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State of Minnesota

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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
- 04/17/2023 Calendar for the Day, Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments

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 Legislative Water Commission;

1.8 modifying Legislative-Citizen Commission on Minnesota Resources; modifying

1.9 permit and environmental review requirements; modifying requirements for

1.10 recreational vehicles; modifying state trail and state park provisions; establishing

1.11 Lowland Conifer Carbon Reserve; modifying forestry provisions; modifying game

1.12 and fish provisions; modifying regulation of farmed Cervidae; regulating certain

1.13 seeds and pesticides; modifying Water Law; providing appointments; modifying

1.14 and providing for fees; establishing a biennial budget for Department of Commerce,

1.15 Public Utilities Commission, and energy, climate, and clean energy activities;

1.16 establishing and modifying provisions governing energy, clean and renewable

1.17 energy, energy storage, energy use and conservation, and utility regulation;

1.18 providing for enhanced transportation electrification; adding and modifying

1.19 provisions governing Public Utilities Commission proceedings; establishing various

1.20 clean and renewable energy grant programs; making technical changes; requiring

1.21 reports; requiring rulemaking; amending Minnesota Statutes 2022, sections 13.643,

1.22 subdivision 6; 16A.151, subdivision 2; 16A.152, subdivision 2; 16B.325; 16B.58,

1.23 by adding a subdivision; 16C.135, subdivision 3; 16C.137, subdivision 1; 17.118,

1.24 subdivision 2; 18B.01, subdivision 31; 18B.09, subdivision 2, by adding a

1.25 subdivision; 21.82, subdivision 3; 21.86, subdivision 2; 35.155, subdivisions 1, 4,

1.26 10, 11, 12, by adding subdivisions; 35.156, subdivision 2, by adding subdivisions;

1.27 84.02, by adding a subdivision; 84.0274, subdivision 6; 84.0276; 84.415,

1.28 subdivisions 3, 6, 7, by adding a subdivision; 84.788, subdivision 5; 84.82,

1.29 subdivision 2, by adding a subdivision; 84.821, subdivision 2; 84.84; 84.86,

1.30 subdivision 1; 84.87, subdivision 1; 84.90, subdivision 7; 84.992, subdivisions 2,

1.31 5; 84D.02, subdivision 3; 84D.10, subdivision 3; 84D.15, subdivision 2; 85.015,

1.32 subdivision 10; 85.052, subdivision 6; 85.055, subdivision 1; 85A.01, subdivision

1.33 1; 86B.005, by adding a subdivision; 86B.313, subdivision 4; 86B.415, subdivisions

1.34 1, 1a, 2, 3, 4, 5, 7; 89A.03, subdivision 5; 90.181, subdivision 2; 97A.015,

1.35 subdivision 51, by adding a subdivision; 97A.031; 97A.126; 97A.137, subdivision

1.36 3; 97A.315, subdivision 1; 97A.401, subdivision 1, by adding a subdivision;

1.37 97A.405, subdivision 5; 97A.421, subdivision 3; 97A.473, subdivisions 2, 2a, 2b,

1.38 5, 5a; 97A.474, subdivision 2; 97A.475, subdivisions 6, 7, 8, 10, 10a, 11, 12, 13,

2.1 41; 97B.031, subdivision 1; 97B.071; 97B.301, subdivision 6; 97B.516; 97B.645,
 2.2 subdivision 9; 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; 116.06, subdivision 1, by adding subdivisions; 116.07, subdivision
 2.14 6, by adding subdivisions; 116C.03, subdivision 2a; 116C.779, subdivision 1;
 2.15 116C.7792; 116P.05, subdivisions 1, 1a, 2; 116P.09, subdivision 6; 116P.11;
 2.16 116P.15; 116P.16; 116P.18; 168.1295, subdivision 1; 168.27, by adding a
 2.17 subdivision; 171.07, by adding a subdivision; 216B.096, subdivision 11; 216B.1611,
 2.18 by adding a subdivision; 216B.164, by adding a subdivision; 216B.1641;
 2.19 216B.1645, subdivision 4; 216B.17, subdivision 1; 216B.2402, subdivision 16;
 2.20 216B.2422, subdivision 7; 216B.2425, subdivision 3; 216B.243, subdivision 8, as
 2.21 amended; 216B.50, subdivision 1; 216B.62, subdivision 3b; 216C.05, subdivision
 2.22 2; 216C.08; 216C.09; 216C.264, subdivision 5, by adding subdivisions; 216C.375;
 2.23 216E.01, subdivision 6, by adding a subdivision; 216E.03, subdivisions 1, 3, 5, as
 2.24 amended, 6, 7, as amended; 216E.04, subdivision 2, as amended; 216E.05,
 2.25 subdivision 2; 216E.06; 216E.07; 216E.10; 216H.02, subdivision 1; 237.55;
 2.26 297A.94; 325E.046; 325F.072, subdivisions 1, 3, by adding a subdivision;
 2.27 326B.106, subdivision 1; 373.475; 515B.2-103; 515B.3-102; Laws 2005, chapter
 2.28 97, article 10, section 3, as amended; Laws 2022, chapter 94, section 2, subdivisions
 2.29 5, 8, 9; proposing coding for new law in Minnesota Statutes, chapters 3; 16B; 18B;
 2.30 21; 84; 86B; 88; 97A; 97B; 97C; 103B; 103E; 103F; 103G; 115A; 116; 116C;
 2.31 116P; 123B; 216B; 216C; 325E; 473; 500; repealing Minnesota Statutes 2022,
 2.32 sections 16B.24, subdivision 13; 84.033, subdivision 3; 84.944, subdivision 3;
 2.33 86B.101; 86B.305; 86B.313, subdivisions 2, 3; 97A.145, subdivision 2; 97C.605,
 2.34 subdivisions 2, 2a, 2b, 5; 103C.501, subdivisions 2, 3; 115.44, subdivision 9;
 2.35 116.011; 216B.16, subdivision 10; 216C.376; 325E.389; 325E.3891; Minnesota
 2.36 Rules, parts 6100.5000, subparts 3, 4, 5; 6100.5700, subpart 4; 6115.1220, subpart
 2.37 8; 6256.0500, subparts 2, 2a, 2b, 4, 5, 6, 7, 8; 8400.0500; 8400.0550; 8400.0600,
 2.38 subparts 4, 5; 8400.0900, subparts 1, 2, 4, 5; 8400.1650; 8400.1700; 8400.1750;
 2.39 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.

