material, establish the
368.22 maximum acceptable global warming potential for the eligible material.

368.23 (c) The commissioner may set different maximum global warming potentials for different
368.24 specific products and subproduct categories that are examples of the same eligible material
368.25 based on distinctions between eligible material production and manufacturing processes,
368.26 such as integrated versus secondary steel production.

368.27 (d) The commissioner must establish maximum global warming potentials that are
368.28 consistent with criteria in an environmental product declaration.

368.29 (e) Not later than three years after establishing the maximum global warming potential
368.30 for an eligible material under paragraph (a) and not longer than every three years thereafter
368.31 the commissioner, after conferring with the commissioner of transportation with respect to
368.32 asphalt paving mixtures and concrete pavement, shall review the maximum acceptable
368.33 global warming potential for each eligible material and for specific eligible material products.

369.1 The commissioner may adjust any of the values downward to reflect industry improvements
369.2 if, based on the process described in paragraph (b), the commissioner determines the industry
369.3 average has declined.

369.4 Subd. 3. **Procurement process.** The Department of Administration and the Department
369.5 of Transportation shall, after reviewing the recommendations of the Environmental Standards
369.6 Procurement Task Force made under subdivision 5, paragraph (c), establish processes for
369.7 incorporating the maximum allowable global warming potential of eligible materials into
369.8 bidding processes by the effective dates listed in subdivision 2.

369.9 Subd. 4. **Pilot program.** (a) No later than July 1, 2024, the Department of Administration
369.10 must establish a pilot program that seeks to obtain from vendors an estimate of the material
369.11 production life cycle greenhouse gas emissions of products selected by the departments
369.12 from among those procured. The pilot program must encourage, but may not require, a
369.13 vendor to submit the following data for each selected product that represents at least 90
369.14 percent of the total cost of the materials or components composing the selected product:

369.15 (1) the quantity of the product purchased by the department;

369.16 (2) a current environmental product declaration for the product;

369.17 (3) the name and location of the product's manufacturer;

369.18 (4) a copy of the vendor's Supplier Code of Conduct, if any;

369.19 (5) the names and locations of the product's actual production facilities; and

369.20 (6) an assessment of employee working conditions at the product's production facilities.

369.21 (b) The Department of Administration must construct or provide access to a publicly
369.22 accessible database, which shall be posted on the department's website and contain the data
369.23 reported to the department under this subdivision.

369.24 Subd. 5. **Environmental Standards Procurement Task Force.** (a) No later than October
369.25 1, 2023, the commissioners of administration and transportation must establish an
369.26 Environmental Standards Procurement Task Force to examine issues surrounding the
369.27 implementation of a program requiring vendors of certain construction materials purchased
369.28 by the state to:

369.29 (1) submit environmental product declarations that assess the material production life
369.30 cycle environmental impacts of the materials to state officials as part of the procurement
369.31 process; and

370.1 (2) meet standards established by the commissioner of administration that limit
370.2 greenhouse gas emissions impacts of the materials.

370.3 (b) The task force must examine, at a minimum, the following:

370.4 (1) which construction materials should be subject to the program requirements and
370.5 which construction materials should be considered to be added, including lumber, mass
370.6 timber, aluminum, glass, and insulation;

370.7 (2) what factors should be considered in establishing greenhouse gas emissions standards,
370.8 including distinctions between eligible material production and manufacturing processes,
370.9 such as integrated versus secondary steel production;

370.10 (3) a schedule for the development of standards for specific materials and for
370.11 incorporating the standards into the purchasing process, including distinctions between
370.12 eligible material production and manufacturing processes;

370.13 (4) the development and use of financial incentives to reward vendors for developing
370.14 products whose greenhouse gas emissions are below the standards;

370.15 (5) the provision of grants to defer a vendor's cost to obtain environmental product
370.16 declarations;

370.17 (6) how to ensure that lowering environmental product declaration values does not
370.18 negatively impact the durability or longevity of construction materials or built structures;

370.19 (7) how to create and manage a database for environmental product declaration data that
370.20 is consistent with data governance procedures of the state and is compatible for data sharing
370.21 with other states and federal agencies;

370.22 (8) how to account for differences among geographical regions with respect to the
370.23 availability of covered materials, fuel, and other necessary resources, and the quantity of
370.24 covered materials that the department uses or plans to use;

370.25 (9) coordinating with the federal Buy Clean Task Force established under Executive
370.26 Order 14057 and representatives of the United States Departments of Commerce, Energy,
370.27 Housing and Urban Development, and Transportation; Environmental Protection Agency;
370.28 General Services Administration; White House Office of Management and Budget; and the
370.29 White House Domestic Climate Policy Council;

370.30 (10) how the issues in clauses (1) to (9) are addressed by existing programs in other
370.31 states and countries; and

370.32 (11) any other issues the task force deems relevant.

- 371.1 (c) The task force shall make recommendations to the commissioners of administration
371.2 and transportation regarding:
- 371.3 (1) how to implement requirements that maximum global warming impacts for eligible
371.4 materials be integrated into the bidding process for eligible projects;
- 371.5 (2) incentive structures that can be included in bidding processes to encourage the use
371.6 of materials whose global warming potential is below the maximum established under
371.7 subdivision 2;
- 371.8 (3) how a successful bidder for a contract notifies the commissioner of the specific
371.9 environmental product declaration for a material used on a project;
- 371.10 (4) a process for waiving the requirements to procure materials below the maximum
371.11 global warming potential resulting from product supply problems, geographic
371.12 impracticability, or financial hardship;
- 371.13 (5) a system for awarding grants to manufacturers of eligible materials located in
371.14 Minnesota to offset the cost of obtaining environmental product declarations or otherwise
371.15 collect environmental product declaration data from manufacturers based in Minnesota;
- 371.16 (6) whether to use an industry average or a different method to set the maximum allowable
371.17 global warming potential, or whether that average could be used for some materials but not
371.18 others; and
- 371.19 (7) any other items the task force deems necessary in order to implement this section.
- 371.20 (d) Members of the task force must include but are not limited to representatives of:
- 371.21 (1) the Departments of Administration and Transportation;
- 371.22 (2) the Center for Sustainable Building Research at the University of Minnesota;
- 371.23 (3) the Aggregate and Ready Mix Association of Minnesota;
- 371.24 (4) the Concrete Paving Association of Minnesota;
- 371.25 (5) the Minnesota Asphalt Pavement Association;
- 371.26 (6) the Minnesota Board of Engineering;
- 371.27 (7) the Minnesota iron mining industry;
- 371.28 (8) building and transportation construction firms;
- 371.29 (9) the American Institute of Steel Construction;
- 371.30 (10) suppliers of eligible materials;

372.1 (11) organized labor in the construction trades;

372.2 (12) organized labor in the manufacturing or industrial sectors;

372.3 (13) environmental advocacy organizations; and

372.4 (14) environmental justice organizations.

372.5 (e) The Department of Administration must provide meeting space and serve as staff to
372.6 the task force.

372.7 (f) The commissioner of administration or the commissioner's designee shall serve as
372.8 chair of the task force. The task force must meet at least four times annually and may convene
372.9 additional meetings at the call of the chair.

372.10 (g) The commissioner of administration shall summarize the findings and
372.11 recommendations of the task force in a report submitted to the chairs and ranking minority
372.12 members of the senate and house of representatives committees with primary jurisdiction
372.13 over state government, transportation, and energy no later than December 1, 2025, and
372.14 annually thereafter for as long as the task force continues its operations.

372.15 (h) The task force is subject to section 15.059, subdivision 6.

372.16 (i) Meetings of the task force are subject to chapter 13D.

372.17 (j) The task force expires on January 1, 2029.

372.18 **Subd. 6. Environmental product declarations; grant program.** A grant program is
372.19 established in the Department of Administration to award grants to assist manufacturers to
372.20 obtain environmental product declarations. The commissioner of administration shall develop
372.21 procedures for processing grant applications and making grant awards. Grant applicants
372.22 must submit an application to the commissioner on a form prescribed by the commissioner.
372.23 The commissioner shall act as fiscal agent for the grant program and is responsible for
372.24 receiving and reviewing grant applications and awarding grants under this subdivision.

372.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

372.26 **Sec. 2. [216C.441] MINNESOTA CLIMATE INNOVATION FINANCE**

372.27 **AUTHORITY.**

372.28 **Subdivision 1. Establishment; purpose.** (a) There is created a public body corporate
372.29 and politic to be known as the "Minnesota Climate Innovation Finance Authority," whose
372.30 purpose is to accelerate the deployment of clean energy projects, greenhouse gas emissions
372.31 reduction projects, and other qualified projects through the strategic deployment of public

373.1 funds in the form of grants, loans, credit enhancements, and other financing mechanisms
373.2 in order to leverage existing public and private sources of capital to reduce the upfront and
373.3 total cost of qualified projects and to overcome financial barriers to project adoption,
373.4 especially in low-income communities.

373.5 (b) The goals of the authority include but are not limited to:

373.6 (1) reducing Minnesota's contributions to climate change by accelerating the deployment
373.7 of clean energy projects;

373.8 (2) ensuring that all Minnesotans share the benefits of clean and renewable energy and
373.9 the opportunity to fully participate in the clean energy economy by promoting:

373.10 (i) the creation of clean energy jobs for Minnesota workers, particularly in environmental
373.11 justice communities and communities in which fossil fuel electric generating plants are
373.12 retiring; and

373.13 (ii) the principles of environmental justice in the authority's operations and funding
373.14 decisions; and

373.15 (3) maintaining energy reliability while reducing the economic burden of energy costs,
373.16 especially on low-income households.

373.17 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
373.18 meanings given.

373.19 (b) "Authority" means the Minnesota Climate Innovation Finance Authority.

373.20 (c) "Board" means the Minnesota Climate Innovation Finance Authority's board of
373.21 directors established in subdivision 10.

373.22 (d) "Clean energy project" has the meaning given to "qualified project" in paragraph
373.23 (n), clauses (1) to (7).

373.24 (e) "Community navigator" means an organization that works to facilitate access to clean
373.25 energy project financing by community groups.

373.26 (f) "Credit enhancement" means a pool of capital set aside to cover potential losses on
373.27 loans and other investments made by financing entities. Credit enhancement includes but
373.28 is not limited to loan loss reserves and loan guarantees.

373.29 (g) "Energy storage system" has the meaning given in section 216B.2422, subdivision
373.30 1, paragraph (f).

373.31 (h) "Environmental justice" means that:

374.1 (1) communities of color, Indigenous communities, and low-income communities have
374.2 a healthy environment and are treated fairly when environmental statutes, rules, and policies
374.3 are developed, adopted, implemented, and enforced; and

374.4 (2) in all decisions that have the potential to affect the environment of an environmental
374.5 justice community or the public health of an environmental justice community's residents,
374.6 due consideration is given to the history of the area's and the area's residents' cumulative
374.7 exposure to pollutants and to any current socioeconomic conditions that increase the physical
374.8 sensitivity of the area's residents to additional exposure to pollutants.

374.9 (i) "Environmental justice community" means a community in Minnesota that, based
374.10 on the most recent data published by the United States Census Bureau, meets one or more
374.11 of the following criteria:

374.12 (1) 40 percent or more of the community's total population is nonwhite;

374.13 (2) 35 percent or more of households in the community have an income that is at or
374.14 below 200 percent of the federal poverty level;

374.15 (3) 40 percent or more of the community's residents over the age of five have limited
374.16 English proficiency; or

374.17 (4) the community is located within Indian country, as defined in United States Code,
374.18 title 18, section 1151.

374.19 (j) "Greenhouse gas emissions" means emissions of carbon dioxide, methane, nitrous
374.20 oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride emitted by
374.21 anthropogenic sources.

374.22 (k) "Loan loss reserve" means a pool of capital set aside to reimburse a private lender
374.23 if a customer defaults on a loan, up to an agreed-upon percentage of loans originated by the
374.24 private lender.

374.25 (l) "Microgrid system" means an electrical grid that:

374.26 (1) serves a discrete geographical area from distributed energy resources; and

374.27 (2) can operate independently from the central electric grid on a temporary basis.

374.28 (m) "Project labor agreement" means a prehire collective bargaining agreement with a
374.29 council of building and construction trades labor organizations (1) prohibiting strikes,
374.30 lockouts, and similar disruptions, and (2) providing for a binding procedure to resolve labor
374.31 disputes on the project.

375.1 (n) "Qualified project" means a project, technology, product, service, or measure
375.2 promoting energy efficiency, clean energy, electrification, or water conservation and quality
375.3 that:

375.4 (1) substantially reduces greenhouse gas emissions;

375.5 (2) reduces energy use without diminishing the level of service;

375.6 (3) increases the deployment of renewable energy projects, energy storage systems,
375.7 district heating, smart grid technologies, or microgrid systems;

375.8 (4) replaces existing fossil-fuel-based technology with an end-use electric technology;

375.9 (5) supports the development and deployment of electric vehicle charging stations and
375.10 associated infrastructure, electric buses, and electric fleet vehicles;

375.11 (6) reduces water use or protects, restores, or preserves the quality of surface waters; or

375.12 (7) incentivizes customers to shift demand in response to changes in the price of electricity
375.13 or when system reliability is not jeopardized.

375.14 (o) "Renewable energy" has the meaning given in section 216B.1691, subdivision 1,
375.15 paragraph (c), clauses (1), (2), and (4), and includes fuel cells generated from renewable
375.16 energy.

375.17 (p) "Securitization" means the conversion of an asset composed of individual loans into
375.18 marketable securities.

375.19 (q) "Smart grid" means a digital technology that:

375.20 (1) allows for two-way communication between a utility and the utility's customers; and

375.21 (2) enables the utility to control power flow and load in real time.

375.22 Subd. 3. **General powers.** (a) For the purpose of exercising the specific powers granted
375.23 in this section, the authority has the general powers granted in this subdivision.

375.24 (b) The authority may:

375.25 (1) hire an executive director and staff to conduct the authority's operations;

375.26 (2) sue and be sued;

375.27 (3) have a seal and alter the seal;

375.28 (4) acquire, hold, lease, manage, and dispose of real or personal property for the
375.29 authority's corporate purposes;

376.1 (5) enter into agreements, including cooperative financing agreements, contracts, or
376.2 other transactions, with any federal or state agency, county, local unit of government,
376.3 regional development commission, person, domestic or foreign partnership, corporation,
376.4 association, or organization;

376.5 (6) acquire by purchase real property, or an interest therein, in the authority's own name
376.6 where acquisition is necessary or appropriate;

376.7 (7) provide general technical and consultative services related to the authority's purpose;

376.8 (8) promote research and development in matters related to the authority's purpose;

376.9 (9) analyze greenhouse gas emissions reduction project financing needs in the state and
376.10 recommend measures to alleviate any shortage of financing capacity;

376.11 (10) contract with any governmental or private agency or organization, legal counsel,
376.12 financial advisor, investment banker, or others to assist in the exercise of the authority's
376.13 powers;

376.14 (11) enter into agreements with qualified lenders or others insuring or guaranteeing to
376.15 the state the payment of qualified loans or other financing instruments; and

376.16 (12) accept on behalf of the state any gift, grant, or interest in money or personal property
376.17 tendered to the state for any purpose pertaining to the authority's activities.

376.18 Subd. 4. **Authority duties.** (a) The authority must:

376.19 (1) serve as a financial resource to reduce the upfront and total costs of implementing
376.20 qualified projects;

376.21 (2) ensure that all financed projects reduce greenhouse gas emissions;

376.22 (3) ensure that financing terms and conditions offered are well-suited to qualified projects;

376.23 (4) strategically prioritize the use of the authority's funds to leverage private investment
376.24 in qualified projects, with the aim of achieving a high ratio of private to public money
376.25 invested through funding mechanisms that support, enhance, and complement private lending
376.26 and investment;

376.27 (5) coordinate with existing federal, state, local, utility, and other programs to ensure
376.28 that the authority's resources are being used most effectively to add to and complement
376.29 those programs;

376.30 (6) stimulate demand for qualified projects by:

- 377.1 (i) contracting with the department's Energy Information Center and community
377.2 navigators to provide information to project participants about federal, state, local, utility,
377.3 and other authority financial assistance for qualifying projects, and technical information
377.4 on energy conservation and renewable energy measures;
- 377.5 (ii) forming partnerships with contractors and informing contractors about the authority's
377.6 financing programs;
- 377.7 (iii) developing innovative marketing strategies to stimulate project owner interest,
377.8 especially in underserved communities; and
- 377.9 (iv) incentivizing financing entities to increase activity in underserved markets;
- 377.10 (7) finance projects in all regions of the state;
- 377.11 (8) develop participant eligibility standards and other terms and conditions for financial
377.12 support provided by the authority;
- 377.13 (9) develop and administer:
- 377.14 (i) policies to collect reasonable fees for authority services; and
- 377.15 (ii) risk management activities to support ongoing authority activities;
- 377.16 (10) develop consumer protection standards governing the authority's investments to
377.17 ensure that financial support is provided responsibly and transparently, and is in the financial
377.18 interest of participating project owners;
- 377.19 (11) develop methods to accurately measure the impact of the authority's activities,
377.20 particularly on low-income communities and on greenhouse gas emissions reductions;
- 377.21 (12) hire an executive director and sufficient staff with the appropriate skills and
377.22 qualifications to carry out the authority's programs, making an affirmative effort to recruit
377.23 and hire a director and staff who are from, or share the interests of, the communities the
377.24 authority must serve;
- 377.25 (13) apply for, either as a direct or subgrantee applicant, and accept Greenhouse Gas
377.26 Reduction Fund grants authorized by the federal Clean Air Act, United States Code, title
377.27 42, section 7434, paragraph (a), clauses (2) and (3). If the application deadlines for these
377.28 grants are earlier than is practical for the authority to meet, the commissioner shall apply
377.29 on behalf of the authority. In all cases, applications for these funds by or on behalf of the
377.30 authority must be coordinated with all known Minnesota applicants; and
- 377.31 (14) ensure that authority contracts with all third-party administrators, contractors, and
377.32 subcontractors contain required covenants, representations, and warranties specifying that

378.1 contracted third parties are agents of the authority, and that all acts of contracted third parties
378.2 are considered acts of the authority, provided that the act is within the contracted scope of
378.3 work.

378.4 (b) The authority may:

378.5 (1) employ credit enhancement mechanisms that reduce financial risk for financing
378.6 entities by providing assurance that a limited portion of a loan or other financial instrument
378.7 is assumed by the authority via a loan loss reserve, loan guarantee, or other mechanism;

378.8 (2) co-invest in a qualified project by providing senior or subordinated debt, equity, or
378.9 other mechanisms in conjunction with other investment, co-lending, or financing;

378.10 (3) aggregate small and geographically dispersed qualified projects in order to diversify
378.11 risk or secure additional private investment through securitization or similar resale of the
378.12 authority's interest in a completed qualified project;

378.13 (4) expend up to 25 percent of money appropriated to the authority for start-up purposes,
378.14 which may be used for financing programs and project investments authorized under this
378.15 section prior to adoption of the strategic plan required under subdivision 7 and the investment
378.16 strategy under subdivision 8; and

378.17 (5) require a specific project to agree to implement a project labor agreement as a
378.18 condition of receiving financing from the authority.

378.19 Subd. 5. **Underserved market analysis.** (a) Before developing a financing program,
378.20 the authority must conduct an analysis of the financial market the authority is considering
378.21 entering in order to determine the extent to which the market is underserved and to ensure
378.22 that the authority's activities supplement, and do not duplicate or supplant, the efforts of
378.23 financing entities currently serving the market. The analysis must address the nature and
378.24 extent of any barriers or gaps that may be preventing financing entities from adequately
378.25 serving the market, and must examine present and projected future efforts of existing
378.26 financing entities, federal, state, and local governments, and of utilities and others to serve
378.27 the market.

378.28 (b) In determining whether the authority should enter a market, the authority must
378.29 consider:

378.30 (1) whether serving the market advances the authority's policy goals;

378.31 (2) the extent to which the market is currently underserved;

379.1 (3) the unique tools the authority would deploy to overcome existing market barriers or
379.2 gaps;

379.3 (4) how the authority would market the program to potential participants; and

379.4 (5) potential financing partners and the role financing partners would play in
379.5 complementing the authority's activities.

379.6 (c) Before providing any direct loans to residential borrowers, the authority must issue
379.7 a request for information to existing known financing entities, specifying the market need
379.8 and the authority's goals in meeting the underserved market segment, and soliciting each
379.9 financing entity's:

379.10 (1) current financing offerings for that specific market;

379.11 (2) prior efforts to meet that specific market; and

379.12 (3) plans and capabilities to serve that specific market.

379.13 (d) The authority may only provide direct loans to residential borrowers if the authority
379.14 certifies that no financing entity is currently able to meet the specific underserved market
379.15 need and the authority's goals, and that the authority's entry into the market does not supplant
379.16 or duplicate any existing financing activities in that specific market.

379.17 **Subd. 6. Authority lending practices; labor and consumer protection standards. (a)**
379.18 **In determining the projects in which the authority will participate, the authority must give**
379.19 **preference to projects that:**

379.20 (1) maximize the creation of high-quality employment and apprenticeship opportunities
379.21 for local workers, consistent with the public interest, especially workers from environmental
379.22 justice communities, labor organizations, and Minnesota communities hosting retired or
379.23 retiring electric generation facilities, including workers previously employed at retiring
379.24 facilities;

379.25 (2) utilize energy technologies produced domestically that received an advanced
379.26 manufacturing tax credit under section 45X of the Internal Revenue Code, as allowed under
379.27 the federal Inflation Reduction Act of 2022, Public Law 117-169;

379.28 (3) certify, for all contractors and subcontractors, that the rights of workers to organize
379.29 and unionize are recognized; and

379.30 (4) agree to implement a project labor agreement.

379.31 (b) The authority must require, for all projects for which the authority provides financing,
379.32 that:

- 380.1 (1) if the budget is \$100,000 or more, all contractors and subcontractors:
- 380.2 (i) must pay no less than the prevailing wage rate, as defined in section 177.42,
- 380.3 subdivision 6; and
- 380.4 (ii) are subject to the requirements and enforcement provisions under sections 177.27,
- 380.5 177.30, 177.32, 177.41 to 177.43, and 177.45, including the posting of prevailing wage
- 380.6 rates, prevailing hours of labor, and hourly basic rates of pay for all trades on the project in
- 380.7 at least one conspicuous location at the project site;
- 380.8 (2) financing is not offered without first ensuring that the participants meet the authority's
- 380.9 underwriting criteria; and
- 380.10 (3) any loan made to a homeowner for a project on the homeowner's residence complies
- 380.11 with section 47.59 and the following federal laws:
- 380.12 (i) the Truth in Lending Act, United States Code, title 15, section 1601 et seq.;
- 380.13 (ii) the Fair Credit Reporting Act, United States Code, title 15, section 1681;
- 380.14 (iii) the Equal Credit Opportunity Act, United States Code, title 15, section 1691 et seq.;
- 380.15 and
- 380.16 (iv) the Fair Debt Collection Practices Act, United States Code, title 15, section 1692.
- 380.17 (c) The authority and any third-party administrator, contractor, subcontractor, or agent
- 380.18 that conducts lending, financing, investment, marketing, administration, servicing, or
- 380.19 installation of measures in connection with a qualified project financed in whole or in part
- 380.20 with authority funds is subject to sections 325D.43 to 325D.48; 325F.67 to 325F.71; 325G.06
- 380.21 to 325G.14; 325G.29 to 325G.37; and 332.37.
- 380.22 (d) For the purposes of this section, "local workers" means Minnesota residents who
- 380.23 permanently reside within 150 miles of the location of a proposed project in which the
- 380.24 authority is considering to participate.
- 380.25 Subd. 7. **Strategic plan.** (a) By December 15, 2024, and each December 15 in
- 380.26 even-numbered years thereafter, the authority must develop and adopt a strategic plan that
- 380.27 prioritizes the authority's activities over the next two years. A strategic plan must:
- 380.28 (1) identify targeted underserved markets for qualified projects in Minnesota;
- 380.29 (2) develop specific programs to overcome market impediments through access to
- 380.30 authority financing and technical assistance; and

381.1 (3) develop outreach and marketing strategies designed to make potential project
381.2 developers, participants, and communities aware of financing and technical assistance
381.3 available from the authority, including the deployment of community navigators.