- 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>
8.17 <u>General</u>	<u>34,980,000</u>	<u>14,577,000</u>
8.18 <u>Environmental</u>	<u>17,355,000</u>	<u>17,958,000</u>
8.19 <u>Remediation</u>	<u>1,721,000</u>	<u>1,773,000</u>

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

8.30 (b) \$448,000 the first year and \$457,000 the
 8.31 second year are from the environmental fund
 8.32 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

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

11.30 (a) \$217,000 the first year and \$223,000 the
 11.31 second year are for:
 11.32 (1) a municipal liaison to assist municipalities
 11.33 in implementing and participating in the
 11.34 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** 33,798,000 32,503,000

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>	<u>21,859,000</u>
13.24 <u>Environmental</u>	<u>7,931,000</u>	<u>8,153,000</u>
13.25 <u>Remediation</u>	<u>2,617,000</u>	<u>2,491,000</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 Subd. 6. Remediation 40,318,000 16,022,000

14.33 Appropriations by Fund
 14.34 2024 2025

15.1	<u>General</u>	<u>25,000,000</u>	<u>-0-</u>
15.2	<u>Environmental</u>	<u>607,000</u>	<u>628,000</u>
15.3	<u>Remediation</u>	<u>14,711,000</u>	<u>15,394,000</u>

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

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

15.25 (c) \$4,476,000 the first year and \$4,622,000
 15.26 the second year are from the remediation fund
 15.27 for the leaking underground storage tank
 15.28 program to investigate, clean up, and prevent
 15.29 future releases from underground petroleum
 15.30 storage tanks and for the petroleum
 15.31 remediation program for vapor assessment
 15.32 and remediation. These same annual amounts
 15.33 are transferred from the petroleum tank fund
 15.34 to the remediation fund.

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

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

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

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

16.30	<u>Appropriations by Fund</u>	
16.31	<u>2024</u>	<u>2025</u>
16.32	<u>General</u>	<u>31,477,000</u> <u>18,655,000</u>
16.33	<u>Environmental</u>	<u>43,548,000</u> <u>44,812,000</u>

16.34 (a) Up to \$150,000 the first year and \$150,000
 16.35 the second year may be transferred from the

17.1 environmental fund to the small business
17.2 environmental improvement loan account
17.3 under Minnesota Statutes, section 116.993.

17.4 (b) \$1,000,000 the first year and \$1,000,000
17.5 the second year are for competitive recycling
17.6 grants under Minnesota Statutes, section
17.7 115A.565. Of this amount, \$300,000 the first
17.8 year and \$300,000 the second year are from
17.9 the general fund, and \$700,000 the first year
17.10 and \$700,000 the second year are from the
17.11 environmental fund. This appropriation is
17.12 available until June 30, 2027.

17.13 (c) \$694,000 the first year and \$694,000 the
17.14 second year are from the environmental fund
17.15 for emission-reduction activities and grants to
17.16 small businesses and other
17.17 nonpoint-emission-reduction efforts. Of this
17.18 amount, \$100,000 the first year and \$100,000
17.19 the second year are to continue work with
17.20 Clean Air Minnesota, and the commissioner
17.21 may enter into an agreement with
17.22 Environmental Initiative to support this effort.

17.23 (d) \$22,450,000 the first year and \$22,450,000
17.24 the second year are for SCORE block grants
17.25 to counties. Of this amount, \$4,000,000 the
17.26 first year and \$4,000,000 the second year are
17.27 from the general fund, and \$18,450,000 the
17.28 first year and \$18,450,000 the second year are
17.29 from the environmental fund. The base in
17.30 fiscal year 2026 and beyond is \$18,450,000
17.31 from the environmental fund. For fiscal years
17.32 2024 and 2025, each county's allocation is
17.33 based on Minnesota Statutes, section
17.34 115A.557, and \$2,000,000 must be used only
17.35 for waste prevention and reuse activities.

18.1 (e) \$119,000 the first year and \$119,000 the
18.2 second year are from the environmental fund
18.3 for environmental assistance grants or loans
18.4 under Minnesota Statutes, section 115A.0716.

18.5 (f) \$400,000 the first year and \$400,000 the
18.6 second year are from the environmental fund
18.7 for grants to develop and expand recycling
18.8 markets for Minnesota businesses.

18.9 (g) \$767,000 the first year and \$770,000 the
18.10 second year are from the environmental fund
18.11 for reducing and diverting food waste,
18.12 redirecting edible food for consumption, and
18.13 removing barriers to collecting and recovering
18.14 organic waste. Of this amount, \$500,000 each
18.15 year is for grants to increase food rescue and
18.16 waste prevention. This appropriation is
18.17 available until June 30, 2027.

18.18 (h) \$2,797,000 the first year and \$2,811,000
18.19 the second year are from the environmental
18.20 fund for the purposes of Minnesota Statutes,
18.21 section 473.844.

18.22 (i) \$318,000 the first year and \$474,000 the
18.23 second year are from the environmental fund
18.24 to address chemicals in products, including to
18.25 implement and enforce flame retardant
18.26 provisions under Minnesota Statutes, section
18.27 325F.071, and perfluoroalkyl and
18.28 polyfluoroalkyl substances in food packaging
18.29 provisions under Minnesota Statutes, section
18.30 325F.075. Of this amount, \$78,000 the first
18.31 year and \$80,000 the second year are
18.32 transferred to the commissioner of health.

18.33 (j) \$180,000 the first year and \$140,000 the
18.34 second year are for quantifying climate-related

19.1 impacts from projects for environmental
19.2 review. This is a onetime appropriation.

19.3 (k) \$1,790,000 the first year and \$70,000 the
19.4 second year are for accelerating pollution
19.5 prevention at small businesses. Of this amount,
19.6 \$1,720,000 the first year is for zero-interest
19.7 loans to phase out high-polluting equipment,
19.8 products, and processes and replace with new
19.9 options. This appropriation is available until
19.10 June 30, 2027. This is a onetime appropriation.

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

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

19.17 (n) \$650,000 the first year and \$650,000 the
19.18 second year are from the environmental fund
19.19 for Minnesota GreenCorps investment.

19.20 (o) \$4,210,000 the first year and \$210,000 the
19.21 second year are for PFAS reduction grants.
19.22 Of this amount, \$4,000,000 the first year is
19.23 for grants to industry and public entities to
19.24 identify sources of PFAS entering facilities
19.25 and to develop pollution prevention and
19.26 reduction initiatives to reduce PFAS entering
19.27 facilities, prevent releases, and monitor the
19.28 effectiveness of these projects. Priority must
19.29 be given to projects in underserved
19.30 communities. This is a onetime appropriation
19.31 and is available until June 30, 2027.

19.32 (p) \$12,940,000 the first year and \$12,940,000
19.33 the second year are for a waste prevention and
19.34 reduction grants and loan program. This is a

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

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

20.14 (r) \$680,000 the first year is for the zero-waste
20.15 report required in this act. This is a onetime
20.16 appropriation and is available until June 30,
20.17 2026.

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

20.21 (t) \$35,000 the second year is from the
20.22 environmental fund for the compostable
20.23 labeling requirements under Minnesota
20.24 Statutes, section 325E.046. The base for this
20.25 appropriation in fiscal year 2026 and beyond
20.26 is \$68,000.

20.27 (u) \$175,000 the first year is for the
20.28 rulemaking required under this act providing
20.29 for the safe and lawful disposal of waste
20.30 treated seed. This appropriation is available
20.31 until June 30, 2025.

20.32 (v) \$1,000,000 the first year is for a lead tackle
20.33 reduction program that provides outreach,
20.34 education, and opportunities to safely dispose

21.1 of and exchange lead tackle throughout the
 21.2 state. This is a onetime appropriation and is
 21.3 available until June 30, 2025.

21.4 (w) \$4,000,000 is for a grant to the owner of
 21.5 a biomass energy generation plant in Shakopee
 21.6 that uses waste heat from the generation of
 21.7 electricity in the malting process to purchase
 21.8 a wood dehydrator to facilitate disposal of
 21.9 wood that is infested by the emerald ash borer.

21.10 By October 1, 2024, the commissioner of the
 21.11 Pollution Control Agency must report to the
 21.12 chairs and ranking minority members of the
 21.13 legislative committees and divisions with
 21.14 jurisdiction over environment and natural
 21.15 resources on the use of money appropriated
 21.16 under this paragraph.

21.17 (x) Any unencumbered grant and loan
 21.18 balances in the first year do not cancel but are
 21.19 available for grants and loans in the second
 21.20 year. Notwithstanding Minnesota Statutes,
 21.21 section 16A.28, the appropriations
 21.22 encumbered on or before June 30, 2025, as
 21.23 contracts or grants for environmental
 21.24 assistance awarded under Minnesota Statutes,
 21.25 section 115A.0716; technical and research
 21.26 assistance under Minnesota Statutes, section
 21.27 115A.152; technical assistance under
 21.28 Minnesota Statutes, section 115A.52; and
 21.29 pollution prevention assistance under
 21.30 Minnesota Statutes, section 115D.04, are
 21.31 available until June 30, 2027.

21.32 **Subd. 8. Watershed** 12,499,000 12,093,000

	<u>Appropriations by Fund</u>	
	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>4,642,000</u>	<u>3,727,000</u>

22.1	<u>Environmental</u>	<u>7,484,000</u>	<u>7,982,000</u>
22.2	<u>Remediation</u>	<u>373,000</u>	<u>384,000</u>
22.3	<u>(a) \$3,000,000 the first year and \$3,000,000</u>		
22.4	<u>the second year are for grants to delegated</u>		
22.5	<u>counties to administer the county feedlot</u>		
22.6	<u>program under Minnesota Statutes, section</u>		
22.7	<u>116.0711, subdivisions 2 and 3. Money</u>		
22.8	<u>remaining after the first year is available for</u>		
22.9	<u>the second year. The base for this</u>		
22.10	<u>appropriation in fiscal year 2026 and beyond</u>		
22.11	<u>is \$1,959,000.</u>		
22.12	<u>(b) \$236,000 the first year and \$241,000 the</u>		
22.13	<u>second year are from the environmental fund</u>		
22.14	<u>for the costs of implementing general</u>		
22.15	<u>operating permits for feedlots over 1,000</u>		
22.16	<u>animal units.</u>		
22.17	<u>(c) \$125,000 the first year and \$129,000 the</u>		
22.18	<u>second year are from the remediation fund for</u>		
22.19	<u>the leaking underground storage tank program</u>		
22.20	<u>to investigate, clean up, and prevent future</u>		
22.21	<u>releases from underground petroleum storage</u>		
22.22	<u>tanks and for the petroleum remediation</u>		
22.23	<u>program for vapor assessment and</u>		
22.24	<u>remediation. These same annual amounts are</u>		
22.25	<u>transferred from the petroleum tank fund to</u>		
22.26	<u>the remediation fund.</u>		
22.27	<u>(d) \$280,000 the first year and \$315,000 the</u>		
22.28	<u>second year are for compiling the annual</u>		
22.29	<u>abandoned manure storage areas lists required</u>		
22.30	<u>under Minnesota Statutes, section 116.07,</u>		
22.31	<u>subdivision 7f.</u>		
22.32	<u>(e) \$700,000 the first year is for distribution</u>		
22.33	<u>to delegated counties based on registered</u>		
22.34	<u>feedlots and manure storage areas for</u>		

23.1 inspections of manure storage areas and the
 23.2 abandoned manure storage area reports
 23.3 required under this act. This appropriation is
 23.4 available until June 30, 2025.

23.5 (f) \$250,000 the first year is for a grant to the
 23.6 Minnesota Association of County Feedlot
 23.7 Officers to provide training on state feedlot
 23.8 requirements, working efficiently and
 23.9 effectively with producers, and reducing the
 23.10 incidence of manure or nutrients entering
 23.11 surface water or groundwater.

23.12 (g) \$140,000 the first year and \$140,000 the
 23.13 second year are for the Pig's Eye Landfill Task
 23.14 Force.

23.15 **Subd. 9. Environmental Quality Board** 2,075,000 1,639,000

	<u>Appropriations by Fund</u>	
	<u>2024</u>	<u>2025</u>
23.17 <u>General</u>	<u>1,854,000</u>	<u>1,413,000</u>
23.18 <u>Environmental</u>	<u>221,000</u>	<u>226,000</u>

23.19 \$620,000 the first year and \$140,000 the
 23.20 second year are to develop a Minnesota-based
 23.21 greenhouse gas sector and source-specific
 23.22 guidance, including climate information, a
 23.23 greenhouse gas calculator, and technical
 23.24 assistance for users. This is a onetime
 23.25 appropriation.

23.26 **Subd. 10. Transfers**

23.27 (a) The commissioner must transfer up to
 23.28 \$23,000,000 the first year and \$24,000,000
 23.29 the second year from the environmental fund
 23.30 to the remediation fund for purposes of the
 23.31 remediation fund under Minnesota Statutes,
 23.32 section 116.155, subdivision 2. The base for
 23.33 section 116.155, subdivision 2. The base for

- 25.1 (a) \$319,000 the first year and \$319,000 the
25.2 second year are for environmental research
25.3 relating to mine permitting, of which \$200,000
25.4 each year is from the minerals management
25.5 account in the natural resources fund and
25.6 \$119,000 each year is from the general fund.
- 25.7 (b) \$3,383,000 the first year and \$3,383,000
25.8 the second year are from the minerals
25.9 management account in the natural resources
25.10 fund for use as provided under Minnesota
25.11 Statutes, section 93.2236, paragraph (c), for
25.12 mineral resource management, projects to
25.13 enhance future mineral income, and projects
25.14 to promote new mineral-resource
25.15 opportunities.
- 25.16 (c) \$218,000 the first year and \$218,000 the
25.17 second year are transferred from the forest
25.18 suspense account to the permanent school fund
25.19 and are appropriated from the permanent
25.20 school fund to secure maximum long-term
25.21 economic return from the school trust lands
25.22 consistent with fiduciary responsibilities and
25.23 sound natural resources conservation and
25.24 management principles.
- 25.25 (d) \$338,000 the first year and \$338,000 the
25.26 second year are from the water management
25.27 account in the natural resources fund for
25.28 mining hydrology.
- 25.29 (e) \$1,052,000 the first year and \$242,000 the
25.30 second year are for modernizing utility
25.31 licensing for state lands and public waters.
25.32 The first year appropriation is available
25.33 through fiscal year 2026.