381.4 (b) Elements of the strategic plan must be informed by the authority's analysis of the
381.5 market for qualified projects and by the authority's experience under the previous strategic
381.6 plan, including the degree to which performance targets were or were not achieved by each
381.7 financing program. In addition, the authority must actively seek input regarding activities
381.8 that should be included in the strategic plan from stakeholders, environmental justice
381.9 communities, the general public, and participants, including via meetings required under
381.10 subdivision 9.

381.11 (c) The authority must establish annual targets in a strategic plan for each financing
381.12 program regarding the number of projects, level of authority investments, greenhouse gas
381.13 emissions reductions, and installed generating capacity or energy savings the authority
381.14 hopes to achieve, including separate targets for authority activities undertaken in
381.15 environmental justice communities.

381.16 (d) The authority's targets and strategies must be designed to ensure that no less than 40
381.17 percent of the direct benefits of authority activities flow to environmental justice communities
381.18 as defined under subdivision 2, by the United States Department of Energy, or as modified
381.19 by the department.

381.20 Subd. 8. **Investment strategy; content; process.** (a) No later than December 15, 2024,
381.21 and every four years thereafter, the authority must adopt a long-term investment strategy
381.22 to ensure the authority's paramount goal to reduce greenhouse gas emissions is reflected in
381.23 all of the authority's operations. The investment strategy must address:

381.24 (1) the types of qualified projects the authority should focus on;

381.25 (2) gaps in current qualified project financing that present the greatest opportunities for
381.26 successful action by the authority;

381.27 (3) how the authority can best position itself to maximize the authority's impact without
381.28 displacing, subsidizing, or assuming risk that should be shared with financing entities;

381.29 (4) financing tools that will be most effective in achieving the authority's goals;

381.30 (5) partnerships the authority should establish with other organizations to increase the
381.31 likelihood of success; and

381.32 (6) how values of equity, environmental justice, and geographic balance can be integrated
381.33 into all investment operations of the authority.

382.1 (b) In developing an investment strategy, the authority must consult, at a minimum, with
382.2 similar organizations in other states, lending authorities, state agencies, utilities,
382.3 environmental and energy policy nonprofits, labor organizations, and other organizations
382.4 that can provide valuable advice on the authority's activities.

382.5 (c) The long-term investment strategy must contain provisions ensuring that:

382.6 (1) authority investments are not made solely to reduce private risk; and

382.7 (2) private financing entities do not unilaterally control the terms of investments to which
382.8 the authority is a party.

382.9 (d) The board must submit a draft long-term investment strategy for comment to each
382.10 of the groups and individuals the board consults under paragraph (b) and to the chairs and
382.11 ranking minority members of the senate and house of representatives committees with
382.12 primary jurisdiction over energy finance and policy, and must post the draft strategy on the
382.13 authority's website. The authority must accept written comments on the draft strategy for
382.14 at least 30 days and must consider the comments in preparing the final long-term investment
382.15 strategy.

382.16 Subd. 9. **Public communications and outreach.** The authority must:

382.17 (1) maintain a public website that provides information about the authority's operations,
382.18 current financing programs, and practices, including rates, terms, and conditions; the number
382.19 and amount of investments by project type; the number of jobs created; the financing
382.20 application process; and other information;

382.21 (2) periodically issue an electronic newsletter to stakeholders and the public containing
382.22 information on the authority's products, programs, and services and key authority events
382.23 and decisions; and

382.24 (3) hold quarterly meetings accessible online to update the general public on the
382.25 authority's activities, report progress being made in regard to the authority's strategic plan
382.26 and long-term investment strategy, and invite audience questions regarding authority
382.27 programs.

382.28 Subd. 10. **Board of directors.** (a) The Minnesota Climate Innovation Finance Authority
382.29 board of directors shall consist of the following 13 members:

382.30 (1) the commissioner of commerce, or the commissioner's designee;

382.31 (2) the commissioner of labor and industry, or the commissioner's designee;

- 383.1 (3) the commissioner of the Minnesota Pollution Control Agency, or the commissioner's
383.2 designee;
- 383.3 (4) the commissioner of employment and economic development, or the commissioner's
383.4 designee;
- 383.5 (5) the commissioner of the Minnesota Housing Finance Agency, or the commissioner's
383.6 designee;
- 383.7 (6) the chair of the Minnesota Indian Affairs Council, or the chair's designee; and
- 383.8 (7) seven additional members appointed by the governor, as follows:
- 383.9 (i) one member representing either a municipal electric utility or a cooperative electric
383.10 association;
- 383.11 (ii) one member, appointed after the governor consults with labor organizations in the
383.12 state, must be a representative of a labor union with experience working on clean energy
383.13 projects;
- 383.14 (iii) one member with expertise in the impact of climate change on Minnesota
383.15 communities, particularly low-income communities;
- 383.16 (iv) one member with expertise in financing projects at a community bank, credit union,
383.17 community development institution, or local government;
- 383.18 (v) one member with expertise in sustainable development and energy conservation;
- 383.19 (vi) one member with expertise in environmental justice; and
- 383.20 (vii) one member with expertise in investment fund management or financing and
383.21 deploying clean energy technologies.
- 383.22 (b) At least two members appointed to the board must permanently reside outside the
383.23 metropolitan area, as defined in section 473.121, subdivision 2. The board must collectively
383.24 reflect the geographic and ethnic diversity of the state.
- 383.25 (c) Board members appointed under paragraph (a), clause (6), shall serve a term of four
383.26 years, except that the initial appointments made under clause (6), items (i) to (iii), shall be
383.27 for two-year terms, and the initial appointments made under clause (6), items (iv) to (vi),
383.28 shall be for three-year terms.
- 383.29 (d) Members appointed to the board must:
- 383.30 (1) provide evidence of a commitment to the authority's purposes and goals; and

384.1 (2) not hold any personal or professional conflicts of interest related to the authority's
384.2 activities, including with respect to the member's financial investments and employment or
384.3 the financial investments and employment of the member's immediate family members.

384.4 (e) The governor must make the appointments required under this section no later than
384.5 October 1, 2023.

384.6 (f) The initial meeting of the board of directors must be held no later than November
384.7 17, 2023. At the initial meeting, the board shall elect a chair and vice-chair by majority vote
384.8 of the members present.

384.9 (g) The authority shall contract with the department to provide administrative and
384.10 technical services to the board and to prospective borrowers, especially those serving or
384.11 located in environmental justice communities.

384.12 (h) Compensation of board members, removal of members, and filling of vacancies are
384.13 governed by section 15.0575.

384.14 (i) Board members may be reappointed for up to two full terms.

384.15 (j) A majority of board members, excluding vacancies, constitutes a quorum for the
384.16 purpose of conducting business and exercising powers, and for all other purposes. Action
384.17 may be taken by the authority upon a vote of a majority of the quorum present.

384.18 (k) Board members and officers are not personally liable, either jointly or severally, for
384.19 any debt or obligation created or incurred by the authority.

384.20 Subd. 11. **Account established.** (a) The Minnesota climate innovation authority account
384.21 is established as a separate account in the special revenue fund in the state treasury. The
384.22 authority's board of directors shall credit to the account appropriations and transfers to the
384.23 account. Earnings, including interest, dividends, and any other earnings arising from assets
384.24 of the account, must be credited to the account. Money remaining in the account at the end
384.25 of a fiscal year does not cancel to the general fund, but remains in the account until expended.
384.26 The authority's board of directors shall manage the account.

384.27 (b) Money in the account is appropriated to the board of directors of the Minnesota
384.28 Climate Innovation Finance Authority for the purposes of this section and to reimburse the
384.29 reasonable costs of the authority to administer this section.

384.30 Subd. 12. **Report; audit.** Beginning February 1, 2024, the authority must annually
384.31 submit a comprehensive report on the authority's activities during the previous year to the
384.32 governor and the chairs and ranking minority members of the legislative committees with

385.1 primary jurisdiction over energy policy. The report must contain, at a minimum, information
385.2 on:

385.3 (1) the amount of authority capital invested, by project type;

385.4 (2) the amount of private and public capital leveraged by authority investments, by
385.5 project type;

385.6 (3) the number of qualified projects supported, by project type and location within
385.7 Minnesota, including in environmental justice communities;

385.8 (4) the estimated number of jobs created for local workers and nonlocal workers, the
385.9 ratio of projects subject to and exempt from prevailing wage requirements under subdivision
385.10 6, paragraph (b), and tax revenue generated as a result of the authority's activities;

385.11 (5) estimated reductions in greenhouse gas emissions resulting from the authority's
385.12 activities;

385.13 (6) the number of clean energy projects financed in low- and moderate-income
385.14 households;

385.15 (7) a narrative describing the progress made toward the authority's equity, social, and
385.16 labor standards goals; and

385.17 (8) a financial audit conducted by an independent party.

385.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

385.19 Sec. 3. Minnesota Statutes 2022, section 216H.02, subdivision 1, is amended to read:

385.20 Subdivision 1. **Greenhouse gas emissions-reduction goal.** (a) It is the goal of the state
385.21 to reduce statewide greenhouse gas emissions across all sectors producing ~~those~~ greenhouse
385.22 gas emissions to a level at least 15 percent below 2005 levels by 2015, to a level at least 30
385.23 percent below 2005 levels by 2025, and to a level at least 80 percent below 2005 levels by
385.24 2050. by at least the following amounts, compared with the level of emissions in 2005:

385.25 (1) 15 percent by 2015;

385.26 (2) 30 percent by 2025;

385.27 (3) 50 percent by 2030; and

385.28 (4) to net zero by 2050.

386.1 (b) To the maximum extent practicable, actions taken to achieve these goals must avoid
386.2 causing disproportionate adverse impacts to residents of communities that are or have been
386.3 incommensurately exposed to pollution affecting human health and environmental quality.

386.4 (c) The ~~levels shall~~ targets must be reviewed based on the climate change action plan
386.5 study annually by the commissioner of the Pollution Control Agency, taking into account
386.6 the latest scientific research on the impacts of climate change and strategies to reduce
386.7 greenhouse gas emissions published by the Intergovernmental Panel on Climate Change.
386.8 The commissioner must forward any recommended changes to the targets to the chairs and
386.9 ranking minority members of legislative committees with primary jurisdiction over climate
386.10 change and environmental policy.

386.11 (d) For the purposes of the subdivision, "net zero" means:

386.12 (1) statewide greenhouse gas emissions equal to zero; or

386.13 (2) the balance of annual statewide greenhouse gas emissions, minus any terrestrial
386.14 sequestration of statewide greenhouse gas emissions, equals zero or less.

386.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

386.16 **Sec. 4. LOCAL CLIMATE ACTION GRANT PROGRAM.**

386.17 Subdivision 1. **Definitions.** For the purpose of this section, the following terms have
386.18 the meanings given:

386.19 (1) "climate change" means a change in global or regional climate patterns associated
386.20 with increased levels of greenhouse gas emissions entering the atmosphere largely as a
386.21 result of human activity;

386.22 (2) "commissioner" means the commissioner of the Pollution Control Agency;

386.23 (3) "eligible applicant" means a political subdivision, an organization exempt from
386.24 taxation under section 501(c)(3) of the Internal Revenue Code, or an educational institution;

386.25 (4) "greenhouse gas emission" means an emission of carbon dioxide, methane, nitrous
386.26 oxide, chlorofluorocarbons, hydrofluorocarbons, sulfur hexafluoride, and other gases that
386.27 trap heat in the atmosphere;

386.28 (5) "local jurisdiction" means the geographic area in which grant activities take place;

386.29 and

386.30 (6) "political subdivision" means:

387.1 (i) a county; home rule charter or statutory city or town; regional development
387.2 commission established under Minnesota Statutes, section 462.387; or any other local
387.3 political subdivision; or

387.4 (ii) a Tribal government, as defined in Minnesota Statutes, section 116J.64, subdivision
387.5 4.

387.6 Subd. 2. **Establishment.** The commissioner must establish a local climate action grant
387.7 program in the Pollution Control Agency. The purpose of the program is to provide grants
387.8 to support local jurisdictions to address climate change by developing and implementing
387.9 plans of action or creating new organizations and institutions to devise policies and programs
387.10 that:

387.11 (1) enable local jurisdictions to adapt to extreme weather events and a changing climate;
387.12 or

387.13 (2) reduce the local jurisdiction's contributions to the causes of climate change.

387.14 Subd. 3. **Account established.** (a) The local climate action grant account is established
387.15 as a separate account in the special revenue fund in the state treasury. The commissioner
387.16 shall credit to the account appropriations and transfers to the account. Earnings, including
387.17 interest, dividends, and any other earnings arising from assets of the account, must be
387.18 credited to the account. Money remaining in the account at the end of a fiscal year does not
387.19 cancel to the general fund, but remains in the account until expended. The commissioner
387.20 shall manage the account.

387.21 (b) Money in the account is appropriated to the agency for the purposes of this section
387.22 and to reimburse the reasonable costs of the department to administer this section.

387.23 Subd. 4. **Application.** (a) Application for a grant under this section must be made to the
387.24 commissioner on a form developed by the commissioner. The commissioner must develop
387.25 procedures for soliciting and reviewing applications and for awarding grants under this
387.26 section.

387.27 (b) Eligible applicants for a grant under this section must be located in or conduct the
387.28 preponderance of the applicant's work in the local jurisdiction where the proposed grant
387.29 activities take place.

387.30 Subd. 5. **Awarding grants.** (a) In awarding grants under this section, the commissioner
387.31 must give preference to proposals that seek to involve a broad array of community residents,
387.32 organizations, and institutions in the local jurisdiction's efforts to address climate change.

388.1 (b) The commissioner shall endeavor to award grants under this section to applicants in
388.2 all regions of the state.

388.3 Subd. 6. **Grant amounts.** (a) A grant awarded under this section must not exceed
388.4 \$50,000.

388.5 (b) A grant awarded under this section for activities taking place in a local jurisdiction
388.6 whose population equals or exceeds 20,000 must be matched 50 percent with local funds.

388.7 (c) A grant awarded under this section for activities taking place in a local jurisdiction
388.8 whose population is under 20,000 must be matched a minimum of five percent with local
388.9 funds or equivalent in-kind services.

388.10 Subd. 7. **Contract; greenhouse gas emissions data.** The commissioner shall contract
388.11 with an independent consultant to estimate the annual amount of greenhouse gas emissions
388.12 generated within political subdivisions awarded a grant under this section that the
388.13 commissioner determines need the data in order to carry out the proposed grant activities.
388.14 The information must contain emissions data for the most recent three years available, and
388.15 must conform with the ICLEI United States Community Protocol for Accounting and
388.16 Reporting of Greenhouse Gas Emissions, including, at a minimum, the Basic Emissions
388.17 Generating Activities described in the protocol.

388.18 Subd. 8. **Technical assistance.** The Pollution Control Agency shall provide directly or
388.19 contract with an entity outside the agency to provide technical assistance to applicants
388.20 proposing to develop an action plan under this section, including greenhouse gas emissions
388.21 estimates developed under subdivision 7, and examples of actions taken and plans developed
388.22 by other local communities in Minnesota and elsewhere.

388.23 Subd. 9. **Eligible expenditures.** Appropriations made to support the activities of this
388.24 section may be used only to:

388.25 (1) provide grants as specified in this section;

388.26 (2) pay a consultant for contracted services provided under subdivisions 7 and 8; and

388.27 (3) reimburse the reasonable expenses incurred by the Pollution Control Agency to
388.28 provide technical assistance to applicants and to administer the grant program.

388.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

389.1

ARTICLE 15

389.2

SOLAR

389.3 Section 1. Minnesota Statutes 2022, section 116C.7792, is amended to read:

389.4 **116C.7792 SOLAR ENERGY PRODUCTION INCENTIVE PROGRAM.**

389.5 (a) The utility subject to section 116C.779 shall operate a program to provide solar
389.6 energy production incentives for solar energy systems of no more than a total aggregate
389.7 nameplate capacity of 40 kilowatts alternating current per premise. The owner of a solar
389.8 energy system installed before June 1, 2018, is eligible to receive a production incentive
389.9 under this section for any additional solar energy systems constructed at the same customer
389.10 location, provided that the aggregate capacity of all systems at the customer location does
389.11 not exceed 40 kilowatts.

389.12 (b) The program is funded by money withheld from transfer to the renewable development
389.13 account under section 116C.779, subdivision 1, paragraphs (b) and (e). Program funds must
389.14 be placed in a separate account for the purpose of the solar energy production incentive
389.15 program operated by the utility and not for any other program or purpose.

389.16 (c) Funds allocated to the solar energy production incentive program in 2019 and 2020
389.17 remain available to the solar energy production incentive program.

389.18 (d) The following amounts are allocated to the solar energy production incentive program:

389.19 (1) \$10,000,000 in 2021;

389.20 (2) \$10,000,000 in 2022;

389.21 (3) \$5,000,000 in 2023; ~~and~~

389.22 (4) ~~\$5,000,000~~ \$10,000,000 in 2024; and

389.23 (5) \$5,000,000 in 2025.

389.24 (e) Notwithstanding the Department of Commerce's November 14, 2018, decision in
389.25 Docket No. E002/M-13-1015 regarding operation of the utility's solar energy production
389.26 incentive program, of the amounts allocated under paragraph (d), clauses (3), (4), and (5),
389.27 \$5,000,000 in each year must be reserved for solar energy systems whose installation meets
389.28 the eligibility standards for the low-income program established in the November 14, 2018,
389.29 decision or successor decisions of the department. All other program operations of the solar
389.30 energy production incentive program are governed by the provisions of the November 14,
389.31 2018, decision or successor decisions of the department.

390.1 ~~(e)~~ (f) Funds allocated to the solar energy production incentive program that have not
390.2 been committed to a specific project at the end of a program year remain available to the
390.3 solar energy production incentive program.

390.4 ~~(f)~~ (g) Any unspent amount remaining on January 1, ~~2025~~ 2028, must be transferred to
390.5 the renewable development account.

390.6 ~~(g)~~ (h) A solar energy system receiving a production incentive under this section must
390.7 be sized to less than 120 percent of the customer's on-site annual energy consumption when
390.8 combined with other distributed generation resources and subscriptions provided under
390.9 section 216B.1641 associated with the premise. The production incentive must be paid for
390.10 ten years commencing with the commissioning of the system.

390.11 ~~(h)~~ (i) The utility must file a plan to operate the program with the commissioner of
390.12 commerce. The utility may not operate the program until it is approved by the commissioner.
390.13 A change to the program to include projects up to a nameplate capacity of 40 kilowatts or
390.14 less does not require the utility to file a plan with the commissioner. Any plan approved by
390.15 the commissioner of commerce must not provide an increased incentive scale over prior
390.16 years unless the commissioner demonstrates that changes in the market for solar energy
390.17 facilities require an increase.

390.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

390.19 **Sec. 2. [116C.7793] SOLAR ENERGY; CONTINGENCY ACCOUNT.**

390.20 **Subdivision 1. Definitions.** (a) For the purposes of this section, the following terms have
390.21 the meanings given.

390.22 (b) "Agency" means the Minnesota Pollution Control Agency.

390.23 (c) "Area C" means the site located west of Mississippi River Boulevard in St. Paul that
390.24 served as an industrial waste dump for the former Ford Twin Cities Assembly Plant.

390.25 (d) "Corrective action determination" means a decision by the agency regarding actions
390.26 to be taken to remediate contaminated soil and groundwater at Area C.

390.27 (e) "Owner" means the owner of a solar energy generating system planned to be deployed
390.28 at Area C.

390.29 (f) "Solar energy generating system" has the meaning given in section 216E.01,
390.30 subdivision 9a.

390.31 **Subd. 2. Account established.** The Area C contingency account is established as a
390.32 separate account in the special revenue fund in the state treasury. Transfers and appropriations

391.1 to the account, and any earnings or dividends accruing to assets in the account, must be
391.2 credited to the account. The commissioner shall serve as fiscal agent and shall manage the
391.3 account.

391.4 Subd. 3. **Distribution of funds; conditions.** Money from the account is appropriated
391.5 to the commissioner and may be distributed to the owner of a solar energy generating system
391.6 planned to be deployed at Area C under the following conditions:

391.7 (1) the agency issues a corrective action determination after the owner has begun to
391.8 design or construct the project, and implementation of the corrective action results in a need
391.9 for (i) the project to be redesigned, or (ii) construction to be interrupted or altered; or

391.10 (2) the agency issues a corrective action determination whose work plan results in
391.11 temporary cessation or partial or complete removal of the solar energy generating system
391.12 after it has become operational.

391.13 Subd. 4. **Distribution of funds; process.** (a) The owner may file a request for distribution
391.14 of funds from the commissioner if either of the conditions in subdivision 3 occur. The filing
391.15 must (1) describe the nature of the impact of the work plan that results in economic losses
391.16 to the owner, and (2) include a reasonable estimate of the amount of those losses.

391.17 (b) The owner must provide the commissioner with information the commissioner
391.18 determines to be necessary to assist in the review of the filing required under this subdivision.

391.19 (c) The commissioner shall review the owner's filing within 60 days of submission and
391.20 shall approve a request the commissioner determines is reasonable.

391.21 Subd. 5. **Expenditures.** Money distributed by the commissioner to the owner under this
391.22 section may be used by the owner only to pay for:

391.23 (1) removal, storage, and transportation costs incurred for removal of the solar energy
391.24 generating system or any associated infrastructure, and any costs to reinstall equipment;

391.25 (2) costs of redesign or new equipment or infrastructure made necessary by the activities
391.26 of the agency's work plan;

391.27 (3) lost revenues resulting from the inability of the solar energy generating system to
391.28 generate sufficient electricity to fulfill the terms of the power purchase agreement between
391.29 the owner and the purchaser of electricity generated by the solar energy generating system;

391.30 (4) other damages incurred under the power purchase agreement resulting from the
391.31 cessation of operations made necessary by the activities of the agency's work plan; and

392.1 (5) the cost of energy required to replace the energy that was to be generated by the solar
392.2 energy generating system and purchased under the power purchase agreement.

392.3 Subd. 6. **Report.** Beginning July 1, 2026, and every three years thereafter, the agency
392.4 must submit a written report to the chairs and ranking minority members of the senate and
392.5 house of representatives committees with jurisdiction over environment and energy assessing
392.6 the likelihood of the agency approving a corrective action determination to remediate Area
392.7 C.

392.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

392.9 Sec. 3. Minnesota Statutes 2022, section 216B.164, is amended by adding a subdivision
392.10 to read:

392.11 Subd. 12. **Customer's access to electricity usage data.** A utility must provide a
392.12 customer's electricity usage data to the customer within ten days of the date the utility
392.13 receives a request from the customer that is accompanied by evidence that the energy usage
392.14 data is relevant to the interconnection of a qualifying facility on behalf of the customer. For
392.15 the purposes of this subdivision, "electricity usage data" includes but is not limited to: (1)
392.16 the total amount of electricity used by a customer monthly; (2) usage by time period if the
392.17 customer operates under a tariff where costs vary by time of use; and (3) usage data that is
392.18 used to calculate a customer's demand charge.

392.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

392.20 Sec. 4. Minnesota Statutes 2022, section 216B.1641, is amended to read:

392.21 **216B.1641 COMMUNITY SOLAR GARDEN.**

392.22 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
392.23 the meanings given.

392.24 (b) "Subscribed energy" means electricity generated by the community solar garden that
392.25 is attributable to a subscriber's subscription.

392.26 (c) "Subscriber" means a retail customer who owns one or more subscriptions of a
392.27 community solar garden interconnected with the retail customer's utility.

392.28 (d) "Subscription" means a contract between a subscriber and the owner of a solar garden.

392.29 Subd. 2. **Solar garden; project requirements.** (a) ~~The~~ Each public utility ~~subject to~~
392.30 ~~section 116C.779~~ providing electric service at retail to customers in Minnesota shall file by
392.31 ~~September 30, 2013~~ January 15, 2024, a plan with the commission to operate a community

393.1 solar garden program which shall begin operations within 90 days after commission approval
393.2 of the plan. ~~Other public utilities may file an application at their election.~~ The community
393.3 solar garden program must be designed to offset the energy use of not less than five
393.4 subscribers in each community solar garden facility of which no single subscriber has more
393.5 than a 40 percent interest. The owner of the community solar garden may be a public utility
393.6 or any other entity or organization that contracts to sell the output from the community solar
393.7 garden to the utility under section 216B.164. There shall be no limitation on the number or
393.8 cumulative generating capacity of community solar garden facilities other than the limitations
393.9 imposed under section 216B.164, subdivision 4c, or other limitations provided in law or
393.10 regulations.

393.11 (b) A solar garden is a facility that generates electricity by means of a ground-mounted
393.12 or roof-mounted solar photovoltaic device whereby subscribers receive a bill credit for the
393.13 electricity generated in proportion to the size of their subscription. The solar garden must
393.14 have a nameplate capacity of no more than ~~one megawatt~~ five megawatts. Each subscription
393.15 shall be sized to represent at least 200 watts of the community solar garden's generating
393.16 capacity and to supply, when combined with other distributed generation resources serving
393.17 the premises, no more than 120 percent of the average annual consumption of electricity
393.18 by each subscriber at the premises to which the subscription is attributed.

393.19 (c) The solar generation facility must be located in the service territory of the public
393.20 utility filing the plan. Subscribers must be retail customers of the public utility ~~located in~~
393.21 ~~the same county or a county contiguous to where the facility is located.~~

393.22 (d) The public utility must purchase from the community solar garden all energy generated
393.23 by the solar garden. The purchase shall be at the rate calculated under section 216B.164,
393.24 subdivision 10, or, until that rate for the public utility has been approved by the commission,
393.25 the applicable retail rate. A solar garden is eligible for any incentive programs offered under
393.26 section 116C.7792. A subscriber's portion of the purchase shall be provided by a credit on
393.27 the subscriber's bill.

393.28 **Subd. 3. Solar garden plan; requirements; nonutility status.** ~~(e)~~ (a) The commission
393.29 may approve, disapprove, or modify a community solar garden program. Any plan approved
393.30 by the commission must:

393.31 (1) reasonably allow for the creation, financing, and accessibility of community solar
393.32 gardens;

394.1 (2) establish uniform standards, fees, and processes for the interconnection of community
 394.2 solar garden facilities that allow the utility to recover reasonable interconnection costs for
 394.3 each community solar garden;

394.4 (3) not apply different requirements to utility and nonutility community solar garden
 394.5 facilities;

394.6 (4) be consistent with the public interest;

394.7 (5) identify the information that must be provided to potential subscribers to ensure fair
 394.8 disclosure of future costs and benefits of subscriptions;

394.9 (6) include a program implementation schedule;

394.10 (7) identify all proposed rules, fees, and charges; ~~and~~

394.11 (8) identify the means by which the program will be promoted; and

394.12 (9) require an owner of a solar garden to submit a report that meets the requirements of
 394.13 section 216C.51, subdivisions 2 and 3, each year the solar garden is in operation.

394.14 ~~(f)~~ (b) Notwithstanding any other law, neither the manager of nor the subscribers to a
 394.15 community solar garden facility shall be considered a utility solely as a result of their
 394.16 participation in the community solar garden facility.

394.17 ~~(g)~~ (c) Within 180 days of commission approval of a plan under this section, a utility
 394.18 shall begin crediting subscriber accounts for each community solar garden facility in its
 394.19 service territory, and shall file with the commissioner of commerce a description of its
 394.20 crediting system.

394.21 ~~(h) For the purposes of this section, the following terms have the meanings given:~~

394.22 ~~(1) "subscriber" means a retail customer of a utility who owns one or more subscriptions~~
 394.23 ~~of a community solar garden facility interconnected with that utility; and~~

394.24 ~~(2) "subscription" means a contract between a subscriber and the owner of a solar garden.~~

394.25 Subd. 4. Community access project; eligibility. (a) An owner of a community solar
 394.26 garden may apply to the utility to be designated as a community access project at any time:

394.27 (1) before the owner makes an initial payment under an interconnection agreement
 394.28 entered into with a public utility; or

394.29 (2) if the owner made an initial payment under an interconnection agreement between
 394.30 January 1, 2023, and the effective date of this section, before commercial operation begins.

395.1 (b) The utility must designate a solar garden as a community access project if the owner
395.2 of a solar garden commits in writing to meet the following conditions:

395.3 (1) at least 50 percent of the solar garden's generating capacity is subscribed by residential
395.4 customers;

395.5 (2) the contract between the owner of the solar garden and the public utility that purchases
395.6 the garden's electricity, and any agreement between the utility or owner of the solar garden
395.7 and subscribers, states that the owner of the solar garden does not discriminate against or
395.8 screen subscribers based on income or credit score and that any customer of a utility with
395.9 a community solar garden plan approved by the commission under subdivision 3 is eligible
395.10 to become a subscriber;

395.11 (3) the solar garden is operated by an entity that maintains a physical address in Minnesota
395.12 and has designated a contact person in Minnesota who responds to subscriber inquiries; and

395.13 (4) the agreement between the owner of the solar garden and subscribers states that the
395.14 owner must adequately publicize and convene at least one meeting annually to provide an
395.15 opportunity for subscribers to pose questions to the manager or owner.

395.16 Subd. 5. **Community access project; financial arrangements.** (a) If a utility approves
395.17 a solar garden as a community access project:

395.18 (1) the public utility purchasing the electricity generated by the community access project
395.19 may charge the owner of the community access project no more than one cent per watt
395.20 alternating current based on the solar garden's generating capacity for any refundable deposit
395.21 the utility requires of a solar garden during the application process;

395.22 (2) notwithstanding subdivision 2, paragraph (d), the public utility must purchase all
395.23 energy generated by the community access project at the retail rate; and

395.24 (3) all renewable energy credits generated by the community access project belong to
395.25 subscribers unless the owner of the solar garden:

395.26 (i) contracts to:

395.27 (A) sell the credits to a third party; or

395.28 (B) sell or transfer the credits to the utility; and

395.29 (ii) discloses a sale or transfer to subscribers at the time the subscribers enter into a
395.30 subscription.

396.1 (b) If at any time after commercial operation begins a solar garden that the utility
396.2 approved as a community access project fails to meet the conditions under subdivision 4,
396.3 the solar garden:

396.4 (1) is no longer subject to this subdivision and subdivision 6; and

396.5 (2) must operate under the program rules established by the commission for a solar
396.6 garden that does not qualify as a community access project.

396.7 (c) An owner of a solar garden whose designation as a community access project is
396.8 revoked under this subdivision may reapply to the commission at any time to have the
396.9 community access project designation reinstated under subdivision 4.

396.10 Subd. 6. **Community access project; reporting.** The owner of a community access
396.11 project must include the following information in an annual report to the community access
396.12 project subscribers and the utility:

396.13 (1) a description of the process by which subscribers may provide input to solar garden
396.14 policy and decision making;

396.15 (2) the amount of revenues received by the solar garden in the previous year that were
396.16 allocated to categories that include but are not limited to operating costs, debt service, profits
396.17 distributed to subscribers, and profits distributed to others; and

396.18 (3) an estimate of the proportion of low- and moderate-income subscribers, and a
396.19 description of one or more of the following methods used to make the estimate:

396.20 (i) evidence provided by a subscriber that the subscriber or a member of the subscriber's
396.21 household receives assistance from any of the following sources:

396.22 (A) the federal Low-Income Home Energy Assistance Program;

396.23 (B) federal Section 8 housing assistance;

396.24 (C) medical assistance;

396.25 (D) the federal Supplemental Nutrition Assistance Program; or

396.26 (E) the federal National School Lunch Program;

396.27 (ii) characterization of the census tract where the subscriber resides as low- or
396.28 moderate-income by the Federal Financial Institutions Examination Council; or

396.29 (iii) other methods approved by the commission.

397.1 Subd. 7. Commission order. The commission must issue an order addressing the
397.2 requirements of this section no later than 180 days after the filings made under subdivision
397.3 2, paragraph (a).

397.4 EFFECTIVE DATE. This section is effective the day following final enactment.

397.5 Sec. 5. Minnesota Statutes 2022, section 216C.08, is amended to read:

397.6 **216C.08 JURISDICTION.**

397.7 The commissioner has sole authority and responsibility for the administration of sections
397.8 216C.05 to 216C.30 and 216C.375. Other laws notwithstanding, the authority granted the
397.9 commissioner shall supersede the authority given any other agency whenever overlapping,
397.10 duplication, or additional administrative or legal procedures might occur in the administration
397.11 of sections 216C.05 to 216C.30 and 216C.375. The commissioner shall consult with other
397.12 state departments or agencies in matters related to energy and shall contract with them to
397.13 provide appropriate services to effectuate the purposes of sections 216C.05 to 216C.30 and
397.14 216C.375. Any other department, agency, or official of this state or political subdivision
397.15 thereof which would in any way affect the administration or enforcement of sections 216C.05
397.16 to 216C.30 and 216C.375 shall cooperate and coordinate all activities with the commissioner
397.17 to assure orderly and efficient administration and enforcement of sections 216C.05 to
397.18 216C.30 and 216C.375.

397.19 The commissioner shall designate a liaison officer whose duty shall be to insure the
397.20 maximum possible consistency in procedures and to eliminate duplication between the
397.21 commissioner and the other agencies that may be involved in energy.

397.22 EFFECTIVE DATE. This section is effective the day following final enactment.

397.23 Sec. 6. Minnesota Statutes 2022, section 216C.09, is amended to read:

397.24 **216C.09 COMMISSIONER DUTIES.**

397.25 (a) The commissioner shall:

397.26 (1) manage the department as the central repository within the state government for the
397.27 collection of data on energy;

397.28 (2) prepare and adopt an emergency allocation plan specifying actions to be taken in the
397.29 event of an impending serious shortage of energy, or a threat to public health, safety, or
397.30 welfare;

398.1 (3) undertake a continuing assessment of trends in the consumption of all forms of energy
398.2 and analyze the social, economic, and environmental consequences of these trends;

398.3 (4) carry out energy conservation measures as specified by the legislature and recommend
398.4 to the governor and the legislature additional energy policies and conservation measures as
398.5 required to meet the objectives of sections 216C.05 to 216C.30 and 216C.375;

398.6 (5) collect and analyze data relating to present and future demands and resources for all
398.7 sources of energy;

398.8 (6) evaluate policies governing the establishment of rates and prices for energy as related
398.9 to energy conservation, and other goals and policies of sections 216C.05 to 216C.30 and
398.10 216C.375, and make recommendations for changes in energy pricing policies and rate
398.11 schedules;

398.12 (7) study the impact and relationship of the state energy policies to international, national,
398.13 and regional energy policies;

398.14 (8) design and implement a state program for the conservation of energy; this program
398.15 shall include but not be limited to, general commercial, industrial, and residential, and
398.16 transportation areas; such program shall also provide for the evaluation of energy systems
398.17 as they relate to lighting, heating, refrigeration, air conditioning, building design and
398.18 operation, and appliance manufacturing and operation;

398.19 (9) inform and educate the public about the sources and uses of energy and the ways in
398.20 which persons can conserve energy;

398.21 (10) dispense funds made available for the purpose of research studies and projects of
398.22 professional and civic orientation, which are related to either energy conservation, resource
398.23 recovery, or the development of alternative energy technologies which conserve
398.24 nonrenewable energy resources while creating minimum environmental impact;

398.25 (11) charge other governmental departments and agencies involved in energy-related
398.26 activities with specific information gathering goals and require that those goals be met;

398.27 (12) design a comprehensive program for the development of indigenous energy
398.28 resources. The program shall include, but not be limited to, providing technical,
398.29 informational, educational, and financial services and materials to persons, businesses,
398.30 municipalities, and organizations involved in the development of solar, wind, hydropower,
398.31 peat, fiber fuels, biomass, and other alternative energy resources. The program shall be
398.32 evaluated by the alternative energy technical activity; and

399.1 (13) dispense loans, grants, or other financial aid from money received from litigation
 399.2 or settlement of alleged violations of federal petroleum-pricing regulations made available
 399.3 to the department for that purpose.

399.4 (b) Further, the commissioner may participate fully in hearings before the Public Utilities
 399.5 Commission on matters pertaining to rate design, cost allocation, efficient resource utilization,
 399.6 utility conservation investments, small power production, cogeneration, and other rate issues.
 399.7 The commissioner shall support the policies stated in section 216C.05 and shall prepare
 399.8 and defend testimony proposed to encourage energy conservation improvements as defined
 399.9 in section 216B.241.

399.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

399.11 Sec. 7. Minnesota Statutes 2022, section 216C.375, is amended to read:

399.12 **216C.375 SOLAR FOR SCHOOLS PROGRAM.**

399.13 Subdivision 1. **Definitions.** (a) For the purposes of this section ~~and section 216C.376,~~
 399.14 the following terms have the meanings given them.

399.15 (b) "Developer" means an entity that installs a solar energy system on a school building
 399.16 that has been awarded a grant under this section.

399.17 (c) "Electricity expenses" means expenses associated with:

399.18 (1) purchasing electricity from a utility; or

399.19 (2) purchasing and installing a solar energy system, including financing and power
 399.20 purchase agreement payments, operation and maintenance contract payments, and interest
 399.21 charges.

399.22 ~~(d)~~ (d) "Photovoltaic device" has the meaning given in section 216C.06, subdivision 16.

399.23 ~~(e)~~ (e) "School" means:

399.24 (1) a school that operates as part of ~~an independent or special~~ a school district;

399.25 (2) a Tribal contract school; or

399.26 ~~(2)~~ (3) a state college or university that is under the jurisdiction of the Board of Trustees
 399.27 of the Minnesota State Colleges and Universities.

399.28 ~~(f)~~ (f) "School district" means:

399.29 (1) an independent or school district, as defined in section 120A.05, subdivision 10;

399.30 (2) a special school district, as defined in section 120A.05, subdivision 14; or

400.1 (3) a cooperative unit, as defined in section 123A.24, subdivision 2.

400.2 ~~(f)~~ (g) "Solar energy system" means photovoltaic or solar thermal devices.

400.3 ~~(g)~~ (h) "Solar thermal" has the meaning given to "qualifying solar thermal project" in
400.4 section 216B.2411, subdivision 2, paragraph (d).

400.5 ~~(h)~~ (i) "State colleges and universities" has the meaning given in section 136F.01,
400.6 subdivision 4.

400.7 Subd. 2. **Establishment; purpose.** A solar for schools program is established in the
400.8 Department of Commerce. The purpose of the program is to provide grants to stimulate the
400.9 installation of solar energy systems on or adjacent to school buildings by reducing the ~~cost~~
400.10 school's electricity expenses, and to enable schools to use the solar energy system as a
400.11 teaching tool that can be integrated into the school's curriculum.

400.12 Subd. 3. **Establishment of account.** A solar for schools program account is established
400.13 in the special revenue fund. Money received from the general fund and from the renewable
400.14 development account established under section 116C.779, subdivision 1, must be transferred
400.15 to the commissioner of commerce and credited to the account. The account consists of
400.16 money received from the general fund and the renewable development account, provided
400.17 by law, donated, allocated, transferred, or otherwise provided to the account. Earnings,
400.18 including interest, dividends, and any other earnings arising from the assets of the account,
400.19 must be credited to the account. Except as otherwise provided in this paragraph, money
400.20 deposited in the account remains in the account until expended. Any money that remains
400.21 in the account on June 30, ~~2027~~ 2034, cancels to the general fund.

400.22 Subd. 4. **Appropriation; expenditures.** (a) Money in the account is appropriated to the
400.23 commissioner and may be used only:

400.24 (1) for grant awards made under this section; and

400.25 (2) to pay the reasonable costs incurred by the department to administer this section.

400.26 (b) Grant awards made with funds ~~in the account~~ from the general fund must be used
400.27 only for grants for solar energy systems installed on or adjacent to school buildings receiving
400.28 retail electric service from a utility that is not subject to section 116C.779, subdivision 1.

400.29 (c) Grant awards made with funds from the renewable development account must be
400.30 used only for grants for solar energy systems installed on or adjacent to school buildings
400.31 receiving retail electric service from a utility that is subject to section 116C.779, subdivision
400.32 1.

401.1 Subd. 5. **Eligible system.** (a) A grant may be awarded to a school under this section
401.2 only if the solar energy system that is the subject of the grant:

401.3 (1) is installed on or adjacent to the school building that consumes the electricity generated
401.4 by the solar energy system, on property within the service territory of the utility currently
401.5 providing electric service to the school building;

401.6 (2) if installed on or adjacent to a school building receiving retail electric service from
401.7 a utility that is not subject to section 116C.779, subdivision 1, has a capacity that does not
401.8 exceed the lesser of: (i) 40 kilowatts alternating current or, with the consent of the
401.9 interconnecting electric utility, up to 1,000 kilowatts alternating current; or (ii) 120 percent
401.10 of the estimated annual electricity consumption of the school building at which the solar
401.11 energy system is installed; and

401.12 (3) if installed on or adjacent to a school building receiving retail electric service from
401.13 a utility that is subject to section 116C.779, subdivision 1, has a capacity that does not
401.14 exceed the lesser of 1,000 kilowatts alternating current or 120 percent of the estimated
401.15 annual electricity consumption of the school building at which the solar energy system is
401.16 installed;

401.17 (4) has real-time and cumulative display devices, located in a prominent location
401.18 accessible to students and the public, that indicate the system's electrical performance.

401.19 (b) A school that receives a rebate or other financial incentive under section 216B.241
401.20 for a solar energy system and that demonstrates considerable need for financial assistance,
401.21 as determined by the commissioner, is eligible for a grant under this section for the same
401.22 solar energy system.

401.23 Subd. 6. **Application process.** (a) The commissioner must issue a request for proposals
401.24 to utilities, schools, and developers who may wish to apply for a grant under this section
401.25 on behalf of a school.

401.26 (b) A utility or developer must submit an application to the commissioner on behalf of
401.27 a school on a form prescribed by the commissioner. The form must include, at a minimum,
401.28 the following information:

401.29 (1) the capacity of the proposed solar energy system and the amount of electricity that
401.30 is expected to be generated;

401.31 (2) the current energy demand of the school building on which the solar energy generating
401.32 system is to be installed and information regarding any distributed energy resource, including

402.1 subscription to a community solar garden, that currently provides electricity to the school
402.2 building;

402.3 (3) a description of any solar thermal devices proposed as part of the solar energy system;

402.4 (4) the total cost to purchase and install the solar energy system and the solar energy
402.5 system's lifecycle cost, including removal and disposal at the end of the system's life;

402.6 (5) a copy of the proposed contract agreement between the school and the ~~public~~ utility
402.7 to which the solar energy system is interconnected or the developer that includes provisions
402.8 addressing responsibility for maintenance of the solar energy system;

402.9 (6) the school's plan to make the solar energy system serve as a visible learning tool for
402.10 students, teachers, and visitors to the school, including how the solar energy system may
402.11 be integrated into the school's curriculum and provisions for real-time monitoring of the
402.12 solar energy system performance for display in a prominent location within the school or
402.13 on-demand in the classroom;

402.14 (7) information that demonstrates the school's level of need for financial assistance
402.15 available under this section;

402.16 (8) information that demonstrates the school's readiness to implement the project,
402.17 including but not limited to the availability of the site on which the solar energy system is
402.18 to be installed and the level of the school's engagement with the utility providing electric
402.19 service to the school building on which the solar energy system is to be installed on issues
402.20 relevant to the implementation of the project, including metering and other issues;

402.21 (9) with respect to the installation and operation of the solar energy system, the
402.22 willingness and ability of the developer or the public utility to:

402.23 (i) pay employees and contractors a prevailing wage rate, as defined in section 177.42,
402.24 subdivision 6; and

402.25 (ii) adhere to the provisions of section 177.43;

402.26 (10) ~~how the developer or public utility plans to reduce the school's initial capital expense~~
402.27 to purchase and install projected reductions in electricity expenses resulting from purchasing
402.28 and installing the solar energy system by providing financial assistance to the school; and

402.29 (11) any other information deemed relevant by the commissioner.

402.30 (c) The commissioner must administer an open application process under this section
402.31 at least twice annually.

403.1 (d) The commissioner must develop administrative procedures governing the application
403.2 and grant award process.

403.3 (e) The school, the developer, or the utility to which the solar energy generating system
403.4 is interconnected must annually submit to the commissioner on a form prescribed by the
403.5 commissioner a report containing the following information for each of the 12 previous
403.6 months:

403.7 (1) the total number of kilowatt-hours of electricity consumed by the school;

403.8 (2) the total number of kilowatt-hours generated by the solar energy generating system;

403.9 (3) the amount paid by the school to its utility for electricity; and

403.10 (4) any other information requested by the commissioner.

403.11 Subd. 7. **Energy conservation review.** At the commissioner's request, a school awarded
403.12 a grant under this section ~~shall~~ must provide the commissioner information regarding energy
403.13 conservation measures implemented at the school building at which the solar energy system
403.14 is installed. The commissioner may make recommendations to the school regarding
403.15 cost-effective conservation measures it can implement and may provide technical assistance
403.16 and direct the school to available financial assistance programs.