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

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

26.4	<u>Appropriations by Fund</u>	
26.5	<u>2024</u>	<u>2025</u>
26.6	<u>General</u>	<u>37,664,000</u> <u>26,008,000</u>
26.7	<u>Natural Resources</u>	<u>15,006,000</u> <u>15,031,000</u>
26.8	<u>Game and Fish</u>	<u>5,724,000</u> <u>5,724,000</u>

26.9 (a) \$5,397,000 the first year and \$5,422,000
 26.10 the second year are from the invasive species
 26.11 account in the natural resources fund and
 26.12 \$2,831,000 the first year and \$2,831,000 the
 26.13 second year are from the general fund for
 26.14 management, public awareness, assessment
 26.15 and monitoring research, and water access
 26.16 inspection to prevent the spread of invasive
 26.17 species; management of invasive plants in
 26.18 public waters; and management of terrestrial
 26.19 invasive species on state-administered lands.

26.20 (b) \$6,056,000 the first year and \$6,056,000
 26.21 the second year are from the water
 26.22 management account in the natural resources
 26.23 fund for only the purposes specified in
 26.24 Minnesota Statutes, section 103G.27,
 26.25 subdivision 2.

26.26 (c) \$124,000 the first year and \$124,000 the
 26.27 second year are for a grant to the Mississippi
 26.28 Headwaters Board for up to 50 percent of the
 26.29 cost of implementing the comprehensive plan
 26.30 for the upper Mississippi within areas under
 26.31 the board's jurisdiction. By December 15,
 26.32 2025, the board must submit a report to the
 26.33 chairs and ranking minority members of the
 26.34 legislative committees and divisions with
 26.35 jurisdiction over environment and natural

27.1 resources on the activities funded under this
27.2 paragraph and the progress made in
27.3 implementing the comprehensive plan.

27.4 (d) \$10,000 the first year and \$10,000 the
27.5 second year are for payment to the Leech Lake
27.6 Band of Chippewa Indians to implement the
27.7 band's portion of the comprehensive plan for
27.8 the upper Mississippi River.

27.9 (e) \$300,000 the first year and \$300,000 the
27.10 second year are for grants for up to 50 percent
27.11 of the cost of implementing the Red River
27.12 mediation agreement. The base for this
27.13 appropriation in fiscal year 2026 and beyond
27.14 is \$264,000.

27.15 (f) \$2,498,000 the first year and \$2,498,000
27.16 the second year are from the heritage
27.17 enhancement account in the game and fish
27.18 fund for only the purposes specified in
27.19 Minnesota Statutes, section 297A.94,
27.20 paragraph (h), clause (1).

27.21 (g) \$1,150,000 the first year and \$1,150,000
27.22 the second year are from the nongame wildlife
27.23 management account in the natural resources
27.24 fund for nongame wildlife management.

27.25 Notwithstanding Minnesota Statutes, section
27.26 290.431, \$100,000 the first year and \$100,000
27.27 the second year may be used for nongame
27.28 wildlife information, education, and
27.29 promotion.

27.30 (h) Notwithstanding Minnesota Statutes,
27.31 section 84.943, \$48,000 the first year and
27.32 \$48,000 the second year from the critical
27.33 habitat private sector matching account may

28.1 be used to publicize the critical habitat license
28.2 plate match program.

28.3 (i) \$5,700,000 the first year and \$6,000,000
28.4 the second year are for the following activities:

28.5 (1) financial reimbursement and technical
28.6 support to soil and water conservation districts
28.7 or other local units of government for
28.8 groundwater-level monitoring;

28.9 (2) surface water monitoring and analysis,
28.10 including installing monitoring gauges;

28.11 (3) groundwater analysis to assist with
28.12 water-appropriation permitting decisions;

28.13 (4) permit application review incorporating
28.14 surface water and groundwater technical
28.15 analysis;

28.16 (5) precipitation data and analysis to improve
28.17 irrigation use;

28.18 (6) information technology, including
28.19 electronic permitting and integrated data
28.20 systems; and

28.21 (7) compliance and monitoring.

28.22 (j) \$410,000 the first year and \$410,000 the
28.23 second year are from the heritage enhancement
28.24 account in the game and fish fund and
28.25 \$500,000 the first year and \$500,000 the
28.26 second year are from the general fund for
28.27 grants to the Minnesota Aquatic Invasive
28.28 Species Research Center at the University of
28.29 Minnesota to prioritize, support, and develop
28.30 research-based solutions that can reduce the
28.31 effects of aquatic invasive species in
28.32 Minnesota by preventing spread, controlling

29.1 populations, and managing ecosystems and to
29.2 advance knowledge to inspire action by others.

29.3 (k) \$134,000 the first year and \$134,000 the
29.4 second year are for increased capacity for
29.5 broadband utility licensing for state lands and
29.6 public waters.

29.7 (l) \$998,000 the first year and \$568,000 the
29.8 second year are for protecting and restoring
29.9 carbon storage in state-administered peatlands
29.10 by reviewing and updating the state's peatland
29.11 inventory, piloting a restoration project, and
29.12 piloting trust fund buyouts. This is a onetime
29.13 appropriation and is available until June 30,
29.14 2028.

29.15 (m) \$900,000 the first year is for a grant to the
29.16 Minnesota Lakes and Rivers Advocates to
29.17 work with civic leaders to purchase, install,
29.18 and operate waterless cleaning stations for
29.19 watercraft; conduct aquatic invasive species
29.20 education; and implement education upgrades
29.21 at public accesses to prevent invasive starry
29.22 stonewort spread beyond the lakes already
29.23 infested. This is a onetime appropriation and
29.24 is available until June 30, 2025.

29.25 (n) \$300,000 the first year is to prepare an
29.26 analysis of alternative sources of water to
29.27 resolve the water-use conflict in the Little
29.28 Rock Creek area and to protect the stream
29.29 from negative impacts due to groundwater use.

29.30 The analysis must be submitted to the
29.31 legislative committees and divisions with
29.32 jurisdiction over environment and natural
29.33 resources by June 30, 2027, and include:

29.34 (1) a conceptual engineering plan;

30.1 (2) an estimate of implementation costs and
 30.2 funding needs;
 30.3 (3) governance and operational considerations;
 30.4 (4) a development schedule; and
 30.5 (5) an economic evaluation of lost revenue if
 30.6 no action is taken.

30.7 (o) \$6,000,000 the first year is for land
 30.8 acquisition and maintenance and restoration
 30.9 at Grey Cloud Dunes Scientific and Natural
 30.10 Area. This is a onetime appropriation and is
 30.11 available until June 30, 2027.

30.12 (p) \$6,000,000 the first year is for improved
 30.13 maintenance at scientific and natural areas
 30.14 under Minnesota Statutes, section 86A.05,
 30.15 subdivision 5, including additional natural
 30.16 resource specialists and technicians,
 30.17 coordinators, seasonal crews, equipment,
 30.18 supplies, and administrative support. This is
 30.19 a onetime appropriation and is available until
 30.20 June 30, 2027.

30.21 (q) The general fund base for the Ecological
 30.22 and Water Resources Division in fiscal year
 30.23 2026 and beyond is \$25,004,000.

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

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

30.30 (a) \$7,521,000 the first year and \$7,521,000
 30.31 the second year are for prevention,
 30.32 presuppression, and suppression costs of
 30.33 emergency firefighting and other costs

31.1 incurred under Minnesota Statutes, section
31.2 88.12. The amount necessary to pay for
31.3 presuppression and suppression costs during
31.4 the biennium is appropriated from the general
31.5 fund. By January 15 each year, the
31.6 commissioner of natural resources must submit
31.7 a report to the chairs and ranking minority
31.8 members of the house and senate committees
31.9 and divisions having jurisdiction over
31.10 environment and natural resources finance that
31.11 identifies all firefighting costs incurred and
31.12 reimbursements received in the prior fiscal
31.13 year. These appropriations may not be
31.14 transferred. Any reimbursement of firefighting
31.15 expenditures made to the commissioner from
31.16 any source other than federal mobilizations
31.17 must be deposited into the general fund.

31.18 (b) \$15,386,000 the first year and \$15,386,000
31.19 the second year are from the forest
31.20 management investment account in the natural
31.21 resources fund for only the purposes specified
31.22 in Minnesota Statutes, section 89.039,
31.23 subdivision 2.

31.24 (c) \$1,492,000 the first year and \$1,517,000
31.25 the second year are from the heritage
31.26 enhancement account in the game and fish
31.27 fund to advance ecological classification
31.28 systems (ECS), forest habitat, and invasive
31.29 species management.

31.30 (d) \$906,000 the first year and \$926,000 the
31.31 second year are for the Forest Resources
31.32 Council to implement the Sustainable Forest
31.33 Resources Act.

31.34 (e) \$1,143,000 the first year and \$1,143,000
31.35 the second year are for the Next Generation

32.1 Core Forestry data system. Of this
32.2 appropriation, \$868,000 each year is from the
32.3 general fund and \$275,000 each year is from
32.4 the forest management investment account in
32.5 the natural resources fund.

32.6 (f) \$500,000 the first year and \$500,000 the
32.7 second year are from the forest management
32.8 investment account in the natural resources
32.9 fund for forest road maintenance on state
32.10 forest roads.

32.11 (g) \$500,000 the first year and \$500,000 the
32.12 second year are for forest road maintenance
32.13 on county forest roads.

32.14 (h) \$2,086,000 the first year and \$2,086,000
32.15 the second year are to support forest
32.16 management, cost-share assistance, and
32.17 inventory on private woodlands. This is a
32.18 onetime appropriation.

32.19 (i) \$800,000 the first year and \$800,000 the
32.20 second year are to accelerate tree seed
32.21 collection to support a growing demand for
32.22 tree planting on public and private lands. This
32.23 is a onetime appropriation and is available
32.24 until June 30, 2027.

32.25 (j) \$10,400,000 the first year and \$10,400,000
32.26 the second year are for grants to local and
32.27 Tribal governments and nonprofit
32.28 organizations to enhance community forest
32.29 ecosystem health and sustainability under
32.30 Minnesota Statutes, section 88.82, the
32.31 Minnesota ReLeaf program. This
32.32 appropriation is available until June 30, 2027.
32.33 Money appropriated for grants under this
32.34 paragraph may be used to pay reasonable costs

33.1 incurred by the commissioner of natural
33.2 resources to administer the grants. The base
33.3 is \$400,000 beginning in fiscal year 2026.

33.4 (k) \$3,000,000 the first year and \$3,000,000
33.5 the second year are for forest stand
33.6 improvement and to meet the reforestation
33.7 requirements of Minnesota Statutes, section
33.8 89.002, subdivision 2. This is a onetime
33.9 appropriation.

33.10 (l) \$5,000,000 is for purposes of the Lowland
33.11 Conifer Carbon Reserve under Minnesota
33.12 Statutes, section 88.85. This is a onetime
33.13 appropriation and is available until June 30,
33.14 2026.

33.15 (m) \$37,000,000 the first year is for emerald
33.16 ash borer response grants under Minnesota
33.17 Statutes, section 88.83. This is a onetime
33.18 appropriation and is available until June 30,
33.19 2030. The commissioner may use up to two
33.20 percent of this appropriation to administer the
33.21 grants. Of this amount:

33.22 (1) \$9,000,000 is for grants to local units of
33.23 government responding or actively preparing
33.24 to respond to an emerald ash borer infestation;
33.25 and

33.26 (2) \$28,000,000 is for grants to a Minnesota
33.27 nonprofit corporation that owns a cogeneration
33.28 facility that serves a St. Paul district heating
33.29 and cooling system.

33.30 (n) \$1,000,000 the first year is for grants to
33.31 schools, including public and private schools,
33.32 to plant trees on school grounds while
33.33 providing hands-on learning opportunities for
33.34 students. A grant application under this section

34.1 must be prepared jointly with the
 34.2 parent-teacher organization or similar parent
 34.3 organization for the school. This is a onetime
 34.4 appropriation and is available until June 30,
 34.5 2026.

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

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

34.11 (a) \$7,985,000 the first year and \$7,985,000
 34.12 the second year are from the natural resources
 34.13 fund for state trail, park, and recreation area
 34.14 operations. This appropriation is from revenue
 34.15 deposited in the natural resources fund under
 34.16 Minnesota Statutes, section 297A.94,
 34.17 paragraph (h), clause (2).

34.18 (b) \$23,828,000 the first year and \$23,828,000
 34.19 the second year are from the state parks
 34.20 account in the natural resources fund to
 34.21 operate and maintain state parks and state
 34.22 recreation areas.

34.23 (c) \$1,300,000 the first year and \$1,300,000
 34.24 the second year are from the natural resources
 34.25 fund for park and trail grants to local units of
 34.26 government on land to be maintained for at
 34.27 least 20 years for parks or trails. Priority must
 34.28 be given for projects that are in underserved
 34.29 communities or that increase access to persons
 34.30 with disabilities. This appropriation is from
 34.31 revenue deposited in the natural resources fund
 34.32 under Minnesota Statutes, section 297A.94,
 34.33 paragraph (h), clause (4). Any unencumbered
 34.34

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

35.3 (d) \$9,624,000 the first year and \$9,624,000
35.4 the second year are from the snowmobile trails
35.5 and enforcement account in the natural
35.6 resources fund for the snowmobile
35.7 grants-in-aid program. Any unencumbered
35.8 balance does not cancel at the end of the first
35.9 year and is available for the second year.

35.10 (e) \$2,435,000 the first year and \$2,435,000
35.11 the second year are from the natural resources
35.12 fund for the off-highway vehicle grants-in-aid
35.13 program. Of this amount, \$1,960,000 each
35.14 year is from the all-terrain vehicle account;
35.15 \$150,000 each year is from the off-highway
35.16 motorcycle account; and \$325,000 each year
35.17 is from the off-road vehicle account. Any
35.18 unencumbered balance does not cancel at the
35.19 end of the first year and is available for the
35.20 second year.

35.21 (f) \$2,250,000 the first year and \$2,250,000
35.22 the second year are from the state land and
35.23 water conservation account in the natural
35.24 resources fund for priorities established by the
35.25 commissioner for eligible state projects and
35.26 administrative and planning activities
35.27 consistent with Minnesota Statutes, section
35.28 84.0264, and the federal Land and Water
35.29 Conservation Fund Act. Any unencumbered
35.30 balance does not cancel at the end of the first
35.31 year and is available for the second year.