403.17 Subd. 8. **Technical assistance.** The commissioner must provide technical assistance to
403.18 schools to develop and execute projects under this section.

403.19 Subd. 9. **Grant payments.** The commissioner must award a grant from the account
403.20 established under subdivision 3 to a school for the necessary costs associated with the
403.21 purchase and installation of a solar energy system. The amount of the grant must be based
403.22 on the commissioner's assessment of the school's need for financial assistance.

403.23 Subd. 10. **Application deadline.** No application may be submitted under this section
403.24 after December 31, ~~2025~~ 2032.

403.25 Subd. 11. **Reporting.** Beginning January 15, 2022, and each year thereafter until January
403.26 15, ~~2028~~ 2035, the commissioner must report to the chairs and ranking minority members
403.27 of the legislative committees with jurisdiction over energy regarding: (1) grants and amounts
403.28 awarded to schools under this section during the previous year; ~~(2) financial assistance,~~
403.29 ~~including amounts per award, provided to schools under section 216C.376 during the~~
403.30 ~~previous year; and (3) any remaining balances available under this section and section~~
403.31 ~~216C.376;~~ (2) the amount of electricity generated by solar energy generating systems awarded
403.32 a grant under this section; and (3) the impact on school electricity expenses.

404.1 Subd. 12. **Renewable energy credits.** Renewable energy credits associated with the
404.2 electricity generated by a solar energy generating system installed under this section in the
404.3 electric service area of a public utility subject to section 116C.779 are the property of the
404.4 public utility for the life of the solar energy generating system.

404.5 Sec. 8. [216C.377] **SOLAR GRANT PROGRAM; PUBLIC BUILDINGS.**

404.6 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
404.7 the meanings given.

404.8 (b) "Developer" means an entity that applies for a grant on behalf of a public building
404.9 under this section to install a solar energy generating system on the public building.

404.10 (c) "Local unit of government" means:

404.11 (1) a county, statutory or home rule charter city, town, or other local government
404.12 jurisdiction, excluding a school district eligible to receive financial assistance under section
404.13 216C.375 or 216C.376; or

404.14 (2) a federally recognized Indian Tribe in Minnesota.

404.15 (d) "Municipal electric utility" means a utility that (1) provides electric service to retail
404.16 customers in Minnesota, and (2) is governed by a city council or a local utilities commission.

404.17 (e) "Public building" means:

404.18 (1) a building owned and operated by a local unit of government; or

404.19 (2) a building owned by a federally recognized Indian Tribe in Minnesota whose primary
404.20 purpose is Tribal government operations.

404.21 (f) "Solar energy generating system" has the meaning given in section 216E.01,
404.22 subdivision 9a.

404.23 Subd. 2. **Establishment; purpose.** A solar on public buildings grant program is
404.24 established in the department. The purpose of the program is to provide grants to stimulate
404.25 the installation of solar energy generating systems on public buildings.

404.26 Subd. 3. **Establishment of account.** A solar on public buildings grant program account
404.27 is established in the special revenue fund. Money received from the general fund and the
404.28 renewable development account established in section 116C.779, subdivision 1, must be
404.29 transferred to the commissioner of commerce and credited to the account. Earnings, including
404.30 interest, dividends, and any other earnings arising from the assets of the account, must be
404.31 credited to the account. Earnings remaining in the account at the end of a fiscal year do not

405.1 cancel to the general fund or renewable development account but remain in the account
405.2 until expended. The commissioner must manage the account.

405.3 Subd. 4. **Appropriation; expenditures.** Money in the account established under
405.4 subdivision 3 is appropriated to the commissioner for the purposes of this section and must
405.5 be used only:

405.6 (1) for grant awards made under this section; and

405.7 (2) to pay the reasonable costs of the department to administer this section.

405.8 Subd. 5. **Eligible system.** (a) A grant may be awarded to a local unit of government
405.9 under this section only if the solar energy generating system that is the subject of the grant:

405.10 (1) is installed (i) on or adjacent to a public building that consumes the electricity
405.11 generated by the solar energy generating system, and (ii) on property within the service
405.12 territory of the utility currently providing electric service to the public building; and

405.13 (2) has a capacity that does not exceed the lesser of 40 kilowatts or 120 percent of the
405.14 average annual electricity consumption, measured over the most recent three calendar years,
405.15 of the public building at which the solar energy generating system is installed.

405.16 (b) A public building that receives a rebate or other financial incentive under section
405.17 216B.241 for a solar energy generating system is eligible for a grant under this section for
405.18 the same solar energy generating system.

405.19 (c) Before filing an application for a grant under this section, a local unit of government
405.20 or public building that is served by a municipal electric utility must inform the municipal
405.21 electric utility of the local unit of government's or public building's intention to do so. A
405.22 municipal electric utility may, under an agreement with a local unit of government, own
405.23 and operate a solar energy generating system awarded a grant under this section on behalf
405.24 of and for the benefit of the local unit of government.

405.25 Subd. 6. **Application process.** (a) The commissioner must issue a request for proposals
405.26 to utilities, local units of government, and developers who may wish to apply for a grant
405.27 under this section on behalf of a public building.

405.28 (b) A utility or developer must submit an application to the commissioner on behalf of
405.29 a public building on a form prescribed by the commissioner. The form must include, at a
405.30 minimum, the following information:

405.31 (1) the capacity of the proposed solar energy generating system and the amount of
405.32 electricity that is expected to be generated;

406.1 (2) the current energy demand of the public building on which the solar energy generating
406.2 system is to be installed, information regarding any distributed energy resource that currently
406.3 provides electricity to the public building, and the size of the public building's subscription
406.4 to a community solar garden, if applicable;

406.5 (3) information sufficient to estimate the energy and monetary savings that are projected
406.6 to result from installation of the solar energy generating system over the system's useful
406.7 life;

406.8 (4) the total cost to purchase and install the solar energy system and the solar energy
406.9 system's life cycle cost, including removal and disposal at the end of the system's life;

406.10 (5) a copy of the proposed contract agreement between the local unit of government and
406.11 the utility or developer that includes provisions addressing responsibility for maintenance,
406.12 removal, and disposal of the solar energy generating system; and

406.13 (6) if the applicant is other than the utility providing electric service to the public building
406.14 at which the solar energy generating system is to be installed, a written statement from that
406.15 utility that no issues that would prevent interconnection of the solar energy generating
406.16 system as proposed are foreseen.

406.17 (c) The commissioner must administer an open application process under this section
406.18 at least twice annually.

406.19 (d) The commissioner must develop administrative procedures governing the application
406.20 and grant award process under this section.

406.21 Subd. 7. **Energy conservation review.** At the commissioner's request, a local unit of
406.22 government awarded a grant under this section must provide the commissioner with
406.23 information regarding energy conservation measures implemented at the public building
406.24 where the solar energy generating system is to be installed. The commissioner may make
406.25 recommendations to the local unit of government regarding cost-effective conservation
406.26 measures the local unit of government can implement and may provide technical assistance
406.27 and direct the local unit of government to available financial assistance programs.

406.28 Subd. 8. **Technical assistance.** The commissioner must provide technical assistance to
406.29 local units of government to develop and execute projects under this section.

406.30 Subd. 9. **Grant payments.** The commissioner must award a grant from the account
406.31 established under subdivision 3 to a local unit of government for the necessary and reasonable
406.32 costs associated with the purchase and installation of a solar energy generating system. In

407.1 determining the amount of a grant award, the commissioner shall take into consideration
407.2 the financial capacity of the local unit of government awarded the grant.

407.3 Subd. 10. **Application deadline.** An application must not be submitted under this section
407.4 after June 30, 2026.

407.5 Subd. 11. **Contractor conditions.** A contractor or subcontractor performing construction
407.6 work on a project supported by a grant awarded under this section:

407.7 (1) must pay employees working on the project no less than the prevailing wage rate,
407.8 as defined in section 177.42; and

407.9 (2) is subject to the requirements and enforcement provisions of sections 177.27, 177.30,
407.10 177.32, 177.41 to 177.435, and 177.45.

407.11 Subd. 12. **Reporting.** Beginning January 15, 2024, and each year thereafter until January
407.12 15, 2027, the commissioner must report to the chairs and ranking minority members of the
407.13 legislative committees with jurisdiction over energy finance and policy regarding grants
407.14 and amounts awarded to local units of government under this section during the previous
407.15 year and any remaining balances available in the account established under this section.

407.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

407.17 Sec. 9. **[216C.379] DISTRIBUTED ENERGY RESOURCES SYSTEM UPGRADE**
407.18 **PROGRAM.**

407.19 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
407.20 the meanings given.

407.21 (b) "Capacity constrained location" means a location on an electric utility's distribution
407.22 system that the utility has reasonably determined requires significant distribution or network
407.23 upgrades before additional distributed energy resources can interconnect.

407.24 (c) "Distribution upgrades" means the additions, modifications, and upgrades made to
407.25 an electric utility's distribution system to facilitate interconnection of distributed energy
407.26 resources.

407.27 (d) "Interconnection" means the process governed by the Minnesota Distributed Energy
407.28 Resources Interconnection Process and Agreement, as approved in the Minnesota Public
407.29 Utilities Commission's order issued April 19, 2019.

407.30 (e) "Net metered facility" has the meaning given in section 216B.164.

408.1 (f) "Network upgrades" means additions, modifications, and upgrades to the transmission
408.2 system required at or beyond the point at which the distributed energy resource interconnects
408.3 with an electric utility's distribution system to accommodate the interconnection of the
408.4 distributed energy resource with the electric utility's distribution system. Network upgrades
408.5 do not include distribution upgrades.

408.6 Subd. 2. **Establishment; purpose.** A distributed energy resources system upgrade
408.7 program is established in the department. The purpose of the program is to provide funding
408.8 to the utility subject to section 116C.779 to complete infrastructure upgrades necessary to
408.9 enable electricity customers to interconnect distributed energy resources. The program must
408.10 be designed to achieve the following goals to the maximum extent feasible:

408.11 (1) make upgrades at capacity constrained locations on the utility's distribution system
408.12 so that the number and capacity of distributed energy resources projects with a capacity of
408.13 up to 40 kilowatts alternating current that can be interconnected is sufficient to serve projected
408.14 demand;

408.15 (2) enable all distributed energy resources projects with a nameplate capacity of up to
408.16 40 kilowatts alternating current to be reviewed and approved by the utility within 43 business
408.17 days;

408.18 (3) minimize interconnection barriers for electricity customers seeking to construct net
408.19 metered facilities for on-site electricity use; and

408.20 (4) advance innovative solutions that can minimize the cost of distribution and network
408.21 upgrades required for interconnection, including but not limited to energy storage, control
408.22 technologies, smart inverters, distributed energy resources management systems, and other
408.23 innovative technologies and programs.

408.24 Subd. 3. **Required plan.** (a) By November 1, 2023, the utility subject to section 116C.779
408.25 must file with the commissioner a plan for the distributed energy resources system upgrade
408.26 program. The plan must contain:

408.27 (1) a description of how the utility proposes to use money in the distributed energy
408.28 resources system upgrade program account to upgrade the utility's distribution system so
408.29 that the number and capacity of distributed energy resources that can be interconnected is
408.30 sufficient to serve projected demand;

408.31 (2) the locations where the utility proposes to make investments under the program;

408.32 (3) the number and capacity of distributed energy resources projects the utility expects
408.33 to interconnect as a result of the program;

409.1 (4) a plan for reporting on the program's outcomes; and

409.2 (5) any additional information required by the commissioner.

409.3 (b) The utility subject to section 116C.779 is prohibited from implementing the program
409.4 until the commissioner approves the plan submitted under this subdivision. No later than
409.5 March 31, 2024, the commissioner must approve a plan under this subdivision that the
409.6 commissioner determines is in the public interest. Any proposed modification to the plan
409.7 approved under this subdivision must be approved by the commissioner.

409.8 Subd. 4. **Project priorities.** In developing the plan required by subdivision 3, the utility
409.9 must prioritize making investments under this program:

409.10 (1) at capacity constrained locations on the distribution grid;

409.11 (2) in communities with demonstrated customer interest in distributed energy resources
409.12 as measured by completed, pending, and anticipated interconnection applications; and

409.13 (3) in communities with a climate action plan, clean energy goal, or policies that:

409.14 (i) seek to mitigate the impacts of climate change on the city; or

409.15 (ii) reduce the city's contributions to the causes of climate change.

409.16 Subd. 5. **Eligible costs.** The commissioner may pay the following reasonable costs of
409.17 the utility subject to section 116C.779 under a plan approved in accordance with subdivision
409.18 3 from money available in the distributed energy resources system upgrade program account:

409.19 (1) distribution upgrades and network upgrades;

409.20 (2) energy storage; control technologies, including but not limited to a distributed energy
409.21 resources management system; or other innovative technology used to achieve the purposes
409.22 of this section;

409.23 (3) pilot programs operated by the utility to implement innovative technology solutions;
409.24 and

409.25 (4) costs incurred by the department to administer this section.

409.26 Subd. 6. **Capacity reserved.** The utility subject to section 116C.779 must reserve any
409.27 increase in capacity made available by upgrades paid for under this section for net metered
409.28 facilities and distributed energy resources with a nameplate capacity of up to 40 kilowatts
409.29 alternating current. The commissioner may modify the requirements of this subdivision
409.30 when the commissioner finds doing so is in the public interest.

410.1 Subd. 7. **Establishment of account.** (a) A distributed energy resources system upgrade
410.2 program account is established in the special revenue fund. Earnings, including interest,
410.3 dividends, and any other earnings arising from the assets of the account, must be credited
410.4 to the account. Earnings remaining in the account at the end of a fiscal year do not cancel
410.5 to the general fund or renewable development account but remain in the account until
410.6 expended. The commissioner must manage the account.

410.7 (b) Money from the account is appropriated to the commissioner for the purposes of this
410.8 section.

410.9 Subd. 8. **Reporting of certain incidents.** The utility subject to section 116C.779 must
410.10 report to the commissioner within 60 days if any distributed energy resources project with
410.11 a capacity up to 40 kilowatts alternating current is unable to interconnect at a location for
410.12 which upgrade funding was provided under this program due to safety or reliability issues,
410.13 or the additional cost of distribution or network upgrades required. The utility must make
410.14 available to the commissioner all engineering analyses, studies, and information related to
410.15 any such instances. The commissioner may modify or waive this requirement after December
410.16 31, 2025.

410.17 Sec. 10. **[500.216] LIMITS ON CERTAIN RESIDENTIAL SOLAR ENERGY**
410.18 **SYSTEMS PROHIBITED.**

410.19 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this
410.20 subdivision have the meanings given.

410.21 (b) "Private entity" means a homeowners association, community association, or other
410.22 association that is subject to a homeowners association document.

410.23 (c) "Homeowners association document" means a document containing the declaration,
410.24 articles of incorporation, bylaws, or rules and regulations of:

410.25 (1) a common interest community, as defined in section 515B.1-103, regardless of
410.26 whether the common interest community is subject to chapter 515B; and

410.27 (2) a residential community that is not a common interest community.

410.28 (d) "Solar energy system" has the meaning given in section 216C.06, subdivision 17.

410.29 Subd. 2. **Applicability.** This section applies to:

410.30 (1) single-family detached dwellings whose owner is the sole owner of the entire building
410.31 in which the dwelling is located and who is solely responsible for the maintenance, repair,
410.32 replacement, and insurance of the entire building; and

411.1 (2) multifamily attached dwellings whose owner is the sole owner of the entire building
411.2 in which the dwelling is located and who is solely responsible for the maintenance, repair,
411.3 replacement, and insurance of the entire building.

411.4 Subd. 3. **General rule.** Except as otherwise provided in this section and notwithstanding
411.5 any covenant, restriction, or condition contained in a deed, security instrument, homeowners
411.6 association document, or any other instrument affecting the transfer, sale of, or an interest
411.7 in real property, a private entity must not prohibit or refuse to permit the owner of a
411.8 single-family dwelling to install, maintain, or use a roof-mounted solar energy system.

411.9 Subd. 4. **Allowable conditions.** (a) A private entity may require that:

411.10 (1) a licensed contractor install a solar energy system;

411.11 (2) a roof-mounted solar energy system not extend above the peak of a pitched roof or
411.12 beyond the edge of the roof;

411.13 (3) the owner or installer of a solar energy system indemnify or reimburse the private
411.14 entity or the private entity's members for loss or damage caused by the installation,
411.15 maintenance, use, repair, or removal of a solar energy system;

411.16 (4) the owner and each successive owner of a solar energy system list the private entity
411.17 as a certificate holder on the homeowner's insurance policy; or

411.18 (5) the owner and each successive owner of a solar energy system be responsible for
411.19 removing the system if reasonably necessary to repair, perform maintenance, or replace
411.20 common elements or limited common elements, as defined in section 515B.1-103.

411.21 (b) A private entity may impose other reasonable restrictions on installing, maintaining,
411.22 or using solar energy systems, provided that the restrictions do not: (1) decrease the solar
411.23 energy system's projected energy generation by more than ten percent; or (2) increase the
411.24 solar energy system's cost by more than (i) 20 percent for a solar water heater, or (ii) \$1,000
411.25 for a solar photovoltaic system, when compared with the solar energy system's energy
411.26 generation and the cost of labor and materials originally proposed without the restrictions,
411.27 as certified by the solar energy system's designer or installer. A private entity may obtain
411.28 an alternative bid and design from a solar energy system designer or installer for the purposes
411.29 of this paragraph.

411.30 (c) A solar energy system must meet applicable standards and requirements imposed by
411.31 the state and by governmental units, as defined in section 462.384.

411.32 (d) A solar energy system for heating water must be certified by the Solar Rating
411.33 Certification Corporation or an equivalent certification agency. A solar energy system for

412.1 producing electricity must meet: (1) all applicable safety and performance standards
412.2 established by the National Electrical Code, the Institute of Electrical and Electronics
412.3 Engineers, and accredited testing laboratories, including but not limited to Underwriters
412.4 Laboratories; and (2) where applicable, rules of the Public Utilities Commission regarding
412.5 safety and reliability.

412.6 (e) If approval by a private entity is required prior to installing or using a solar energy
412.7 system, the application for approval (1) must be processed and approved in the same manner
412.8 as an application for approval of an architectural modification to the property, and (2) must
412.9 not be willfully avoided or delayed. In no event does a private entity have less than 60 days
412.10 to approve or disapprove an application for a solar energy system.

412.11 (f) An application for approval must be made in writing and must contain certification
412.12 that the applicant must meet any conditions required by a private entity under subdivision
412.13 4. An application must include a copy of the interconnection application submitted to the
412.14 applicable electric utility.

412.15 (g) A private entity must approve or deny an application in writing. If an application is
412.16 not denied in writing within 60 days of the date the application was received, the application
412.17 is deemed approved unless the delay is the result of a reasonable request for additional
412.18 information. If a private entity determines that additional information is needed from the
412.19 applicant in order to approve or disapprove the application, the private entity must request
412.20 the additional information in writing within 60 days from the date of receipt of the
412.21 application. If the private entity makes a request for additional information within 15 days
412.22 from the date the private entity initially received the application, the private entity shall
412.23 have 60 days from the date of receipt of the additional information in which to approve or
412.24 disapprove the application. If the private entity makes a written request to the applicant for
412.25 additional information more than 15 days after the private entity initially received the
412.26 application, the private entity has 15 days after the private entity receives the additional
412.27 information requested from the applicant in which to approve or disapprove the application,
412.28 but in no event does the private entity have less than 60 days from the date the private entity
412.29 initially received the application in which to approve or disapprove the application.

412.30 Sec. 11. Minnesota Statutes 2022, section 515B.2-103, is amended to read:

412.31 **515B.2-103 CONSTRUCTION AND VALIDITY OF DECLARATION AND**
412.32 **BYLAWS.**

412.33 (a) All provisions of the declaration and bylaws are severable.

413.1 (b) The rule against perpetuities may not be applied to defeat any provision of the
413.2 declaration or this chapter, or any instrument executed pursuant to the declaration or this
413.3 chapter.

413.4 (c) In the event of a conflict between the provisions of the declaration and the bylaws,
413.5 the declaration prevails except to the extent that the declaration is inconsistent with this
413.6 chapter.

413.7 (d) The declaration and bylaws must comply with ~~section~~ sections 500.215 and 500.216.

413.8 Sec. 12. Minnesota Statutes 2022, section 515B.3-102, is amended to read:

413.9 **515B.3-102 POWERS OF UNIT OWNERS' ASSOCIATION.**

413.10 (a) Except as provided in subsections (b), (c), (d), and (e), and subject to the provisions
413.11 of the declaration or bylaws, the association shall have the power to:

413.12 (1) adopt, amend and revoke rules and regulations not inconsistent with the articles of
413.13 incorporation, bylaws and declaration, as follows: (i) regulating the use of the common
413.14 elements; (ii) regulating the use of the units, and conduct of unit occupants, which may
413.15 jeopardize the health, safety or welfare of other occupants, which involves noise or other
413.16 disturbing activity, or which may damage the common elements or other units; (iii) regulating
413.17 or prohibiting animals; (iv) regulating changes in the appearance of the common elements
413.18 and conduct which may damage the common interest community; (v) regulating the exterior
413.19 appearance of the common interest community, including, for example, balconies and patios,
413.20 window treatments, and signs and other displays, regardless of whether inside a unit; (vi)
413.21 implementing the articles of incorporation, declaration and bylaws, and exercising the
413.22 powers granted by this section; and (vii) otherwise facilitating the operation of the common
413.23 interest community;

413.24 (2) adopt and amend budgets for revenues, expenditures and reserves, and levy and
413.25 collect assessments for common expenses from unit owners;

413.26 (3) hire and discharge managing agents and other employees, agents, and independent
413.27 contractors;

413.28 (4) institute, defend, or intervene in litigation or administrative proceedings (i) in its
413.29 own name on behalf of itself or two or more unit owners on matters affecting the common
413.30 elements or other matters affecting the common interest community or, (ii) with the consent
413.31 of the owners of the affected units on matters affecting only those units;

413.32 (5) make contracts and incur liabilities;

414.1 (6) regulate the use, maintenance, repair, replacement, and modification of the common
414.2 elements and the units;

414.3 (7) cause improvements to be made as a part of the common elements, and, in the case
414.4 of a cooperative, the units;

414.5 (8) acquire, hold, encumber, and convey in its own name any right, title, or interest to
414.6 real estate or personal property, but (i) common elements in a condominium or planned
414.7 community may be conveyed or subjected to a security interest only pursuant to section
414.8 515B.3-112, or (ii) part of a cooperative may be conveyed, or all or part of a cooperative
414.9 may be subjected to a security interest, only pursuant to section 515B.3-112;

414.10 (9) grant or amend easements for public utilities, public rights-of-way or other public
414.11 purposes, and cable television or other communications, through, over or under the common
414.12 elements; grant or amend easements, leases, or licenses to unit owners for purposes authorized
414.13 by the declaration; and, subject to approval by a vote of unit owners other than declarant
414.14 or its affiliates, grant or amend other easements, leases, and licenses through, over or under
414.15 the common elements;

414.16 (10) impose and receive any payments, fees, or charges for the use, rental, or operation
414.17 of the common elements, other than limited common elements, and for services provided
414.18 to unit owners;

414.19 (11) impose interest and late charges for late payment of assessments and, after notice
414.20 and an opportunity to be heard before the board or a committee appointed by it, levy
414.21 reasonable fines for violations of the declaration, bylaws, and rules and regulations of the
414.22 association;

414.23 (12) impose reasonable charges for the review, preparation and recordation of
414.24 amendments to the declaration, resale certificates required by section 515B.4-107, statements
414.25 of unpaid assessments, or furnishing copies of association records;

414.26 (13) provide for the indemnification of its officers and directors, and maintain directors'
414.27 and officers' liability insurance;

414.28 (14) provide for reasonable procedures governing the conduct of meetings and election
414.29 of directors;

414.30 (15) exercise any other powers conferred by law, or by the declaration, articles of
414.31 incorporation or bylaws; and

414.32 (16) exercise any other powers necessary and proper for the governance and operation
414.33 of the association.