35.32 (g) \$250,000 the first year and \$250,000 the
35.33 second year are for matching grants for local
35.34 parks and outdoor recreation areas under

36.1 Minnesota Statutes, section 85.019,
36.2 subdivision 2.

36.3 (h) \$250,000 the first year and \$250,000 the
36.4 second year are for matching grants for local
36.5 trail connections under Minnesota Statutes,
36.6 section 85.019, subdivision 4c.

36.7 (i) \$750,000 the first year is from the
36.8 all-terrain vehicle account in the natural
36.9 resources fund for a grant to St. Louis County
36.10 to match other funding sources for design,
36.11 right-of-way acquisition, permitting, and
36.12 construction of trails within the Voyageur
36.13 Country ATV trail system. This is a onetime
36.14 appropriation and is available until June 30,
36.15 2026. This appropriation may be used as a
36.16 local match to a 2023 state bonding award.

36.17 (j) \$700,000 the first year is from the
36.18 all-terrain vehicle account in the natural
36.19 resources fund for a grant to St. Louis County
36.20 to match other funding sources for design,
36.21 right-of-way acquisition, permitting, and
36.22 construction of a new trail within the
36.23 Prospector trail system. This is a onetime
36.24 appropriation and is available until June 30,
36.25 2026. This appropriation may be used as a
36.26 local match to a 2023 state bonding award.

36.27 (k) \$5,000,000 the first year is to facilitate the
36.28 transfer of land within Upper Sioux Agency
36.29 State Park required under this act, including
36.30 but not limited to the acquisition of any land
36.31 necessary to facilitate the transfer. This is a
36.32 onetime appropriation and is available until
36.33 June 30, 2033.

37.1 (l) \$10,000,000 the first year is to remove
 37.2 hazardous trees and replace ash trees with
 37.3 more diverse, climate-adapted species within
 37.4 the state park system. This is a onetime
 37.5 appropriation and is available until June 30,
 37.6 2027.

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

37.9 (n) \$1,075,000 the first year and \$1,075,000
 37.10 the second year are from the water recreation
 37.11 account in the natural resources fund for
 37.12 maintaining and enhancing public
 37.13 water-access facilities.

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

37.15	<u>Appropriations by Fund</u>	
37.16	<u>2024</u>	<u>2025</u>
37.17 <u>General</u>	<u>20,936,000</u>	<u>3,616,000</u>
37.18 <u>Natural Resources</u>	<u>2,082,000</u>	<u>2,082,000</u>
37.19 <u>Game and Fish</u>	<u>87,721,000</u>	<u>91,282,000</u>
37.20 <u>Reinvest in</u>		
37.21 <u>Minnesota Resources</u>	<u>5,750,000</u>	<u>2,250,000</u>

37.22 (a) \$10,458,000 the first year and \$10,658,000
 37.23 the second year are from the heritage
 37.24 enhancement account in the game and fish
 37.25 fund only for activities specified under
 37.26 Minnesota Statutes, section 297A.94,
 37.27 paragraph (h), clause (1). Notwithstanding
 37.28 Minnesota Statutes, section 297A.94, five
 37.29 percent of this appropriation may be used for
 37.30 expanding hunter and angler recruitment and
 37.31 retention.

37.32 (b) \$982,000 the first year and \$982,000 the
 37.33 second year are from the general fund and
 37.34 \$1,675,000 the first year and \$1,675,000 the
 37.35 second year are from the game and fish fund

38.1 for statewide response and management of
38.2 chronic wasting disease. The commissioner
38.3 and the Board of Animal Health must each
38.4 submit annual reports on chronic wasting
38.5 disease activities funded in this biennium to
38.6 the chairs and ranking minority members of
38.7 the legislative committees and divisions with
38.8 jurisdiction over environment and natural
38.9 resources and agriculture. The general fund
38.10 base for this appropriation in fiscal year 2026
38.11 and beyond is \$282,000.

38.12 (c) \$484,000 of the general fund appropriation
38.13 for fiscal year 2023 in Laws 2021, First
38.14 Special Session chapter 6, article 1, section 3,
38.15 subdivision 6, paragraph (b), for planning for
38.16 and emergency response to disease outbreaks
38.17 in wildlife is canceled no later than June 29,
38.18 2023.

38.19 (d) \$8,546,000 the first year and \$8,546,000
38.20 the second year are from the deer management
38.21 account for the purposes identified in
38.22 Minnesota Statutes, section 97A.075,
38.23 subdivision 1.

38.24 (e) \$134,000 the first year and \$134,000 the
38.25 second year are for increased capacity for
38.26 broadband utility licensing for state lands and
38.27 public waters.

38.28 (f) \$15,000,000 the first year is for enhancing
38.29 prairies and grasslands and restoring wetlands
38.30 on state-owned wildlife management areas to
38.31 sequester more carbon and enhance climate
38.32 resiliency. This is a onetime appropriation and
38.33 is available until June 30, 2027.

39.1 (g) \$500,000 the first year and \$500,000 the
39.2 second year are from the general fund and
39.3 \$500,000 the first year and \$500,000 the
39.4 second year are from the heritage enhancement
39.5 account in the game and fish fund for grants
39.6 for natural-resource-based education and
39.7 recreation programs serving youth under
39.8 Minnesota Statutes, section 84.976, and for
39.9 grant administration. Priority must be given
39.10 to projects benefiting underserved
39.11 communities. The base for this appropriation
39.12 in fiscal year 2026 and beyond is \$500,000
39.13 from the heritage enhancement account in the
39.14 game and fish fund. The general fund
39.15 appropriation is onetime.

39.16 (h) \$400,000 the first year and \$400,000 the
39.17 second year are from the heritage enhancement
39.18 account in the game and fish fund for the
39.19 walk-in access program under Minnesota
39.20 Statutes, section 97A.126.

39.21 (i) \$1,000,000 the first year and \$1,000,000
39.22 the second year are from the game and fish
39.23 fund for investments in fish management
39.24 activities.

39.25 (j) \$2,000,000 the first year and \$2,000,000
39.26 the second year are for grants to the Fond du
39.27 Lac Band of Lake Superior Chippewa to
39.28 expand Minnesota's wild elk population and
39.29 range. Consideration must be given to moving
39.30 elk from existing herds in northwest
39.31 Minnesota to the area of the Fond du Lac State
39.32 Forest and the Fond du Lac Reservation in
39.33 Carlton and southern St. Louis Counties. The
39.34 Fond du Lac Band of Lake Superior
39.35 Chippewa's elk reintroduction efforts must

40.1 undergo thorough planning with the
40.2 Department of Natural Resources to develop
40.3 necessary capture and handling protocols,
40.4 including protocols related to cervid disease
40.5 management, and to produce postrelease state
40.6 and Tribal elk comanagement plans. This is a
40.7 onetime appropriation and is available until
40.8 June 30, 2026.

40.9 (k) \$773,000 the first year is to examine the
40.10 impacts of neonicotinoid exposure on the
40.11 reproduction and survival of Minnesota's game
40.12 species, including deer and prairie chicken.
40.13 This is a onetime appropriation and is
40.14 available until June 30, 2027.

40.15 (l) \$134,000 the first year and \$134,000 the
40.16 second year are from the heritage enhancement
40.17 account in the game and fish fund for native
40.18 fish conservation and classification.

40.19 (m) \$1,400,000 the first year is for designating
40.20 swan protection areas under Minnesota
40.21 Statutes, section 97A.096, and to provide
40.22 increased education and outreach promoting
40.23 the protection of swans in the state, including
40.24 education regarding the restrictions on taking
40.25 swans. This is a onetime appropriation and is
40.26 available until June 30, 2026.

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

40.31 (o) Notwithstanding Minnesota Statutes,
40.32 section 84.943, subdivision 3, \$5,750,000 the
40.33 first year and \$2,250,000 the second year are
40.34 transferred from the Minnesota critical habitat

41.1 private sector matching account to the reinvest
 41.2 in Minnesota resources fund and are
 41.3 appropriated from the reinvest in Minnesota
 41.4 resources fund for wildlife management area
 41.5 acquisition. This appropriation is available
 41.6 until June 30, 2027.

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

41.10 (q) Notwithstanding Minnesota Statutes,
 41.11 section 297A.94, \$300,000 the first year and
 41.12 \$300,000 the second year are from the heritage
 41.13 enhancement account in the game and fish
 41.14 fund for shooting sports facility grants under
 41.15 Minnesota Statutes, section 87A.10, including
 41.16 grants for archery facilities. Grants must be
 41.17 matched with a nonstate match, which may
 41.18 include in-kind contributions. Priority must
 41.19 be given to facilities that prohibit the use of
 41.20 lead ammunition. Recipients of money
 41.21 appropriated under this paragraph must
 41.22 provide information on the toxic effects of
 41.23 lead. This is a onetime appropriation and is
 41.24 available until June 30, 2026. This
 41.25 appropriation must be allocated as follows:

41.26 (1) \$200,000 each fiscal year is for grants of
 41.27 \$25,000 or less; and

41.28 (2) \$100,000 each fiscal year is for grants in
 41.29 excess of \$25,000.

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

41.31	<u>Appropriations by Fund</u>	
41.32	<u>2024</u>	<u>2025</u>
41.33 <u>General</u>	<u>18,322,000</u>	<u>22,937,000</u>
41.34 <u>Natural Resources</u>	<u>13,911,000</u>	<u>14,011,000</u>

42.1	<u>Game and Fish</u>	<u>32,322,000</u>	<u>30,647,000</u>
42.2	<u>Remediation</u>	<u>117,000</u>	<u>117,000</u>
42.3	<u>(a) \$1,718,000 the first year and \$1,718,000</u>		
42.4	<u>the second year are from the general fund for</u>		
42.5	<u>enforcement efforts to prevent the spread of</u>		
42.6	<u>aquatic invasive species.</u>		
42.7	<u>(b) \$2,080,000 the first year and \$1,892,000</u>		
42.8	<u>the second year are from the heritage</u>		
42.9	<u>enhancement account in the game and fish</u>		
42.10	<u>fund for only the purposes specified under</u>		
42.11	<u>Minnesota Statutes, section 297A.94,</u>		
42.12	<u>paragraph (h), clause (1).</u>		
42.13	<u>(c) \$1,442,000 the first year and \$1,442,000</u>		
42.14	<u>the second year are from the water recreation</u>		
42.15	<u>account in the natural resources fund for grants</u>		
42.16	<u>to counties for boat and water safety. Any</u>		
42.17	<u>unencumbered balance does not cancel at the</u>		
42.18	<u>end of the first year and is available for the</u>		
42.19	<u>second year.</u>		
42.20	<u>(d) \$315,000 the first year and \$315,000 the</u>		
42.21	<u>second year are from the snowmobile trails</u>		
42.22	<u>and enforcement account in the natural</u>		
42.23	<u>resources fund for grants to local law</u>		
42.24	<u>enforcement agencies for snowmobile</u>		
42.25	<u>enforcement activities. Any unencumbered</u>		
42.26	<u>balance does not cancel at the end of the first</u>		
42.27	<u>year and is available for the second year.</u>		
42.28	<u>(e) \$250,000 the first year and \$250,000 the</u>		
42.29	<u>second year are from the all-terrain vehicle</u>		
42.30	<u>account in the natural resources fund for grants</u>		
42.31	<u>to qualifying organizations to assist in safety</u>		
42.32	<u>and environmental education and monitoring</u>		
42.33	<u>trails on public lands under Minnesota</u>		
42.34	<u>Statutes, section 84.9011. Grants issued under</u>		

43.1 this paragraph must be issued through a formal
43.2 agreement with the organization. By
43.3 December 15 each year, an organization
43.4 receiving a grant under this paragraph must
43.5 report to the commissioner with details on
43.6 expenditures and outcomes from the grant. Of
43.7 this appropriation, \$25,000 each year is for
43.8 administering these grants. Any unencumbered
43.9 balance does not cancel at the end of the first
43.10 year and is available for the second year.

43.11 (f) \$510,000 the first year and \$510,000 the
43.12 second year are from the natural resources
43.13 fund for grants to county law enforcement
43.14 agencies for off-highway vehicle enforcement
43.15 and public education activities based on
43.16 off-highway vehicle use in the county. Of this
43.17 amount, \$498,000 each year is from the
43.18 all-terrain vehicle account, \$11,000 each year
43.19 is from the off-highway motorcycle account,
43.20 and \$1,000 each year is from the off-road
43.21 vehicle account. The county enforcement
43.22 agencies may use money received under this
43.23 appropriation to make grants to other local
43.24 enforcement agencies within the county that
43.25 have a high concentration of off-highway
43.26 vehicle use. Of this appropriation, \$25,000
43.27 each year is for administering the grants. Any
43.28 unencumbered balance does not cancel at the
43.29 end of the first year and is available for the
43.30 second year.

43.31 (g) \$2,250,000 the first year and \$5,734,000
43.32 the second year are appropriated for
43.33 inspections, investigations, and enforcement
43.34 activities taken in conjunction with the Board
43.35 of Animal Health for the white-tailed deer

44.1 farm program and for statewide response and
 44.2 management of chronic wasting disease. This
 44.3 appropriation is available until June 30, 2027.
 44.4 The base for fiscal year 2026 and beyond is
 44.5 \$3,250,000.

44.6 (h) \$3,000,000 of the general fund
 44.7 appropriation for fiscal years 2022 and 2023
 44.8 in Laws 2021, First Special Session chapter
 44.9 6, article 1, section 3, subdivision 7, paragraph
 44.10 (i), for inspections, investigations, and
 44.11 enforcement activities taken in conjunction
 44.12 with the Board of Animal Health for the
 44.13 white-tailed deer farm program is canceled no
 44.14 later than June 29, 2023.

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

44.18 (j) \$360,000 the first year and \$360,000 the
 44.19 second year are for training department
 44.20 enforcement officers and for maintaining and
 44.21 storing equipment for conservation officer
 44.22 public safety responses. The training may not
 44.23 include training for duties unrelated to
 44.24 enforcement of game and fish laws. This is a
 44.25 onetime appropriation.