415.1 (b) Notwithstanding subsection (a) the declaration or bylaws may not impose limitations
415.2 on the power of the association to deal with the declarant which are more restrictive than
415.3 the limitations imposed on the power of the association to deal with other persons.

415.4 (c) Notwithstanding subsection (a), powers exercised under this section must comply
415.5 with ~~section~~ sections 500.215 and 500.216.

415.6 (d) Notwithstanding subsection (a)(4) or any other provision of this chapter, the
415.7 association, before instituting litigation or arbitration involving construction defect claims
415.8 against a development party, shall:

415.9 (1) mail or deliver written notice of the anticipated commencement of the action to each
415.10 unit owner at the addresses, if any, established for notices to owners in the declaration and,
415.11 if the declaration does not state how notices are to be given to owners, to the owner's last
415.12 known address. The notice shall specify the nature of the construction defect claims to be
415.13 alleged, the relief sought, and the manner in which the association proposes to fund the cost
415.14 of pursuing the construction defect claims; and

415.15 (2) obtain the approval of owners of units to which a majority of the total votes in the
415.16 association are allocated. Votes allocated to units owned by the declarant, an affiliate of the
415.17 declarant, or a mortgagee who obtained ownership of the unit through a foreclosure sale
415.18 are excluded. The association may obtain the required approval by a vote at an annual or
415.19 special meeting of the members or, if authorized by the statute under which the association
415.20 is created and taken in compliance with that statute, by a vote of the members taken by
415.21 electronic means or mailed ballots. If the association holds a meeting and voting by electronic
415.22 means or mailed ballots is authorized by that statute, the association shall also provide for
415.23 voting by those methods. Section 515B.3-110(c) applies to votes taken by electronic means
415.24 or mailed ballots, except that the votes must be used in combination with the vote taken at
415.25 a meeting and are not in lieu of holding a meeting, if a meeting is held, and are considered
415.26 for purposes of determining whether a quorum was present. Proxies may not be used for a
415.27 vote taken under this paragraph unless the unit owner executes the proxy after receipt of
415.28 the notice required under subsection (d)(1) and the proxy expressly references this notice.

415.29 (e) The association may intervene in a litigation or arbitration involving a construction
415.30 defect claim or assert a construction defect claim as a counterclaim, crossclaim, or third-party
415.31 claim before complying with subsections (d)(1) and (d)(2) but the association's complaint
415.32 in an intervention, counterclaim, crossclaim, or third-party claim shall be dismissed without
415.33 prejudice unless the association has complied with the requirements of subsection (d) within

416.1 90 days of the association's commencement of the complaint in an intervention or the
416.2 assertion of the counterclaim, crossclaim, or third-party claim.

416.3 Sec. 13. **TRANSFER OF UNENCUMBERED WITHHELD FUNDS.**

416.4 Any unencumbered funds withheld by the public utility subject to Minnesota Statutes,
416.5 section 116C.779, subdivision 1, to provide financial assistance to schools to purchase and
416.6 install solar energy systems, as required under Minnesota Statutes 2022, section 216C.376,
416.7 subdivision 5, paragraph (a), that are unexpended as of the effective date of this act must
416.8 be transferred to the solar for schools program account established under Minnesota Statutes,
416.9 section 216C.375, subdivision 3.

416.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

416.11 Sec. 14. **REPEALER.**

416.12 Minnesota Statutes 2022, section 216C.376, is repealed.

416.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

416.14

ARTICLE 16

416.15

MISCELLANEOUS

416.16 Section 1. Minnesota Statutes 2022, section 116C.779, subdivision 1, is amended to read:

416.17 Subdivision 1. **Renewable development account.** (a) The renewable development
416.18 account is established as a separate account in the special revenue fund in the state treasury.
416.19 Appropriations and transfers to the account shall be credited to the account. Earnings, such
416.20 as interest, dividends, and any other earnings arising from assets of the account, shall be
416.21 credited to the account. Funds remaining in the account at the end of a fiscal year are not
416.22 canceled to the general fund but remain in the account until expended. The account shall
416.23 be administered by the commissioner of management and budget as provided under this
416.24 section.

416.25 (b) On July 1, 2017, the public utility that owns the Prairie Island nuclear generating
416.26 plant must transfer all funds in the renewable development account previously established
416.27 under this subdivision and managed by the public utility to the renewable development
416.28 account established in paragraph (a). Funds awarded to grantees in previous grant cycles
416.29 that have not yet been expended and unencumbered funds required to be paid in calendar
416.30 year 2017 under paragraphs (f) and (g), and sections 116C.7792 and 216C.41, are not subject
416.31 to transfer under this paragraph.

417.1 (c) Except as provided in subdivision 1a, beginning January 15, 2018, and continuing
417.2 each January 15 thereafter, the public utility that owns the Prairie Island nuclear generating
417.3 plant must transfer to the renewable development account \$500,000 each year for each dry
417.4 cask containing spent fuel that is located at the Prairie Island power plant for each year the
417.5 plant is in operation, and \$7,500,000 each year the plant is not in operation if ordered by
417.6 the commission pursuant to paragraph (i). The fund transfer must be made if nuclear waste
417.7 is stored in a dry cask at the independent spent-fuel storage facility at Prairie Island for any
417.8 part of a year. Each year, the amount the public utility must transfer to the renewable
417.9 development account under this paragraph must be reduced by the amount of any per-cask
417.10 payment made by the public utility to the Prairie Island Indian Community under section
417.11 216B.1645, subdivision 4.

417.12 (d) Except as provided in subdivision 1a, beginning January 15, 2018, and continuing
417.13 each January 15 thereafter, the public utility that owns the Monticello nuclear generating
417.14 plant must transfer to the renewable development account \$350,000 each year for each dry
417.15 cask containing spent fuel that is located at the Monticello nuclear power plant for each
417.16 year the plant is in operation, and \$5,250,000 each year the plant is not in operation if ordered
417.17 by the commission pursuant to paragraph (i). The fund transfer must be made if nuclear
417.18 waste is stored in a dry cask at the independent spent-fuel storage facility at Monticello for
417.19 any part of a year.

417.20 (e) Each year, the public utility shall withhold from the funds transferred to the renewable
417.21 development account under paragraphs (c) and (d) the amount necessary to pay its obligations
417.22 under paragraphs (f) and (g), and sections 116C.7792 and 216C.41, for that calendar year.

417.23 (f) If the commission approves a new or amended power purchase agreement, the
417.24 termination of a power purchase agreement, or the purchase and closure of a facility under
417.25 section 216B.2424, subdivision 9, with an entity that uses poultry litter to generate electricity,
417.26 the public utility subject to this section shall enter into a contract with the city in which the
417.27 poultry litter plant is located to provide grants to the city for the purposes of economic
417.28 development on the following schedule: \$4,000,000 in fiscal year 2018; \$6,500,000 each
417.29 fiscal year in 2019 and 2020; and \$3,000,000 in fiscal year 2021. The grants shall be paid
417.30 by the public utility from funds withheld from the transfer to the renewable development
417.31 account, as provided in paragraphs (b) and (e).

417.32 (g) If the commission approves a new or amended power purchase agreement, or the
417.33 termination of a power purchase agreement under section 216B.2424, subdivision 9, with
417.34 an entity owned or controlled, directly or indirectly, by two municipal utilities located north
417.35 of Constitutional Route No. 8, that was previously used to meet the biomass mandate in

418.1 section 216B.2424, the public utility that owns a nuclear generating plant shall enter into a
418.2 grant contract with such entity to provide \$6,800,000 per year for five years, commencing
418.3 30 days after the commission approves the new or amended power purchase agreement, or
418.4 the termination of the power purchase agreement, and on each June 1 thereafter through
418.5 2021, to assist the transition required by the new, amended, or terminated power purchase
418.6 agreement. The grant shall be paid by the public utility from funds withheld from the transfer
418.7 to the renewable development account as provided in paragraphs (b) and (e).

418.8 (h) The collective amount paid under the grant contracts awarded under paragraphs (f)
418.9 and (g) is limited to the amount deposited into the renewable development account, and its
418.10 predecessor, the renewable development account, established under this section, that was
418.11 not required to be deposited into the account under Laws 1994, chapter 641, article 1, section
418.12 10.

418.13 (i) After discontinuation of operation of the Prairie Island nuclear plant or the Monticello
418.14 nuclear plant and each year spent nuclear fuel is stored in dry cask at the discontinued
418.15 facility, the commission shall require the public utility to pay \$7,500,000 for the discontinued
418.16 Prairie Island facility and \$5,250,000 for the discontinued Monticello facility for any year
418.17 in which the commission finds, by the preponderance of the evidence, that the public utility
418.18 did not make a good faith effort to remove the spent nuclear fuel stored at the facility to a
418.19 permanent or interim storage site out of the state. This determination shall be made at least
418.20 every two years.

418.21 (j) Funds in the account may be expended only for any of the following purposes:

418.22 (1) to stimulate research and development of renewable electric energy technologies;

418.23 (2) to encourage grid modernization, including, but not limited to, projects that implement
418.24 electricity storage, load control, and smart meter technology; and

418.25 (3) to stimulate other innovative energy projects that reduce demand and increase system
418.26 efficiency and flexibility.

418.27 Expenditures from the fund must benefit Minnesota ratepayers receiving electric service
418.28 from the utility that owns a nuclear-powered electric generating plant in this state or the
418.29 Prairie Island Indian community or its members.

418.30 The utility that owns a nuclear generating plant is eligible to apply for grants under this
418.31 subdivision.

418.32 (k) For the purposes of paragraph (j), the following terms have the meanings given:

419.1 (1) "renewable" has the meaning given in section 216B.2422, subdivision 1, paragraph
419.2 (c), clauses (1), (2), (4), and (5); and

419.3 (2) "grid modernization" means:

419.4 (i) enhancing the reliability of the electrical grid;

419.5 (ii) improving the security of the electrical grid against cyberthreats and physical threats;
419.6 and

419.7 (iii) increasing energy conservation opportunities by facilitating communication between
419.8 the utility and its customers through the use of two-way meters, control technologies, energy
419.9 storage and microgrids, technologies to enable demand response, and other innovative
419.10 technologies.

419.11 (l) A renewable development account advisory group that includes, among others,
419.12 representatives of the public utility and its ratepayers, and includes at least one representative
419.13 of the Prairie Island Indian community appointed by that community's tribal council, shall
419.14 develop recommendations on account expenditures. The advisory group must design a
419.15 request for proposal and evaluate projects submitted in response to a request for proposals.
419.16 The advisory group must utilize an independent third-party expert to evaluate proposals
419.17 submitted in response to a request for proposal, including all proposals made by the public
419.18 utility. A request for proposal for research and development under paragraph (j), clause (1),
419.19 may be limited to or include a request to higher education institutions located in Minnesota
419.20 for multiple projects authorized under paragraph (j), clause (1). The request for multiple
419.21 projects may include a provision that exempts the projects from the third-party expert review
419.22 and instead provides for project evaluation and selection by a merit peer review grant system.
419.23 In the process of determining request for proposal scope and subject and in evaluating
419.24 responses to request for proposals, the advisory group must strongly consider, where
419.25 reasonable, potential benefit to Minnesota citizens and businesses and the utility's ratepayers.

419.26 (m) The advisory group shall submit funding recommendations to the public utility,
419.27 which has full and sole authority to determine which expenditures shall be submitted by
419.28 the advisory group to the legislature. The commission may approve proposed expenditures,
419.29 may disapprove proposed expenditures that it finds not to be in compliance with this
419.30 subdivision or otherwise not in the public interest, and may, if agreed to by the public utility,
419.31 modify proposed expenditures. The commission shall, by order, submit its funding
419.32 recommendations to the legislature as provided under paragraph (n).

419.33 (n) The commission shall present its recommended appropriations from the account to
419.34 the senate and house of representatives committees with jurisdiction over energy policy and

420.1 finance annually by February 15. Expenditures from the account must be appropriated by
420.2 law. In enacting appropriations from the account, the legislature:

420.3 (1) may approve or disapprove, but may not modify, the amount of an appropriation for
420.4 a project recommended by the commission; and

420.5 (2) may not appropriate money for a project the commission has not recommended
420.6 funding.

420.7 (o) A request for proposal for renewable energy generation projects must, when feasible
420.8 and reasonable, give preference to projects that are most cost-effective for a particular energy
420.9 source.

420.10 (p) The advisory group must annually, by February 15, report to the chairs and ranking
420.11 minority members of the legislative committees with jurisdiction over energy policy on
420.12 projects funded by the account for the prior year and all previous years. The report must,
420.13 to the extent possible and reasonable, itemize the actual and projected financial benefit to
420.14 the public utility's ratepayers of each project.

420.15 (q) By February 1, 2018, and each February 1 thereafter, the commissioner of
420.16 management and budget shall submit a written report regarding the availability of funds in
420.17 and obligations of the account to the chairs and ranking minority members of the senate
420.18 and house committees with jurisdiction over energy policy and finance, the public utility,
420.19 and the advisory group.

420.20 (r) A project receiving funds from the account must produce a written final report that
420.21 includes sufficient detail for technical readers and a clearly written summary for nontechnical
420.22 readers. The report must include an evaluation of the project's financial, environmental, and
420.23 other benefits to the state and the public utility's ratepayers.

420.24 (s) Final reports, any mid-project status reports, and renewable development account
420.25 financial reports must be posted online on a public website designated by the commissioner
420.26 of commerce.

420.27 (t) All final reports must acknowledge that the project was made possible in whole or
420.28 part by the Minnesota renewable development account, noting that the account is financed
420.29 by the public utility's ratepayers.

420.30 (u) Of the amount in the renewable development account, priority must be given to
420.31 making the payments required under section 216C.417.

421.1 (v) Construction projects receiving funds from this account are subject to the requirement
421.2 to pay the prevailing wage rate, as defined in section 177.42 and the requirements and
421.3 enforcement provisions in sections 177.27, 177.30, 177.32, 177.41 to 177.435, and 177.45.

421.4 **EFFECTIVE DATE.** This section is effective the day following final enactment and
421.5 applies to construction contracts entered into on or after that date.

421.6 Sec. 2. **[123B.662] DEFINITIONS.**

421.7 Subdivision 1. **General.** For purposes of this section and section 123B.663, the terms
421.8 in this section have the meanings given unless the language or context clearly indicates that
421.9 a different meaning is intended.

421.10 Subd. 2. **ANSI.** "ANSI" means American National Standards Institute.

421.11 Subd. 3. **ASHRAE.** "ASHRAE" means American Society of Heating Refrigeration Air
421.12 Conditioning Engineers.

421.13 Subd. 4. **Certified TAB technician.** "Certified TAB technician" means a technician
421.14 certified to perform testing, adjusting, and balancing of HVAC systems by the Associated
421.15 Air Balance Council, National Environmental Balancing Bureau, or the Testing, Adjusting
421.16 and Balancing Bureau.

421.17 Subd. 5. **HVAC.** "HVAC" means heating, ventilation, and air conditioning.

421.18 Subd. 6. **Licensed professional engineer.** "Licensed professional engineer" means a
421.19 professional engineer licensed under sections 326.02 to 326.15 who holds an active license,
421.20 is in good standing, and is not subject to any disciplinary or other actions with the Board
421.21 of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and
421.22 Interior Design.

421.23 Subd. 7. **MERV.** "MERV" means minimum efficiency reporting value established by
421.24 ASHRAE Standard 52.2-2017 - Method of Testing General Ventilation Air-Cleaning Devices
421.25 for Removal Efficiency by Particle Size.

421.26 Subd. 8. **Program.** "Program" means the air ventilation program.

421.27 Subd. 9. **Program administrator.** "Program administrator" means the commissioner
421.28 of commerce or the commissioner's representative.

421.29 Subd. 10. **Qualified adjusting personnel.** "Qualified adjusting personnel" means one
421.30 of the following:

421.31 (1) a certified TAB technician; or

422.1 (2) a skilled and trained workforce under the supervision of a certified TAB technician.

422.2 Subd. 11. **Qualified testing personnel.** "Qualified testing personnel" means one of the
422.3 following:

422.4 (1) a certified TAB technician; or

422.5 (2) a skilled and trained workforce under the supervision of a certified TAB technician.

422.6 Subd. 12. **Registered apprenticeship program.** "Registered apprenticeship program"
422.7 means an apprenticeship program that is registered under chapter 178 or Code of Federal
422.8 Regulations, title 29, part 29.

422.9 Subd. 13. **Skilled and trained workforce.** "Skilled and trained workforce" means a
422.10 workforce in which at least 80 percent of the construction workers are either graduates of
422.11 a registered apprenticeship program for the applicable occupation or are registered as
422.12 apprentices in a registered apprenticeship program for the applicable occupation.

422.13 Subd. 14. **TAB.** "TAB" means testing, adjusting, and balancing of an HVAC system.

422.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

422.15 Sec. 3. **[123B.663] AIR VENTILATION PILOT PROGRAM GRANTS AND**
422.16 **GUIDELINES.**

422.17 Subdivision 1. **Grant program.** The Department of Commerce shall establish and
422.18 administer the air ventilation program to award grants to school boards to reimburse the
422.19 school boards for the following activities:

422.20 (1) completion of a heating, ventilation, and air conditioning assessment report;

422.21 (2) subsequent testing, adjusting balancing work performed as a result of assessment;

422.22 and

422.23 (3) ventilation equipment upgrades, replacements, or other measures recommended by
422.24 the assessment to improve health, safety, and HVAC system efficiency.

422.25 Subd. 2. **Grant awards.** (a) The program administrator shall award a grant if the school
422.26 board meets the following requirements:

422.27 (1) completes a heating, ventilation, and air conditioning assessment report by qualified
422.28 testing personnel or qualified adjusting personnel. The report must be verified by a licensed
422.29 professional engineer and include costs of adjustments or repairs necessary to meet minimum
422.30 ventilation and filtration requirements and determine whether any cost-effective energy
422.31 efficiency upgrades or replacements are warranted or recommended;

423.1 (2) all work required after conducting the assessment must be performed by a skilled
423.2 and trained workforce;

423.3 (3) upon completion of the work for which a school board is seeking reimbursement,
423.4 the school board must conduct an HVAC verification report that includes the name and
423.5 address of the school facility and individual or contractor preparing and certifying the report
423.6 and a description of the assessment, maintenance, adjustment, repair, upgrade, and
423.7 replacement activities and outcomes; and

423.8 (4) verification that the school board has complied with all requirements. Verification
423.9 must include documentation that either MERV 13 filters have been installed or verification
423.10 that the maximum MERV-rated filter that the system is able to effectively handle has been
423.11 installed; documentation of the MERV rating; the verified ventilation rates for occupied
423.12 areas of the school and whether those rates meet the requirements set forth in ANSI/ASHRAE
423.13 Standard 62.1-2019, with an accompanying explanation for any ventilation rates that do not
423.14 meet applicable requirements documenting why the current system is unable to meet
423.15 requirements; the verified exhaust for occupied areas and whether those rates meet the
423.16 requirements set forth in the system design intent; documentation of system deficiencies;
423.17 recommendations for additional maintenance, replacement, or upgrades to improve energy
423.18 efficiency, safety, or performance; documentation of initial operating verifications,
423.19 adjustments, and final operating verifications; documentation of any adjustments or repairs
423.20 performed; verification of installation of carbon dioxide monitors, including the make and
423.21 model of monitors; and verification that all work has been performed by qualified personnel,
423.22 including the contractor's name, certified TAB technician name and certification number,
423.23 and verification that all construction work has been performed by a skilled and trained
423.24 workforce.

423.25 (b) Grants shall be prioritized to give direct support to schools and school children in
423.26 communities with high rates of poverty, as determined by receipt of federal Title I funding.

423.27 (c) Grants shall be awarded to reimburse schools for 50 percent of costs incurred for
423.28 work performed under paragraph (a), clauses (1) to (3), with a maximum grant award of
423.29 \$50,000.

423.30 (d) The school board shall maintain a copy of the HVAC verification report and make
423.31 it available to students, parents, school personnel, and to any member of the public or the
423.32 program administrator upon request.

423.33 Subd. 3. **Program guidelines and rules.** (a) The program administrator shall:

423.34 (1) adopt guidelines for the air ventilation program no later than March 1, 2024;

424.1 (2) establish the timing of grant funding; and

424.2 (3) ensure the air ventilation program is operating and may receive applications for
 424.3 grants no later than November 1, 2023, and begin to approve applications no later than
 424.4 January 1, 2024, subject to the availability of funds.

424.5 (b) The technical and reporting requirements of the air ventilation program may be
 424.6 amended by the program administrator as necessary to reflect current COVID-19 guidance
 424.7 or other applicable guidance, to achieve the intent of the air ventilation program, and to
 424.8 ensure consistency with other related requirements and codes.

424.9 (c) The program administrator may use no more than five percent of the program funds
 424.10 for administering the program, including providing technical support to program participants.

424.11 (d) The program administrator may establish rules for the air ventilation program.

424.12 Sec. 4. Minnesota Statutes 2022, section 216B.096, subdivision 11, is amended to read:

424.13 Subd. 11. **Reporting.** Annually on ~~November 1~~ October 15, a utility must electronically
 424.14 file with the commission a report, in a format specified by the commission, specifying the
 424.15 number of utility heating service customers whose service is disconnected or remains
 424.16 disconnected for nonpayment as of September 15 and October 1 ~~and October 15~~. If customers
 424.17 remain disconnected on October ~~15~~ 1, a utility must file a report each week between
 424.18 ~~November 1~~ October 15 and the end of the cold weather period specifying:

424.19 (1) the number of utility heating service customers that are or remain disconnected from
 424.20 service for nonpayment; and

424.21 (2) the number of utility heating service customers that are reconnected to service each
 424.22 week. The utility may discontinue weekly reporting if the number of utility heating service
 424.23 customers that are or remain disconnected reaches zero before the end of the cold weather
 424.24 period.

424.25 The data reported under this subdivision are presumed to be accurate upon submission
 424.26 and must be made available through the commission's electronic filing system.

424.27 Sec. 5. Minnesota Statutes 2022, section 216B.1645, subdivision 4, is amended to read:

424.28 Subd. 4. **Settlement with ~~Mdewakanton Dakota Tribal Council~~ at Prairie Island**
 424.29 **Indian Community.** (a) The commission shall approve as a state energy policy rider a rate
 424.30 schedule providing for the automatic adjustment of charges to recover the costs or expenses
 424.31 of a settlement between the public utility that owns the Prairie Island nuclear generation

425.1 facility and the ~~Mdewakanton Dakota Tribal Council~~ at Prairie Island Indian Community,
425.2 resolving outstanding disputes regarding the ~~provisions of Laws 1994, chapter 641, article~~
425.3 ~~1, section 4~~ extended operation of the Prairie Island nuclear generating facility. The rate
425.4 schedule approved under this subdivision applies until the public utility's first base rate
425.5 change under section 216B.16 that occurs after January 1, 2024. After the public utility's
425.6 first base rate change that occurs after January 1, 2024, any costs and expenses under this
425.7 subdivision must be recovered through the public utility's base rates.

425.8 (b) The settlement must provide for annual payments, not to exceed \$2,500,000 annually,
425.9 beginning January 1, 2024, by the public utility to the Prairie Island Indian Community;
425.10 The annual payments must consist of: (1) a \$10,000,000 lump sum payment each year the
425.11 Prairie Island nuclear generating facility is in operation; and (2) \$50,000 for each dry cask
425.12 or container containing spent fuel that is located at the Prairie Island nuclear generating
425.13 facility, each year for as long as the dry casks or containers containing spent nuclear fuel
425.14 are stored at the Prairie Island Independent Spent Fuel Storage Installation.

425.15 (c) The payments made to the Prairie Island Indian Community under this subdivision
425.16 may be used for, ~~among other purposes~~ any purpose that benefits the Prairie Island Indian
425.17 Community, including but not limited to acquiring up to 1,500 contiguous or noncontiguous
425.18 acres of land in Minnesota within 50 miles of the tribal community's reservation at Prairie
425.19 Island to be taken into trust by the federal government for the benefit of the tribal community
425.20 for housing and other residential purposes. The legislature acknowledges that the intent to
425.21 purchase land by the tribe for relocation purposes is part of the settlement agreement and
425.22 Laws 2003, First Special Session chapter 11. However, the state, through the governor,
425.23 reserves the right to support or oppose any particular application to place land in trust status.

425.24 Sec. 6. Minnesota Statutes 2022, section 216B.2425, subdivision 3, is amended to read:

425.25 Subd. 3. **Commission approval.** (a) By June 1 of each even-numbered year, the
425.26 commission shall adopt a state transmission project list and shall certify, certify as modified,
425.27 or deny certification of the transmission and distribution projects proposed under subdivision
425.28 2. Except as provided in paragraph (b), the commission may only certify a project that is a
425.29 high-voltage transmission line as defined in section 216B.2421, subdivision 2, that the
425.30 commission finds is:

425.31 (1) necessary to maintain or enhance the reliability of electric service to Minnesota
425.32 consumers;

425.33 (2) needed, applying the criteria in section 216B.243, subdivision 3; and

426.1 (3) in the public interest, taking into account electric energy system needs and economic,
426.2 environmental, and social interests affected by the project.

426.3 (b) The commission may certify a project proposed under subdivision 2, paragraph (e),
426.4 only if the commission finds the proposed project is in the public interest.

426.5 Sec. 7. Minnesota Statutes 2022, section 216B.243, subdivision 8, as amended by Laws
426.6 2023, chapter 7, section 23, is amended to read:

426.7 Subd. 8. **Exemptions.** (a) This section does not apply to:

426.8 (1) cogeneration or small power production facilities as defined in the Federal Power
426.9 Act, United States Code, title 16, section 796, paragraph (17), subparagraph (A), and
426.10 paragraph (18), subparagraph (A), and having a combined capacity at a single site of less
426.11 than 80,000 kilowatts; plants or facilities for the production of ethanol or fuel alcohol; or
426.12 any case where the commission has determined after being advised by the attorney general
426.13 that its application has been preempted by federal law;

426.14 (2) a high-voltage transmission line proposed primarily to distribute electricity to serve
426.15 the demand of a single customer at a single location, unless the applicant opts to request
426.16 that the commission determine need under this section or section 216B.2425;

426.17 (3) the upgrade to a higher voltage of an existing transmission line that serves the demand
426.18 of a single customer that primarily uses existing rights-of-way, unless the applicant opts to
426.19 request that the commission determine need under this section or section 216B.2425;

426.20 (4) a high-voltage transmission line of one mile or less required to connect a new or
426.21 upgraded substation to an existing, new, or upgraded high-voltage transmission line;

426.22 (5) conversion of the fuel source of an existing electric generating plant to using natural
426.23 gas;

426.24 (6) the modification of an existing electric generating plant to increase efficiency, as
426.25 long as the capacity of the plant is not increased more than ten percent or more than 100
426.26 megawatts, whichever is greater;

426.27 (7) a large wind energy conversion system, as defined in section 216F.01, subdivision
426.28 2, or a solar energy generating system, as defined in section 216E.01, subdivision 9a, ~~if the~~
426.29 ~~system is owned and operated by an independent power producer and the electric output of~~
426.30 ~~the system;~~ for which a site permit is submitted by an independent power producer under
426.31 chapter 216E or 216F; or

427.1 ~~(i) is not sold to an entity that provides retail service in Minnesota or wholesale electric~~
427.2 ~~service to another entity in Minnesota other than an entity that is a federally recognized~~
427.3 ~~regional transmission organization or independent system operator; or~~

427.4 ~~(ii) is sold to an entity that provides retail service in Minnesota or wholesale electric~~
427.5 ~~service to another entity in Minnesota other than an entity that is a federally recognized~~
427.6 ~~regional transmission organization or independent system operator, provided that the system~~
427.7 ~~represents solar or wind capacity that the entity purchasing the system's electric output was~~
427.8 ~~ordered by the commission to develop in the entity's most recent integrated resource plan~~
427.9 ~~approved under section 216B.2422; or~~

427.10 (8) a large wind energy conversion system, as defined in section 216F.01, subdivision
427.11 2, or a solar energy generating system that is a large energy facility, as defined in section
427.12 216B.2421, subdivision 2, engaging in a repowering project that:

427.13 (i) will not result in the system exceeding the nameplate capacity under its most recent
427.14 interconnection agreement; or

427.15 (ii) will result in the system exceeding the nameplate capacity under its most recent
427.16 interconnection agreement, provided that the Midcontinent Independent System Operator
427.17 has provided a signed generator interconnection agreement that reflects the expected net
427.18 power increase.

427.19 (b) For the purpose of this subdivision, "repowering project" means:

427.20 (1) modifying a large wind energy conversion system or a solar energy generating system
427.21 that is a large energy facility to increase its efficiency without increasing its nameplate
427.22 capacity;

427.23 (2) replacing turbines in a large wind energy conversion system without increasing the
427.24 nameplate capacity of the system; or

427.25 (3) increasing the nameplate capacity of a large wind energy conversion system.

427.26 Sec. 8. Minnesota Statutes 2022, section 216B.50, subdivision 1, is amended to read:

427.27 Subdivision 1. **Commission approval required.** No public utility shall sell, acquire,
427.28 lease, or rent any plant as an operating unit or system in this state for a total consideration
427.29 in excess of ~~\$100,000~~ \$1,000,000, or merge or consolidate with another public utility or
427.30 transmission company operating in this state, without first being authorized so to do by the
427.31 commission. Upon the filing of an application for the approval and consent of the
427.32 commission, the commission shall investigate, with or without public hearing. The

428.1 commission shall hold a public hearing, upon such notice as the commission may require.
428.2 If the commission finds that the proposed action is consistent with the public interest, it
428.3 shall give its consent and approval by order in writing. In reaching its determination, the
428.4 commission shall take into consideration the reasonable value of the property, plant, or
428.5 securities to be acquired or disposed of, or merged and consolidated.

428.6 This section does not apply to the purchase of property to replace or add to the plant of
428.7 the public utility by construction.

428.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

428.9 Sec. 9. Minnesota Statutes 2022, section 216B.62, subdivision 3b, is amended to read:

428.10 Subd. 3b. **Assessment for department regional and national duties.** ~~(a)~~ In addition
428.11 to other assessments in subdivision 3, the department may assess up to ~~\$500,000~~ \$1,000,000
428.12 per fiscal year to perform the duties under section 216A.07, subdivision 3a, and to conduct
428.13 analysis that assesses energy grid reliability at state, regional, and national levels. The
428.14 amount in this subdivision shall be assessed to energy utilities in proportion to their respective
428.15 gross operating revenues from retail sales of gas or electric service within the state during
428.16 the last calendar year and shall be deposited into an account in the special revenue fund and
428.17 is appropriated to the commissioner of commerce for the purposes of section 216A.07,
428.18 subdivision 3a. An assessment made under this subdivision is not subject to the cap on
428.19 assessments provided in subdivision 3 or any other law. For the purpose of this subdivision,
428.20 an "energy utility" means public utilities, generation and transmission cooperative electric
428.21 associations, and municipal power agencies providing natural gas or electric service in the
428.22 state.

428.23 ~~(b) By February 1, 2023, the commissioner of commerce must submit a written report~~
428.24 ~~to the chairs and ranking minority members of the legislative committees with primary~~
428.25 ~~jurisdiction over energy policy. The report must describe how the department has used~~
428.26 ~~utility grid assessment funding under paragraph (a) and must explain the impact the grid~~
428.27 ~~assessment funding has had on grid reliability in Minnesota.~~

428.28 ~~(c) This subdivision expires June 30, 2023.~~

428.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

429.1 **Sec. 10. [216C.390] LEGISLATIVE FINDINGS.**

429.2 The legislature finds that increasing the competitiveness of Minnesota is critically
429.3 important to ensuring the state's economy is strong and growing. Increasing competitiveness
429.4 can be accomplished by improving productivity, competition, and investments.

429.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

429.6 **Sec. 11. [216C.391] MINNESOTA STATE COMPETITIVENESS FUND.**

429.7 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
429.8 the meanings given.

429.9 (b) "Competitive funds" means federal funds awarded to selected applicants based on
429.10 the grantor's evaluation of the strength of an application measured against all other
429.11 applications.

429.12 (c) "Disadvantaged community" has the meaning given by the federal agency disbursing
429.13 federal funds.

429.14 (d) "Eligible entity" means an entity located in Minnesota that is eligible to receive
429.15 federal funds, or an entity that has at least one Minnesota-based partner, as determined by
429.16 the grantor of the federal funds.

429.17 (e) "Federal funds" means federal formula or competitive funds available for award to
429.18 applicants for energy projects under the Infrastructure Investment and Jobs Act, Public Law
429.19 117-58, or the Inflation Reduction Act of 2022, Public Law 117-169.

429.20 (f) "Formula funds" means federal funds awarded to all eligible applicants on a
429.21 noncompetitive basis.

429.22 (g) "Match" means the amount of state money a successful grantee in Minnesota is
429.23 required to contribute to a project as a condition of receiving federal funds.

429.24 (h) "Political subdivision" has the meaning given in section 331A.01, subdivision 3.

429.25 (i) "Project" means the activities undertaken by an eligible entity awarded federal funds
429.26 that are located in Minnesota or directly benefit Minnesotans.

429.27 (j) "Tribal government" has the meaning given in section 116J.64, subdivision 4.

429.28 **Subd. 2. Establishment of account; eligible expenditures.** (a) A state competitiveness
429.29 fund account is created in the special revenue fund of the state treasury. The commissioner
429.30 must credit to the account appropriations and transfers to the account. Earnings, including
429.31 interest, dividends, and any other earnings arising from assets of the account, must be

430.1 credited to the account. Money remaining in the account at the end of a fiscal year does not
430.2 cancel to the general fund but remains available until June 30, 2034. The commissioner is
430.3 the fiscal agent and must manage the account.

430.4 (b) Money in the account is appropriated to the commissioner and must be used to:

430.5 (1) pay all or any portion of the state match required as a condition of receiving federal
430.6 funds, or to otherwise reduce the cost for projects that are awarded federal funds;

430.7 (2) award grants under subdivision 4 to obtain grant development assistance for eligible
430.8 entities; and

430.9 (3) pay the reasonable costs incurred by the department to assist eligible entities
430.10 successfully compete for available federal funds.

430.11 Subd. 3. **Grant awards; eligible entities; priorities.** (a) Grants may be awarded under
430.12 this section to eligible entities in accordance with the following order of priorities:

430.13 (1) federal formula funds directed to the state that require a match;

430.14 (2) federal funds directed to a political subdivision or a Tribal government that require
430.15 a match;

430.16 (3) federal funds directed to an institution of higher education, a consumer-owned utility,
430.17 a business, or a nonprofit organization that require a match;

430.18 (4) federal funds directed to investor-owned utilities that require a match;

430.19 (5) federal funds directed to an eligible entity not included in clauses (1) to (4) that
430.20 require a match; and

430.21 (6) all other grant opportunities directed to eligible entities that do not require a match
430.22 but for which the commissioner determines that a grant made under this section is likely to
430.23 enhance the likelihood of an applicant receiving federal funds, or to increase the potential
430.24 amount of federal funds received.

430.25 (b) By November 15, 2023, the commissioner must develop and publicly post, and report
430.26 to the chairs and ranking minority members of the legislative committees with jurisdiction
430.27 over energy finance, the federal energy grant funds that are eligible for state matching funds
430.28 under this section.

430.29 Subd. 4. **Grant awards; grant development assistance.** Grants may be awarded under
430.30 this section to entities with expertise and experience in grant development to assist eligible
430.31 entities to prepare grant applications for federal funds. Eligible grantees under this subdivision
430.32 include regional development commissions established in section 462.387, the West Central

431.1 Initiative Foundation, Minnesota Municipal Utilities Association, Minnesota Rural Electric
431.2 Association, consumer-owned utilities, Tribal governments, and any entity the commissioner
431.3 determines enhances the competitiveness of grant applications by disadvantaged communities
431.4 and from eligible entities located in areas not served by a regional development commission.

431.5 Subd. 5. **Grant amounts.** (a) For grants that meet the criteria in subdivision 3, paragraph
431.6 (a), clauses (1) to (3), the maximum grant award for each entity is 100 percent of the required
431.7 match.

431.8 (b) For grants that meet the criteria in subdivision 3, paragraph (a), clauses (4) and (5),
431.9 the maximum grant award is 50 percent of the required match, except that if the commissioner
431.10 determines that at least 40 percent of the direct benefits resulting from a project awarded
431.11 federal funds would be realized by residents of a disadvantaged community, the commissioner
431.12 may award up to 100 percent of the required match.

431.13 (c) For projects that meet the criteria in subdivision 3, paragraph (a), clause (6), the
431.14 commissioner may award a grant up to ten percent of the amount of federal funds requested
431.15 by the applicant, except that if the commissioner determines that at least 40 percent of the
431.16 direct benefits resulting from a project awarded federal funds would be realized by residents
431.17 of a disadvantaged community, the commissioner may award up to 20 percent of the amount
431.18 of federal funds requested.

431.19 (d) Except for the commissioner, when matching federal funds are directed to the state,
431.20 no single entity may receive as an award or subaward grants under this subdivision totaling
431.21 more than \$15,000,000.

431.22 (e) The maximum grant award for each entity under subdivision 4 is \$300,000.

431.23 Subd. 6. **Grant awards; administration.** (a) An eligible entity seeking a grant award
431.24 under subdivision 3 or an entity seeking a grant award under subdivision 4 must submit an
431.25 application to the commissioner on a form prescribed by the commissioner. The
431.26 commissioner is responsible for receiving and reviewing grant applications and awarding
431.27 grants under this section, and shall develop administrative procedures governing the
431.28 application, evaluation, and award process. The commissioner may not make a grant award
431.29 under this section unless the commissioner has determined, and has notified the applicant
431.30 in writing, that the application is complete. In awarding grants under this section, the
431.31 commissioner shall endeavor to make awards to applicants from all regions of the state.

431.32 (b) The department must provide technical assistance to applicants. Applicants may also
431.33 receive grant development assistance at no cost from entities awarded grants for that purpose
431.34 under subdivision 4.

432.1 (c) Within ten business days of determining a grant award amount to an applicant, the
432.2 commissioner must:

432.3 (1) reserve that amount for that specific grant in the state competitiveness fund account;
432.4 and

432.5 (2) notify the Legislative Advisory Commission in writing of the reserved amount, the
432.6 name of the applicant, the purpose of the project, and the unreserved balance of funds
432.7 remaining in the account.

432.8 (d) Reserved funds are committed to the grant and use specified in the notice provided
432.9 under paragraph (c) and are unavailable for reservation or appropriation for other applications
432.10 unless and until the commissioner receives written notice from (1) the applicant that the
432.11 application for federal funds has been withdrawn, or (2) the federal grantor that the
432.12 application for which funds from the account were reserved has been denied federal funds.

432.13 (e) Reserved funds may only be expended upon presentation of written notice from the
432.14 federal grantor to the commissioner stating that the applicant will receive federal funds for
432.15 the project described in the application. If the amount of federal funds awarded to an applicant
432.16 differs from the amount requested in the application, the commissioner may adjust the award
432.17 made under this section accordingly.

432.18 (f) Reserved funds must be made for projects that demonstrate the project helps meet
432.19 the state's clean energy and energy-related climate goals through renewable energy
432.20 development, energy conservation, efficiency, or energy-related greenhouse gas reduction
432.21 benefits.

432.22 (g) The commissioner must notify the chairs and ranking minority members of the
432.23 legislative committees with jurisdiction over energy finance when the unreserved balance
432.24 of the competitiveness fund account reaches the following amounts: 50 percent, unreserved;
432.25 25 percent, unreserved; 15 percent, unreserved; and five percent. The notification must be
432.26 within ten days after each level of unreserved balance is reached.

432.27 Subd. 7. **Report; audit.** Beginning February 15, 2024, and each February 15 thereafter
432.28 until February 15, 2035, the commissioner must submit a written report to the chairs and
432.29 ranking minority members of the legislative committees with jurisdiction over energy finance
432.30 on the activities taken and expenditures made under this section. The report must, at a
432.31 minimum, include the following information for the most recent calendar year:

432.32 (1) the number of applications for grants filed with the commissioner and the total amount
432.33 of grant funds requested;

- 433.1 (2) each grant awarded;
- 433.2 (3) the number of additional personnel hired for the purposes of this section;
- 433.3 (4) expenditures on activities conducted under this section, reported separately for these
- 433.4 areas:
- 433.5 (i) the technical assistance provided;
- 433.6 (ii) grants made under subdivision 4 to entities to assist applicants with grant
- 433.7 development;
- 433.8 (iii) application review and evaluation, including applicants that were denied federal or
- 433.9 state grant awards and the reason for the denial;
- 433.10 (iv) information technology activities; and
- 433.11 (v) other expenditures;
- 433.12 (5) the unreserved balance remaining in the state competitiveness fund account;
- 433.13 (6) a copy of a financial audit of the department's expenditures under this section
- 433.14 conducted by an independent auditor;
- 433.15 (7) recommendations for legislation to enhance the ability of eligible entities to
- 433.16 successfully compete for federal funds;
- 433.17 (8) additional available funding opportunities to obtain energy-related funding from
- 433.18 federal agencies; and
- 433.19 (9) federal grant program changes that would affect the federal funds available to the
- 433.20 state and eligible applicants, including changes that would affect the required match for
- 433.21 receiving federal funds.

433.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

433.23 **Sec. 12. [216C.51] UTILITY DIVERSITY REPORTING.**

433.24 **Subdivision 1. Public policy.** It is the public policy of this state to encourage each utility

433.25 that serves Minnesota residents to focus on and improve the diversity of the utility's

433.26 workforce and suppliers.

433.27 **Subd. 2. Definition.** As used in this section, "utility" means:

433.28 (1) a public utility;

433.29 (2) a generation and transmission electric cooperative association;

434.1 (3) a municipal power agency;

434.2 (4) a municipal utility that provides electric service to 10,000 customers or more; or

434.3 (5) a cooperative electric association that provides electric service to 10,000 members
434.4 or more.

434.5 Subd. 3. **Annual report.** (a) Beginning March 15, 2024, and each March 15 thereafter,
434.6 each utility authorized to do business in Minnesota must file an annual diversity report to
434.7 the commissioner in the public eDockets system that describes:

434.8 (1) the utility's goals and efforts to increase diversity in the workplace, including current
434.9 workforce representation numbers and percentages; and

434.10 (2) all procurement goals and actual spending for female-owned, minority-owned,
434.11 veteran-owned, and small business enterprises during the previous calendar year.

434.12 (b) The goals under paragraph (a), clause (2), must be expressed as a percentage of the
434.13 total work performed by the utility submitting the report. The actual spending for
434.14 female-owned, minority-owned, veteran-owned, and small business enterprises must also
434.15 be expressed as a percentage of the total work performed by the utility submitting the report.

434.16 Subd. 4. **Report elements.** Each utility required to report under this section must include
434.17 the following in the annual report to the department:

434.18 (1) an explanation of the plan to increase diversity in the utility's workforce and suppliers
434.19 during the next year;

434.20 (2) an explanation of the plan to increase the goals;

434.21 (3) an explanation of the challenges faced to increase workforce and supplier diversity,
434.22 including suggestions regarding actions the department could take to help identify potential
434.23 employees and vendors;

434.24 (4) a list of the certifications the company recognizes that must include the Minnesota
434.25 Unified Certification Program; the Central Certification Program recognized by Hennepin
434.26 County, Ramsey County, the city of St. Paul, and the city of Minneapolis Target Market
434.27 program; and the Minnesota Office of State Procurement program for Targeted Group,
434.28 Economically Disadvantaged and Veteran-Owned small businesses;

434.29 (5) a point of contact for a potential employee or vendor that wishes to work for or do
434.30 business with the utility; and

434.31 (6) a list of successful actions taken to increase workforce and supplier diversity, in
434.32 order to encourage other companies to emulate best practices.

435.1 Subd. 5. **State data.** Each annual report must include as much state-specific data as
435.2 possible. If the submitting utility does not submit state-specific data, the utility must include
435.3 any relevant national data the utility possesses, explain why the utility could not submit
435.4 state-specific data, and detail how the utility intends to include state-specific data in future
435.5 reports, if possible.

435.6 Subd. 6. **Publication; retention.** The department must publish an annual report on the
435.7 department's website and file the report in the public eDockets system, and must maintain
435.8 each annual report for at least five years.

435.9 Subd. 7. **Annual workshop.** Beginning in 2024, and continuing annually thereafter, the
435.10 Minnesota Public Utilities Commission must organize a workshop for utilities that is open
435.11 to members of the public and that focuses on utility efforts to (1) advance supplier diversity,
435.12 and (2) collaboratively explore solutions to advance supplier diversity.

435.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

435.14 Sec. 13. Minnesota Statutes 2022, section 237.55, is amended to read:

435.15 **237.55 ANNUAL REPORT ON TELECOMMUNICATIONS ACCESS.**

435.16 The commissioner of commerce must prepare a report for presentation to the Public
435.17 Utilities Commission by ~~January~~ March 31 of each year. Each report must review the
435.18 accessibility of telecommunications services to persons who have communication disabilities,
435.19 describe services provided, account for annual revenues and expenditures ~~for each aspect~~
435.20 ~~of the fund to date~~, and include ~~predicted program~~ anticipated future operation program
435.21 operations.

435.22 Sec. 14. Laws 2005, chapter 97, article 10, section 3, as amended by Laws 2013, chapter
435.23 85, article 7, section 9, is amended to read:

435.24 Sec. 3. **SUNSET.**

435.25 Sections 1 and 2 ~~shall expire on~~ June 30, ~~2023~~ 2028.

435.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

435.27 Sec. 15. **DECOMMISSIONING AND DEMOLITION PLAN FOR COAL-FIRED**
435.28 **PLANT.**

435.29 The public utility that owns an electric generation facility powered by coal that is located
435.30 within the St. Croix National Scenic Riverway and is scheduled for retirement in 2028 must

436.1 develop a plan and detailed schedule of activities that it proposes to undertake to
436.2 decommission and demolish the electric generation facility and to remediate pollution at
436.3 the electric generation facility site. The public utility must file the plan with the Minnesota
436.4 Public Utilities Commission as part of the public utility's next resource plan filing under
436.5 Minnesota Statutes, section 216B.2422, or in a separate filing by December 31, 2025,
436.6 whichever is earlier. A copy of the plan and schedule must be filed on the same date with
436.7 the governing body of the municipality where the electric generation facility is located.

436.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

436.9 Sec. 16. **TRIBAL ADVOCACY COUNCIL ON ENERGY; DEPARTMENT OF**
436.10 **COMMERCE SUPPORT.**

436.11 (a) The Department of Commerce must provide technical support and subject matter
436.12 expertise to assist and help facilitate any efforts taken by the 11 federally recognized Indian
436.13 Tribes in Minnesota to establish a Tribal advocacy council on energy.

436.14 (b) When providing support to a Tribal advocacy council on energy, the Department of
436.15 Commerce may assist the council to:

436.16 (1) assess and evaluate common Tribal energy issues, including (i) identifying and
436.17 prioritizing energy issues, (ii) facilitating idea sharing between the Tribes to generate
436.18 solutions to energy issues, and (iii) assisting decision making with respect to resolving
436.19 energy issues;

436.20 (2) develop new statewide energy policies or proposed legislation, including (i) organizing
436.21 stakeholder meetings, (ii) gathering input and other relevant information, (iii) assisting with
436.22 policy proposal development, evaluation, and decision making, and (iv) helping facilitate
436.23 actions taken to submit, and obtain approval for or have enacted, policies or legislation
436.24 approved by the council;

436.25 (3) make efforts to raise awareness and provide educational opportunities with respect
436.26 to Tribal energy issues by (i) identifying information resources, (ii) gathering feedback on
436.27 issues and topics the council identifies as areas of interest, and (iii) identifying topics for
436.28 educational forums and helping facilitate the forum process; and

436.29 (4) identify, evaluate, and disseminate successful energy-related practices, and develop
436.30 mechanisms or opportunities to implement the successful practices.

436.31 (c) Nothing in this section requires or otherwise obligates the 11 federally recognized
436.32 Indian Tribes in Minnesota to establish a Tribal advocacy council on energy, nor does it
436.33 require or obligate any one of the 11 federally recognized Indian Tribes in Minnesota to

437.1 participate in or implement a decision or support an effort made by an established Tribal
437.2 advocacy council on energy.

437.3 (d) Any support provided by the Department of Commerce to a Tribal advocacy council
437.4 on energy under this section may be provided only upon request of the council and is limited
437.5 to issues and areas where the Department of Commerce's expertise and assistance is
437.6 requested.

16B.24 GENERAL AUTHORITY.

Subd. 13. **Electric vehicle charging.** The commissioner shall require that a user of a charging station located on the State Capitol complex used to charge a private electric vehicle pay an electric service fee. The commissioner shall set the electric service fee rate to cover the electricity costs for charging an electric vehicle and for the administrative costs associated with providing electric charging stations.

84.033 SCIENTIFIC AND NATURAL AREAS.

Subd. 3. **County approval.** The commissioner must follow the procedures under section 97A.145, subdivision 2, when acquiring land for designation as a scientific and natural area under this section.

84.944 ACQUIRING CRITICAL NATURAL HABITAT.

Subd. 3. **County approval.** The commissioner must follow the procedures under section 97A.145, subdivision 2, for critical natural habitat acquired under this section.

86B.101 WATERCRAFT SAFETY PROGRAM.

Subdivision 1. **Safety program.** The commissioner shall continue and expand the comprehensive boat safety and education program. The commissioner shall cooperate with boaters, governmental subdivisions, state agencies, other states, and the federal government in the operation of the program.

Subd. 2. **Youth watercraft safety course.** (a) The commissioner shall establish an educational course and a testing program for personal watercraft and watercraft operators and for persons age 12 or older but younger than age 18 required to take the watercraft safety course. The commissioner shall prescribe a written test as part of the course. A personal watercraft educational course and testing program that emphasizes safe and legal operation must be required for persons age 13 or older but younger than age 18 operating personal watercraft.

(b) The commissioner shall issue a watercraft operator's permit to a person age 12 or older but younger than age 18 who successfully completes the educational program and the written test.

Subd. 3. **Operator's permit.** The commissioner shall issue a watercraft operator's permit to a person who successfully qualifies for a watercraft operator's permit under the boat safety education program.

Subd. 4. **Boat safety education program; reciprocity with other states.** The commissioner may enter into reciprocity agreements or otherwise certify boat safety education programs from other states that are substantially similar to in-state programs. The commissioner shall issue a watercraft operator's permit to a person who provides proof of completion of a program subject to a reciprocity agreement or certified as substantially similar.

86B.305 YOUTH OPERATORS.

Subdivision 1. **Under age 12.** (a) Except in case of an emergency, a person under age 12 may not operate or be allowed to operate a watercraft propelled by a motor with a factory rating of more than 25 horsepower unless there is present in the watercraft, in addition to the operator, at least one person age 21 or older who is within immediate reach of the controls of the motor. For purposes of section 169A.20, the person age 21 or older, as well as the actual operator, is in physical control of the motorboat.

(b) A person under age 12 may not operate or be allowed to operate a watercraft propelled by a motor with a factory rating of more than 75 horsepower.

Subd. 2. **Age 12 to 17; permit required.** Except as provided in this subdivision, a person age 12 or older and younger than age 18 may not operate a motorboat powered by a motor over 25 horsepower without possessing a valid watercraft operator's permit from this state or from the operator's state of residence unless there is a person age 21 or older in the motorboat who is within immediate reach of the controls of the motor. For purposes of section 169A.20, the person age 21 or older, as well as the actual operator, is in physical control of the motorboat.

Subd. 3. **Owners may not allow certain uses.** An owner of a watercraft may not allow a watercraft to be operated contrary to the provisions of subdivision 2.

86B.313 PERSONAL WATERCRAFT; REGULATIONS.

Subd. 2. **Age of operator.** Except in the case of an emergency, a person under the age of 13 years may not operate or be permitted to operate a personal watercraft, regardless of horsepower.

It is unlawful for the owner of a personal watercraft to permit the personal watercraft to be operated contrary to this subdivision.

Subd. 3. Operator's permit; adult supervision. Except in the case of an emergency, a person 13 years of age or over but less than 18 years of age may not operate a personal watercraft, regardless of horsepower, without possessing a valid watercraft operator's permit as required by section 86B.305, unless there is a person 21 years of age or older on board the craft. In addition to the permit requirement, a person 13 years of age operating a personal watercraft must remain under visual supervision by a person who is 21 years of age or older. An owner of a personal watercraft may not permit the personal watercraft to be operated contrary to this subdivision.

97A.145 WETLANDS FOR WILDLIFE.

Subd. 2. Acquisition procedure. (a) Lands purchased or leased under this section must be acquired in accordance with this subdivision.

(b) The commissioner must notify the county board and the town officers where the land is located and furnish them a description of the land to be acquired. The county board must approve or disapprove the proposed acquisition within 90 days after being notified. The commissioner may extend the time up to 30 days. The soil and water conservation district supervisors shall counsel the county board on drainage and flood control and the best utilization and capability of the land.

(c) If the county board approves the acquisition within the prescribed time, the commissioner may acquire the land.

(d) If the county board disapproves the acquisition, it must state valid reasons. The commissioner may not purchase or lease the land if the county board disapproves the acquisition and states its reasons within the prescribed time period. The landowner or the commissioner may appeal the disapproval to the district court having jurisdiction where the land is located.

(e) The commissioner or the owner of the land may submit the proposed acquisition to the Land Exchange Board if:

(1) the county board does not give reason for disapproval, or does not approve or disapprove the acquisition within the prescribed time period; or

(2) the court finds that the disapproval is arbitrary and capricious, or that the reasons stated for disapproval are invalid.

(f) The Land Exchange Board must conduct a hearing and make a decision on the acquisition within 60 days after receiving the proposal. The Land Exchange Board must give notice of the hearing to the county board, the commissioner, the landowner, and other interested parties. The Land Exchange Board must consider the interests of the county, the state, and the landowner in determining whether the acquisition is in the public interest. If a majority of the Land Exchange Board members approves the acquisition, the commissioner may acquire the land. If a majority disapproves, the commissioner may not purchase or lease the land.

97C.605 TURTLES.

Subd. 2. Turtle seller's license. (a) A person may not take, possess, buy, or transport turtles for sale; sell turtles; or take turtles for sale using commercial equipment without a turtle seller's license, except as provided in subdivision 2c.

(b) Except for renewals, no new turtle seller's licenses may be issued after August 1, 2002.

(c) A turtle seller's license is transferable by the turtle seller licensee by making application to the commissioner. A turtle seller's license may be transferred only once under this paragraph and the transfer must be to a child of the person holding the turtle seller's license.

Subd. 2a. Recreational turtle license. A person who does not possess a turtle seller's license must obtain a recreational turtle license to take turtles for personal use with commercial equipment.

Subd. 2b. Turtle seller's apprentice license. (a) A person with a turtle seller's license may list one person as an apprentice on the license. A person acting as an apprentice for a turtle seller licensee must have an apprentice license and may assist the turtle licensee in all licensed activities.

(b) The turtle seller licensee or turtle seller's apprentice licensee must be present at all turtle operations conducted under the turtle seller's license. Turtle operations include going to and from turtle harvest locations; setting, lifting, and removing commercial turtle equipment; taking turtles out of equipment; and transporting turtles from harvest locations.

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(c) A turtle seller's apprentice license is transferable by the turtle seller licensee by making application to the commissioner. A person listed as an apprentice by a turtle seller licensee must not be listed as an apprentice by another turtle seller licensee nor may an apprentice possess a turtle seller's license or a recreational turtle license.

Subd. 5. **Interfering with commercial or recreational turtle operations.** A person may not:

- (1) knowingly place or maintain an obstruction that will hinder, prevent, or interfere with a licensed turtle operation;
- (2) remove turtles, other wild animals, or fish from a floating or submerged trap licensed under the game and fish laws; or
- (3) knowingly damage, disturb, or interfere with a licensed turtle operation.

103C.501 COST-SHARING CONSERVATION CONTRACTS FOR EROSION CONTROL AND WATER MANAGEMENT.

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

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

Subd. 3. **Approving application.** If the state board approves the comprehensive plan, including the plan's most recent amendment, the annual work plan, and the application of the district, the state board shall determine the specific amount of funds to allocate to the district for cost-sharing contracts.

115.44 CLASSIFICATION OF WATERS; STANDARDS OF QUALITY AND PURITY.

Subd. 9. **Annual report.** (a) By January 15 each year, the commissioner shall post on the Pollution Control Agency's website a report on the agency's activities the previous calendar year to implement standards and classification requirements into national pollutant discharge elimination system and state disposal system permits held by municipalities. The report must include:

- (1) a summary of permits issued or reissued over the previous calendar year, including any changes to permitted effluent limits due to water quality standards adopted or revised during the previous permit term;
- (2) highlights of innovative approaches employed by the agency and municipalities to develop and achieve permit requirements in a cost-effective manner;
- (3) a summary of standards development and water quality rulemaking activities over the previous calendar year, including economic analyses;
- (4) a summary of standards development and water quality rulemaking activities anticipated for the next three years, including economic analyses;
- (5) a process and timeframe for municipalities to provide input to the agency regarding their needs based on the information provided in the report; and
- (6) a list of anticipated permitting initiatives in the next calendar year that may impact municipalities and the agency's plan for involving the municipalities throughout the planning and decision-making process. The plan must include opportunities for input and public comment from municipalities on rulemaking initiatives prior to preparation of a statement of need and reasonableness required under section 14.131. The commissioner must ensure the agency's plan under this clause is implemented.

(b) For the purposes of this section, "economic analyses" must include assessments of the potential costs to regulated municipalities associated with water quality standards or rules proposed by the agency.

116.011 POLLUTION REPORT.

A goal of the Pollution Control Agency is to reduce the amount of pollution that is emitted in the state. By April 1 of each even-numbered year, the Pollution Control Agency shall report the best estimate of the agency of the total volume of water and air pollution that was emitted in the state in the previous two calendar years for which data are available. The agency shall report its findings for both water and air pollution:

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(1) in gross amounts, including the percentage increase or decrease over the previously reported two calendar years; and

(2) in a manner which will demonstrate the magnitude of the various sources of water and air pollution.

216B.16 RATE CHANGE; PROCEDURE; HEARING.

Subd. 10. **Intervenor compensation.** (a) A nonprofit organization or an individual granted formal intervenor status by the commission is eligible to receive compensation.

(b) The commission may order a utility to compensate all or part of an eligible intervenor's reasonable costs of participation in a general rate case that comes before the commission when the commission finds that the intervenor has materially assisted the commission's deliberation and when a lack of compensation would present financial hardship to the intervenor. Compensation may not exceed \$50,000 for a single intervenor in any proceeding. For the purpose of this subdivision, "materially assisted" means that the intervenor's participation and presentation was useful and seriously considered, or otherwise substantially contributed to the commission's deliberations in the proceeding.

(c) In determining whether an intervenor has materially assisted the commission's deliberation, the commission must consider, among other factors, whether:

(1) the intervenor represented an interest that would not otherwise have been adequately represented;

(2) the evidence or arguments presented or the positions taken by the intervenor were an important factor in producing a fair decision;

(3) the intervenor's position promoted a public purpose or policy;

(4) the evidence presented, arguments made, issues raised, or positions taken by the intervenor would not have been a part of the record without the intervenor's participation; and

(5) the administrative law judge or the commission adopted, in whole or in part, a position advocated by the intervenor.

(d) In determining whether the absence of compensation would present financial hardship to the intervenor, the commission must consider:

(1) whether the costs presented in the intervenor's claim reflect reasonable fees for attorneys and expert witnesses and other reasonable costs; and

(2) the ratio between the costs of intervention and the intervenor's unrestricted funds.

(e) An intervenor seeking compensation must file a request and an affidavit of service with the commission, and serve a copy of the request on each party to the proceeding. The request must be filed 30 days after the later of (1) the expiration of the period within which a petition for rehearing, amendment, vacation, reconsideration, or reargument must be filed or (2) the date the commission issues an order following rehearing, amendment, vacation, reconsideration, or reargument.

(f) The compensation request must include:

(1) the name and address of the intervenor or representative of the nonprofit organization the intervenor is representing;

(2) proof of the organization's nonprofit, tax-exempt status;

(3) the name and docket number of the proceeding for which compensation is requested;

(4) a list of actual annual revenues and expenses of the organization the intervenor is representing for the preceding year and projected revenues, revenue sources, and expenses for the current year;

(5) the organization's balance sheet for the preceding year and a current monthly balance sheet;

(6) an itemization of intervenor costs and the total compensation request; and

(7) a narrative explaining why additional organizational funds cannot be devoted to the intervention.

(g) Within 30 days after service of the request for compensation, a party may file a response, together with an affidavit of service, with the commission. A copy of the response must be served on the intervenor and all other parties to the proceeding.

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(h) Within 15 days after the response is filed, the intervenor may file a reply with the commission. A copy of the reply and an affidavit of service must be served on all other parties to the proceeding.

(i) If additional costs are incurred as a result of additional proceedings following the commission's initial order, the intervenor may file an amended request within 30 days after the commission issues an amended order. Paragraphs (e) to (h) apply to an amended request.

(j) The commission must issue a decision on intervenor compensation within 60 days of a filing by an intervenor.

(k) A party may request reconsideration of the commission's compensation decision within 30 days of the decision.

(l) If the commission issues an order requiring payment of intervenor compensation, the utility that was the subject of the proceeding must pay the compensation to the intervenor, and file with the commission proof of payment, within 30 days after the later of (1) the expiration of the period within which a petition for reconsideration of the commission's compensation decision must be filed or (2) the date the commission issues an order following reconsideration of its order on intervenor compensation.

216C.376 SOLAR FOR SCHOOLS PROGRAM FOR CERTAIN UTILITY SERVICE TERRITORY.

Subdivision 1. **Establishment; purpose.** The utility subject to section 116C.779 must operate a program to provide financial assistance to enable schools to install and operate solar energy systems that can be used as teaching tools and be integrated into the school curriculum.

Subd. 2. **Required plan.** (a) By October 1, 2021, the public utility must file a plan for the solar for schools program with the commissioner. The plan must contain but is not limited to the following elements:

(1) a description of how the public utility proposes to use incentive program money withheld from the renewable development account to provide financial assistance to schools at which a solar energy system is installed;

(2) an estimate of the amount of financial assistance that the public utility provides to a school under clause (1), and the length of time financial assistance is provided;

(3) administrative procedures governing the application and financial assistance award process, and the costs the public utility is projected to incur to administer the program;

(4) the public utility's proposed process for periodic reevaluation and modification of the program; and

(5) any additional information required by the commissioner.

(b) The public utility may not implement the program until the commissioner approves the public utility's plan submitted under this subdivision. The commissioner must approve a plan under this subdivision that the commissioner determines to be in the public interest no later than December 31, 2021. Any proposed modifications to the plan approved under this subdivision must be approved by the commissioner.

Subd. 3. **System eligibility.** A solar energy system is eligible to receive financial assistance under this section if it meets all of the following conditions:

(1) the solar energy system must be located on or adjacent to a school building receiving retail electric service from the public utility and completely located within the public utility's electric service territory, provided that any land situated between the school building and the site where the solar energy system is installed is owned by the school district or the state college or university in which the school building operates;

(2) the total aggregate nameplate capacity of all distributed generation serving the school building, including any subscriptions to a community solar garden under section 216B.1641, may not exceed the lesser of one megawatt alternating current or 120 percent of the average annual electric energy consumption of the school building; and

(3) has real-time and cumulative display devices, located in a prominent location accessible to students and the public, that indicate the system's electrical performance.

Subd. 4. **Application process.** (a) A school seeking financial assistance under this section must submit an application to the public utility, including a plan for how the school uses the solar energy

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system as a visible learning tool for students, teachers, and visitors to the school, and how the solar energy system may be integrated into the school's curriculum.

(b) The public utility must award financial assistance under this section on a first-come, first-served basis.

(c) The public utility must discontinue accepting applications under this section after all money withheld under subdivision 5 are allocated to program participants, including funds from canceled projects.

Subd. 5. Program funding. (a) In 2022, the public utility subject to section 116C.779 must withhold \$8,000,000 from the transfer made under section 116C.779, subdivision 1, paragraph (e), to pay for assistance provided by the program under this section. The money withheld under this paragraph must be used to pay for financial assistance awarded under this section and the costs to administer this section. Any money that remains unexpended on June 30, 2027, cancels to the renewable development account.

(b) The renewable energy credits associated with the electricity generated by a solar energy system installed under this section are the property of the public utility that is subject to this section for the life of the system, regardless of the duration of the financial assistance provided by the public utility under this section.

Subd. 6. Limitation. (a) No more than 60 percent of the financial assistance provided by the public utility to schools under this section may be provided to schools where the proportion of students eligible for free and reduced-price lunch under the National School Lunch Program is less than 50 percent. If, after December 31, 2024, there is an insufficient number of applicant schools to fulfill the requirements of this paragraph, the remaining amounts may be provided to any school that is otherwise eligible to receive financial assistance under this section but for the requirements of this paragraph.

(b) No more than ten percent of the total amount of financial assistance provided by the public utility to schools under this section may be provided to schools that are part of the same school district or state college or university.

(c) Paragraph (a) does not apply to a state college or university.

Subd. 7. Technical assistance. The commissioner may provide technical assistance to schools to develop and execute projects under this section.

Subd. 8. Program information. The public utility must provide information requested by the commissioner that the commissioner determines is necessary to complete the report required under section 216C.375, subdivision 11.

Subd. 9. Application deadline. No application may be submitted under this section after December 31, 2025.

325E.389 ITEMS CONTAINING LEAD PROHIBITED.

Subdivision 1. **Definitions.** For purposes of this section, the following definitions apply.

(a) "Body piercing jewelry" means any part of jewelry that is manufactured or sold for placement in a new piercing or a mucous membrane, but does not include any part of that jewelry that is not placed within a new piercing or a mucous membrane.

(b) "Children" means children age six and younger.

(c) "Children's jewelry" means jewelry that is made for, marketed for use by, or marketed to children. For purposes of this section, children's jewelry includes, but is not limited to, jewelry that meets any of the following conditions:

(1) is represented in its packaging, display, or advertising as appropriate for use by children;

(2) is sold in conjunction with, attached to, or packaged together with other products that are packaged, displayed, or advertised as appropriate for use by children;

(3) is sized for children and not intended for use by adults; or

(4) is sold in any of the following:

(i) a vending machine;

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(ii) retail store, catalog, or website in which a person exclusively offers for sale products that are packaged, displayed, or advertised as appropriate for use by children; or

(iii) a discrete portion of a retail store, catalog, or website in which a person offers for sale products that are packaged, displayed, or advertised as appropriate for use by children.

(d) "Class 1 material" means any of the following materials:

(1) stainless or surgical steel;

(2) karat gold;

(3) sterling silver;

(4) platinum, palladium, iridium, ruthenium, rhodium, or osmium;

(5) natural or cultured pearls;

(6) glass, ceramic, or crystal decorative components including cat's eye; cubic zirconia, including cubic zirconium or CZ; rhinestones; and cloisonne;

(7) a gemstone that is cut and polished for ornamental purposes, except that the following gemstones are not Class 1 materials: aragonite, bayldonite, boleite, cerussite, crocoite, ekanite, linarite, mimetite, phosgenite, samarskite, vanadinite, and wulfenite;

(8) elastic, fabric, ribbon, rope, or string, unless it contains intentionally added lead and is listed as a Class 2 material;

(9) all natural decorative material including amber, bone, coral, feathers, fur, horn, leather, shell, and wood that is in its natural state and is not treated in a way that adds lead; or

(10) adhesive.

(e) "Class 2 material" means any of the following materials:

(1) electroplated metal that meets the following standards:

(i) on and before August 30, 2009, a metal alloy with less than ten percent lead by weight that is electroplated with suitable under and finish coats; or

(ii) on and after August 31, 2009, a metal alloy with less than six percent lead by weight that is electroplated with suitable under and finish coats;

(2) unplated metal with less than 1.5 percent lead that is not otherwise listed as a Class 1 material;

(3) plastic or rubber including acrylic, polystyrene, plastic beads and stones, and polyvinyl chloride (PVC) that meets the following standards:

(i) on and before August 30, 2009, less than 0.06 percent (600 parts per million) lead by weight; and

(ii) on and after August 31, 2009, less than 0.02 percent (200 parts per million) lead by weight; and

(4) a dye or surface coating containing less than 0.06 percent (600 parts per million) lead by weight.

(f) "Class 3 material" means any portion of jewelry that meets both of the following criteria:

(1) is not a Class 1 or Class 2 material; and

(2) contains less than 0.06 percent (600 parts per million) lead by weight.

(g) "Component" means any part of jewelry.

(h) "EPA reference methods 3050B (Acid Digestion of Sediments, Sludges, and Soils) or 3051 (Microwave Assisted Digestion/Sludge, Soils)" means those test methods incorporated by reference in Code of Federal Regulations, title 40, section 260.11, paragraph (11), subdivision (a).

(i) "Jewelry" means:

(1) any of the following ornaments worn by a person: anklet, arm cuff, bracelet, brooch, chain, crown, cuff link, decorated hair accessories, earring, necklace, pin, ring, or body piercing jewelry; or

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(2) any bead, chain, link, pendant, or other component of such an ornament.

(j) "Surface coating" means a fluid, semifluid, or other material, with or without a suspension of finely divided coloring matter, that changes to a solid film when a thin layer is applied to a metal, wood, stone, paper, leather, cloth, plastic, or other surface. Surface coating does not include a printing ink or a material that actually becomes a part of the substrate including, but not limited to, pigment in a plastic article or a material that is actually bonded to the substrate, such as by electroplating or ceramic glazing.

Subd. 2. **Sale prohibited.** (a) No person shall manufacture any jewelry that is offered for sale in Minnesota unless the jewelry is made entirely from a Class 1, Class 2, or Class 3 material, or any combination thereof.

(b) No person shall offer for sale, sell, label, or distribute for free any jewelry represented to contain safe levels of lead, unless the jewelry is made entirely from a Class 1, Class 2, or Class 3 material, or any combination thereof.

(c) Notwithstanding paragraph (a), no person shall manufacture any children's jewelry that is offered for sale in Minnesota unless the children's jewelry is made entirely from one or more of the following materials:

(1) a nonmetallic material that is a Class 1 material;

(2) a nonmetallic material that is a Class 2 material;

(3) a metallic material that is either a Class 1 material or contains less than 0.06 percent (600 parts per million) lead by weight;

(4) glass or crystal decorative components that weigh in total no more than one gram, excluding any glass or crystal decorative component that contains less than 0.02 percent (200 parts per million) lead by weight and has no intentionally added lead;

(5) printing ink or ceramic glaze that contains less than 0.06 percent (600 parts per million) lead by weight; or

(6) Class 3 material that contains less than 0.02 percent (200 parts per million) lead by weight.

(d) Notwithstanding paragraph (b), no person shall offer for sale, sell, distribute for free, or label any jewelry as children's jewelry represented to contain safe levels of lead, unless the jewelry is made entirely from one or more of the following materials:

(1) a nonmetallic material that is a Class 1 material;

(2) a nonmetallic material that is a Class 2 material;

(3) a metallic material that is either a Class 1 material or contains less than 0.06 percent (600 parts per million) lead by weight;

(4) glass or crystal decorative components that weigh in total no more than one gram, excluding any glass or crystal decorative component that contains less than 0.02 percent (200 parts per million) lead by weight and has no intentionally added lead;

(5) printing ink or ceramic glaze that contains less than 0.06 percent (600 parts per million) lead by weight; or

(6) Class 3 material that contains less than 0.02 percent (200 parts per million) lead by weight.

(e) Notwithstanding paragraph (a), no person shall manufacture any body piercing jewelry that is offered for sale in Minnesota unless the body piercing jewelry is made of one or more of the following materials:

(1) surgical implant stainless steel; or

(2) surgical implant grade of titanium, niobium (Nb), solid 14-karat or higher white or yellow nickel-free gold, solid platinum, or a dense low-porosity plastic including, but not limited to, Tygon or polytetrafluoroethylene (PTFE), if the plastic contains no intentionally added lead.

(f) No person shall offer for sale, sell, label, or distribute for free any body piercing jewelry represented to contain safe levels of lead unless the body piercing jewelry is made of one or more of the following materials:

(1) surgical implant stainless steel; or

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(2) surgical implant grade of titanium, niobium (Nb), solid 14-karat or higher white or yellow nickel-free gold, solid platinum, or a dense low-porosity plastic including, but not limited to, Tygon or polytetrafluoroethylene (PTFE), if the plastic contains no intentionally added lead.

(g) The prohibitions under this section do not apply to sales or free distribution of jewelry by a nonprofit organization described in section 501(c)(3) of the Internal Revenue Code or to isolated and occasional sales of jewelry not made in the normal course of business.

Subd. 3. **Testing methods.** (a) The testing methods for determining compliance with this section must be conducted using EPA reference method 3050B or 3051 for the material being tested, except as otherwise provided in subdivision 4 and in accordance with all of the following procedures:

(1) when preparing a sample, the laboratory shall make every effort to ensure that the sample removed from a jewelry piece is representative of the component to be tested, and is free of contamination from extraneous dirt and material not related to the component to be tested;

(2) all component samples must be washed before testing using standard laboratory detergent, rinsed with laboratory reagent-grade deionized water, and dried in a clean ambient environment;

(3) if a component is required to be cut or scraped to obtain a sample, the metal snips, scissors, or other cutting tools used for the cutting or scraping must be made of stainless steel and washed and rinsed before each use and between samples;

(4) a sample must be digested in a container that is known to be free of lead and with the use of an acid that is not contaminated by lead, including analytical reagent-grade digestion acids and reagent-grade deionized water;

(5) method blanks, consisting of all reagents used in sample preparation handled, digested, and made to volume in the same exact manner and in the same container type as samples, must be tested with each group of 20 or fewer samples tested; and

(6) the results for the method blanks must be reported with each group of sample results and must be below the stated reporting limit for sample results to be considered valid.

(b) A material does not meet an applicable lead standard set forth in this section if any of the following occurs:

(1) the mean lead level of one or two samples of the material exceeds 300 percent of the applicable limit for a component;

(2) the mean lead level of three samples of the material exceeds 200 percent of the applicable limit for a component; or

(3) the mean lead level of four or more samples of the material exceeds the applicable limit for a component.

Subd. 4. **Additional testing procedures.** In addition to the requirements of subdivision 3, the following procedures must be used for testing the following materials:

(1) for testing a metal plated with suitable undercoats and finish coats, the following protocols must be observed:

(i) digestion must be conducted using hot concentrated nitric acid with the option of using hydrochloric acid or hydrogen peroxide;

(ii) the sample size must be 0.050 gram to one gram;

(iii) the digested sample may require dilution prior to analysis;

(iv) the digestion and analysis must achieve a reported detection limit no greater than 0.1 percent for samples; and

(v) all necessary dilutions must be made to ensure that measurements are made within the calibrated range of the analytical instrument;

(2) for testing unplated metal and metal substrates that are not a Class 1 material, the following protocols must be observed:

(i) digestion must be conducted using hot concentrated nitric acid with the option of using hydrochloric acid and hydrogen peroxide;

(ii) the sample size must be 0.050 gram to one gram;

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(iii) the digested sample may require dilution prior to analysis;

(iv) the digestion and analysis must achieve a reported detection limit no greater than 0.01 percent for samples; and

(v) all necessary dilutions must be made to ensure that measurements are made within the calibrated range of the analytical instrument;

(3) for testing polyvinyl chloride (PVC), the following protocols must be observed:

(i) the digestion must be conducted using hot concentrated nitric acid with the option of using hydrochloric acid and hydrogen peroxide;

(ii) the sample size must be a minimum of 0.05 gram if using microwave digestion or 0.5 gram if using hotplate digestion, and must be chopped or comminuted prior to digestion;

(iii) digested samples may require dilution prior to analysis;

(iv) digestion and analysis must achieve a reported detection limit no greater than 0.001 percent (10 parts per million) for samples; and

(v) all necessary dilutions must be made to ensure that measurements are made within the calibrated range of the analytical instrument;

(4) for testing plastic or rubber that is not polyvinyl chloride (PVC), including acrylic, polystyrene, plastic beads, or plastic stones, the following protocols must be observed:

(i) the digestion must be conducted using hot concentrated nitric acid with the option of using hydrochloric acid or hydrogen peroxide;

(ii) the sample size must be a minimum of 0.05 gram if using microwave digestion or 0.5 gram if using hotplate digestion, and must be chopped or comminuted prior to digestion;

(iii) plastic beads or stones must be crushed prior to digestion;

(iv) digested samples may require dilution prior to analysis;

(v) digestion and analysis must achieve a reported detection limit no greater than 0.001 percent (10 parts per million) for samples; and

(vi) all necessary dilutions must be made to ensure that measurements are made within the calibrated range of the analytical instrument;

(5) for testing coatings on glass and plastic pearls, the following protocols must be observed:

(i) the coating of glass or plastic beads must be scraped onto a surface free of dust, including a clean weighing paper or pan, using a clean stainless steel razor blade or other clean sharp instrument that will not contaminate the sample with lead. The substrate pearl material must not be included in the scrapings;

(ii) the razor blade or sharp instrument must be rinsed with deionized water, wiped to remove particulate matter, rinsed again, and dried between samples;

(iii) the scrapings must be weighed and not less than 50 micrograms of scraped coating must be used for analysis. If less than 50 micrograms of scraped coating is obtained from an individual pearl, multiple pearls from that sample must be scraped and composited to obtain a sufficient sample amount;

(iv) the number of pearls used to make the composite must be noted;

(v) the scrapings must be digested according to EPA reference method 3050B or 3051 or an equivalent procedure for hot acid digestion in preparation for trace lead analysis;

(vi) the digestate must be diluted in the minimum volume practical for analysis;

(vii) the digested sample must be analyzed according to specification of an approved and validated methodology for inductively coupled plasma mass spectrometry;

(viii) a reporting limit of 0.001 percent (10 parts per million) in the coating must be obtained for the analysis; and

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(ix) the sample result must be reported within the calibrated range of the instrument. If the initial test of the sample is above the highest calibration standard, the sample must be diluted and reanalyzed within the calibrated range of the instrument;

(6) for testing dyes, paints, coatings, varnish, printing inks, ceramic glazes, glass, or crystal, the following testing protocols must be observed:

(i) the digestion must use hot concentrated nitric acid with the option of using hydrochloric acid or hydrogen peroxide;

(ii) the sample size must be not less than 0.050 gram, and must be chopped or comminuted prior to digestion;

(iii) the digested sample may require dilution prior to analysis;

(iv) the digestion and analysis must achieve a reported detection limit no greater than 0.001 percent (10 parts per million) for samples; and

(v) all necessary dilutions must be made to ensure that measurements are made within the calibrated range of the analytical instrument; and

(7) for testing glass and crystal used in children's jewelry, the following testing protocols for determining weight must be used:

(i) a component must be free of any extraneous material, including adhesive, before it is weighed;

(ii) the scale used to weigh a component must be calibrated immediately before the components are weighed using S-class weights of one and two grams, as certified by the National Institute of Standards and Technology (NIST) of the United States Department of Commerce; and

(iii) the calibration of the scale must be accurate to within 0.01 gram.

325E.3891 CADMIUM IN CHILDREN'S JEWELRY.

Subdivision 1. **Definitions.** (a) As used in this section, the term:

(1) "accessible" has the meaning given in section 3.1.2 of the ASTM International Safety Specification on Toy Safety, F-963;

(2) "child" means an individual who is six years of age or younger; and

(3) "children's jewelry" shall have the meaning set forth in section 325E.389, subdivision 1, paragraph (c).

Subd. 2. **Prohibitions.** Cadmium in any surface coating or accessible substrate material of metal or plastic components of children's jewelry shall not exceed 75 parts per million, as determined through solubility testing for heavy metals defined in the ASTM International Safety Specification on Toy Safety, ASTM standard F-963 and subsequent versions of this standard, if the product is sold in this state unless this requirement is superseded by a federal standard regulating cadmium in children's jewelry. This section shall not regulate any product category for which an existing federal standard regulates cadmium exposure in surface coatings and accessible substrate materials as required under ASTM F-963.

Subd. 3. **Manufacturer or wholesaler.** No manufacturer or wholesaler may sell or offer for sale in this state children's jewelry that fails to meet the requirements of subdivision 2.

Subd. 4. **Retailer.** No retailer may sell or offer for sale in this state children's jewelry that fails to meet the requirements of subdivision 2. This subdivision does not apply to sales or free distribution of jewelry by a nonprofit organization described in section 501(c)(3) of the Internal Revenue Code or to isolated and occasional sales of jewelry not made in the normal course of business.

Subd. 5. **Enforcement.** The attorney general shall enforce this section under section 8.31.

6100.5000 SNOWMOBILE REGISTRATION AND DISPLAY OF NUMBERS.

Subp. 3. **Affixation of number.** The registration number of the snowmobile, shown on the registration certificate, shall be affixed to the snowmobile and maintained in a clear, legible manner. On all machines made after June 30, 1972, and sold in Minnesota, such registration number shall be affixed in the space provided therefor in accordance with part 6100.5700, subpart 4. On all other machines it shall be affixed on each side of the cowling on the upper half of the machine, as follows.

[Image Not Shown]

Subp. 4. **Description of decal or number; lost or destroyed number or decal.** All letters and numbers shall be of a color which will contrast with the surface to which applied, and shall be at least three inches high and three-eighths inch stroke. When any previously affixed registration number or decal is destroyed or lost, a duplicate shall be affixed in the manner shown above. The registration number shall remain the same if renewed by July 1 following the expiration date.

Subp. 5. **General prohibition.** No person shall operate or transport, and no person shall permit the operation of, a snowmobile within this state which does not have its registration number and unexpired decal affixed in the form and manner required by this part, unless the owner is exempted from the registration requirements of this state by Minnesota Statutes, section 84.82.

6100.5700 REQUIRED EQUIPMENT.

Subp. 4. **Snowmobile registration number affixation.** All snowmobiles made after June 30, 1972, and sold in Minnesota, shall be designed and made to provide an area on which to affix the snowmobile registration number at the following location and of the following dimensions:

A. A clear area shall be provided on each side of the cowling or pan with the minimum size of 3-1/2 inches vertical by 11 inches horizontal.

B. It shall be a minimum of 12 inches from the ground when the machine is resting on a hard surface.

6115.1220 PROCEDURES.

Subp. 8. **Sale of basin to commissioner.** If the landowner chooses to sell the basin and access area to the commissioner the landowner shall obtain from the county board of commissioners the approval to sell the property as required by Minnesota Statutes, section 97A.145. The commissioner must be supplied with a copy of the board's resolution and if the county board refuses approval, the applicant must select from among those options not requiring county board approval. This procedure does not apply in those counties where blanket approval to sell the property to the state has been granted to those landowners who are eligible for compensation under Minnesota Statutes, section 105.391, subdivision 3.

6256.0500 TAKING TURTLES.

Subp. 2. **Equipment.** Turtles may be taken by a person possessing a turtle seller's, turtle seller's apprentice, or recreational turtle license by means of floating or submerged turtle traps, turtle hooks, and other commercial fishing gear authorized by the commissioner. Traps must not exceed five feet in width, four feet in height, and eight feet in length.

Subp. 2a. **Submerged turtle traps.** Submerged traps must be constructed of either flexible webbing or wire. Flexible webbing traps must be of mesh size not less than 3-1/2 inches bar measure or seven inches stretch measure. Wire traps must be of mesh size not less than two inches by four inches bar measure and must have at least one square opening in the top panel measuring at least four inches on a side and two of the same dimension on each of the side panels near the top of the trap. A trap must be set in water shallow enough so that the top of the trap is at least level with the water surface.

Subp. 2b. **Floating turtle traps.** Floating traps must have: (1) one or more openings above the water surface that measure at least ten inches by four inches; and (2) a mesh size of not less than one-half inch bar measure.

Subp. 4. **Operation of turtle trap.** Each submerged trap must be checked and emptied at intervals not exceeding 48 hours and each floating trap must be checked and emptied at intervals not exceeding 120 hours. A turtle seller licensee or turtle seller's apprentice operating under a turtle seller's license may not operate more than 40 submerged turtle traps. A turtle seller's apprentice is not entitled to any traps in addition to those of the turtle seller. A recreational turtle licensee may not operate more than three turtle traps.

Subp. 5. **Required marking of turtle traps.**

A. When in use, each turtle trap must have affixed on it a tag of permanent material visible from above, legibly bearing the name, address, and license number of the operator. This information must be recorded in an indelible manner on the tag. The tag must be of dimensions not less than 2-1/2 inches in length by five-eighths inch in width.

B. The commissioner shall issue 40 submerged turtle trap identification tags to a turtle seller licensee and three recreational turtle trap identification tags to a recreational turtle licensee. Tags must be attached to submerged and recreational traps at all times. Lost tags must be reported within 48 hours to the local conservation officer or the commercial fisheries program consultant. The commissioner may reissue tags upon request.

Subp. 6. **Turtles taken incidental to other operations.** Turtles listed in subpart 1 that are taken incidental to other commercial fishing operations may be possessed, transported, and sold, provided the operator is a holder of a turtle seller's license.

Subp. 7. **Required reporting by turtle seller; record keeping.**

A. A holder of a turtle seller's license must submit reports, on forms provided by the commissioner, to the address identified on the form by the tenth day of each month for the preceding month for the months of March through November, whether or not any equipment was used to take turtles.

B. In the report required in item A, the licensee must record daily operations, including separate entries for each water body. The records must include water body location, equipment used, numbers and pounds of each species of turtles taken, numbers of each species of turtles released at that water body, and other information about the operation as specified on the form provided by the commissioner. The records must be kept current within 48 hours of the last daily operation.

C. A license shall not be renewed until all of the licensee's monthly reports for the previous calendar year are submitted and received at the address identified on the form.

Subp. 8. **Report on buying turtles for resale.** A licensee who buys turtles for resale or for processing and resale must keep a correct and complete book record of all transactions and activities covered in the license, not inconsistent with Minnesota Statutes, section 97A.425. Copies of the shipping documents for turtles being sent out of state must be part of and included with the monthly reports required under subpart 7.

8400.0500 MAXIMUM COST-SHARE RATES.

The maximum cost-share rates established by the state board represent the maximum percent or amount of the total cost of a conservation practice that may be funded using state cost-share funds.

8400.0550 RECORDING CONSERVATION PRACTICES.

The state board may determine that long-term maintenance of a conservation practice is desirable and may require that maintenance be made a covenant upon the land for the effective life of the practice. A covenant under this part shall be construed in the same manner as a conservation restriction under Minnesota Statutes, section 84.65.

8400.0600 STATE BOARD ALLOCATION OF FUNDS TO DISTRICTS.

Subp. 4. **Grants to districts.** The state board shall allocate cost-share funds to district boards that have fully complied with Minnesota Statutes, section 103C.501, subdivision 3; all erosion control and water management program rules; and program policies.

Subp. 5. **Other funds.** Other funds received by the state board may be allocated to districts for the treatment of erosion, sedimentation, water quality problems, or water quantity problems due to altered hydrology. These additional funds may be incorporated with existing erosion control and water management program funds and their use may be governed by the program policy or may be subject to other policies or guidelines required to fully implement the intent for which these additional funds were appropriated.

8400.0900 DISTRICT ADMINISTRATION OF PROGRAM FUNDS.

Subpart 1. **General.** Following receipt of grant funds from the state board, a district is responsible for administration of the funds in accordance with Minnesota Statutes, chapter 103C, parts 8400.0050 to 8400.1900, program policies, and all other applicable laws. All funds allocated to districts must be used for the purposes designated by the state board.

Subp. 2. **Maximum cost-share rate.** Prior to considering any applications from land occupiers for cost-share assistance, the district board shall establish cost-share rates for conservation practices to be installed under the program, up to the maximum rates established by the state board.

Subp. 4. **Criteria for district board review.** The district board shall use the factors in items A to D to determine practice eligibility and to review applications for conservation practice funding.

A. The application must be signed by the land occupier and the landowner, if different, indicating their agreement to:

(1) grant the district's representatives access to the parcel where the conservation practice will be located;

(2) obtain all permits required in conjunction with the installation and establishment of the practice prior to starting construction of the practice; and

(3) be responsible for operation and maintenance of conservation practices applied under this program according to an operation and maintenance plan prepared or approved by a district technical representative or the district's delegate.

B. Costs to repair damage to conservation practices installed with state cost-share dollars are eligible if the damage was caused by reasons beyond the control of the land occupier.

C. If the practice has fully met or exceeded its designed effective life, the cost to reconstruct the practice is eligible for cost-share assistance.

D. Conservation practices where construction has begun prior to district approval are ineligible for financial assistance. The board may waive this requirement for emergency needs.

Subp. 5. **Entering into contract.** After review of practice eligibility, the district board, or its delegate, shall approve or deny the application. If the application is approved, the district board, or its delegate, may enter into a contract with the land occupier.

8400.1650 RECORDING CONSERVATION PRACTICES.

When a district board, or its delegate, determines that long-term maintenance of a conservation practice is desirable, the board, or its delegate, may require that maintenance be made a covenant upon the land for the effective life of the conservation practice. A

covenant under this part shall be construed in the same manner as a conservation restriction under Minnesota Statutes, section 84.65.

8400.1700 MAINTENANCE.

Subpart 1. **Land occupier maintenance responsibilities.** The land occupier is responsible for operation and maintenance of conservation practices applied under this program to ensure that their conservation objective is met and the effective life is achieved. Should the land occupier fail to maintain the conservation practices during their effective life, the land occupier is liable to the district for up to 150 percent of financial assistance received to install and establish the conservation practice. The land occupier is not liable for cost-share assistance received if the failure was caused by reasons beyond the land occupier's control, or if conservation practices are applied at the land occupier's expense which provide equivalent protection of the soil and water resources.

Subp. 2. **Reapplication of conservation practices.** In no case shall a district provide cost-share assistance to a land occupier for the reapplication of conservation practices which were removed by the land occupier during their effective life or that failed due to improper maintenance.

8400.1750 PRACTICE SITE INSPECTIONS.

The district or the district's delegate shall conduct site inspections of conservation practices installed with cost-share funds to determine if the land occupier is in compliance with the operation and maintenance requirements under part 8400.1700 and the policy, guidelines, and requirements of the state board.

8400.1800 APPEALS.

Land occupiers may appeal a district's action within 60 days of receiving notice of the action by submitting a written request to the district board asking the board to reconsider its decision. Should the land occupier and the district board reach an impasse, the land occupier may petition to appeal the district board's decision to the state board within 60 days of receiving notice of the district board's final decision. The state board or its executive director, as delegated, shall review and grant the petition, unless it is deemed without sufficient merit, within 30 days of the receipt of the petition. The state board shall make its decision on the appeal, if granted, within 60 days of a hearing date. The state board's decision may uphold, remand, reverse, or amend the decision of the district board.

8400.1900 REPORTS TO STATE BOARD.

For the purpose of reporting and monitoring the progress of the program and use of funds, each district shall submit an accomplishments report according to the guidelines and requirements established by the state board.