44.26 **Subd. 8. Operations Support** 2,434,000 1,408,000

44.27 (a) \$1,684,000 the first year and \$1,408,000
 44.28 second year are for information technology
 44.29 security and modernization. This is a onetime
 44.30 appropriation.

44.31 (b) \$750,000 the first year is for legal costs.
 44.32 The unencumbered amount of the general fund
 44.33 appropriation in Laws 2019, First Special
 44.34 Session chapter 4, article 1, section 3,

45.1 subdivision 8, for legal costs, estimated to be
 45.2 \$750,000, is canceled no later than June 29,
 45.3 2023.

45.4 **Subd. 9. Pass Through Funds** 11,244,000 11,165,000

45.5	<u>Appropriations by Fund</u>	
45.6	<u>2024</u>	<u>2025</u>
45.7 <u>General</u>	<u>10,161,000</u>	<u>10,171,000</u>
45.8 <u>Natural Resources</u>	<u>510,000</u>	<u>510,000</u>
45.9 <u>Permanent School</u>	<u>573,000</u>	<u>484,000</u>

45.10 (a) \$510,000 the first year and \$510,000 the
 45.11 second year are from the natural resources
 45.12 fund for grants to be divided equally between
 45.13 the city of St. Paul for the Como Park Zoo and
 45.14 Conservatory and the city of Duluth for the
 45.15 Lake Superior Zoo. This appropriation is from
 45.16 revenue deposited to the natural resources fund
 45.17 under Minnesota Statutes, section 297A.94,
 45.18 paragraph (h), clause (5).

45.19 (b) \$211,000 the first year and \$221,000 the
 45.20 second year are for the Office of School Trust
 45.21 Lands.

45.22 (c) \$250,000 the first year and \$150,000 the
 45.23 second year are transferred from the forest
 45.24 suspense account to the permanent school fund
 45.25 and are appropriated from the permanent
 45.26 school fund for transaction and project
 45.27 management costs for divesting of school trust
 45.28 lands within Boundary Waters Canoe Area
 45.29 Wilderness.

45.30 (d) \$323,000 the first year and \$334,000 the
 45.31 second year are transferred from the forest
 45.32 suspense account to the permanent school fund
 45.33 and are appropriated from the permanent

46.1 school fund for the Office of School Trust
 46.2 Lands.
 46.3 (e) \$9,950,000 the first year and \$9,950,000
 46.4 the second year are to be added as a
 46.5 supplement to the 1854 Treaty Area agreement
 46.6 payment under Minnesota Statutes, section
 46.7 97A.165. This is a onetime appropriation.

46.8 **Subd. 10. Get Out MORE (Modernizing Outdoor**
 46.9 **Recreation Experiences)**

65,000,000

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46.10 (a) \$65,000,000 the first year is for
 46.11 modernizing Minnesota's state-managed
 46.12 outdoor recreation experiences. Of this
 46.13 amount:
 46.14 (1) \$25,000,000 is for enhancing access and
 46.15 welcoming new users to public lands and
 46.16 outdoor recreation facilities, including
 46.17 improvements to improve climate resiliency;
 46.18 (2) \$4,000,000 is for modernizing camping
 46.19 and related infrastructure, including
 46.20 improvements to improve climate resiliency;
 46.21 (3) \$25,000,000 is for modernizing fish
 46.22 hatcheries and fishing infrastructure; and
 46.23 (4) \$11,000,000 is for restoring streams and
 46.24 modernizing water-related infrastructure with
 46.25 priority given to fish habitat improvements,
 46.26 dam removal, and improvements to improve
 46.27 climate resiliency.

46.28 (b) The commissioner may reallocate money
 46.29 appropriated in paragraph (a) across those
 46.30 purposes based on project readiness and
 46.31 priority. The appropriations in paragraph (a)
 46.32 are available until June 30, 2029.

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

47.1 \$1,000,000 in fiscal year 2023 is from the
 47.2 general fund to address safety concerns at the
 47.3 drill core library. This is a onetime
 47.4 appropriation and is available until June 30,
 47.5 2026.

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

47.8 **Sec. 4. BOARD OF WATER AND SOIL**
 47.9 **RESOURCES** **\$ 52,265,000 \$ 46,753,000**

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

47.26 (b) \$761,000 the first year and \$761,000 the
 47.27 second year are to implement, enforce, and
 47.28 provide oversight for the Wetland
 47.29 Conservation Act, including administering the
 47.30 wetland banking program and in-lieu fee
 47.31 mechanism.

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

- 48.1 (1) \$1,460,000 each year is for cost-sharing
48.2 programs of soil and water conservation
48.3 districts for accomplishing projects and
48.4 practices consistent with Minnesota Statutes,
48.5 section 103C.501, including perennially
48.6 vegetated riparian buffers, erosion control,
48.7 water retention and treatment, water quality
48.8 cost-sharing for feedlots under 500 animal
48.9 units and nutrient and manure management
48.10 projects in watersheds where there are
48.11 impaired waters, and other high-priority
48.12 conservation practices; and
- 48.13 (2) \$100,000 each year is for county
48.14 cooperative weed management programs and
48.15 to restore native plants at selected invasive
48.16 species management sites.
- 48.17 (d) \$166,000 the first year and \$166,000 the
48.18 second year are to provide technical assistance
48.19 to local drainage management officials and
48.20 for the costs of the Drainage Work Group. The
48.21 board must coordinate the activities of the
48.22 Drainage Work Group according to Minnesota
48.23 Statutes, section 103B.101, subdivision 13.
48.24 The Drainage Work Group must review a
48.25 drainage authority's power under Minnesota
48.26 Statutes, chapter 103E, to consider the
48.27 abandonment or dismantling of drainage
48.28 systems; to re-meander, restore, or reconstruct
48.29 a natural waterway that has been modified by
48.30 drainage; or to deconstruct dikes, dams, or
48.31 other water-control structures.
- 48.32 (e) \$100,000 the first year and \$100,000 the
48.33 second year are for a grant to the Red River
48.34 Basin Commission for water quality and
48.35 floodplain management, including program

- 49.1 administration. This appropriation must be
49.2 matched by nonstate funds.
- 49.3 (f) \$140,000 the first year and \$140,000 the
49.4 second year are for grants to Area II
49.5 Minnesota River Basin Projects for floodplain
49.6 management.
- 49.7 (g) \$125,000 the first year and \$125,000 the
49.8 second year are for conservation easement
49.9 stewardship.
- 49.10 (h) \$240,000 the first year and \$240,000 the
49.11 second year are for a grant to the Lower
49.12 Minnesota River Watershed District to defray
49.13 the annual cost of operating and maintaining
49.14 sites for dredge spoil to sustain the state,
49.15 national, and international commercial and
49.16 recreational navigation on the lower Minnesota
49.17 River.
- 49.18 (i) \$2,179,000 the first year and \$2,179,000
49.19 the second year are for the lawns to legumes
49.20 program under Minnesota Statutes, section
49.21 103B.104. The board may enter into
49.22 agreements with local governments, Metro
49.23 Blooms, and other organizations to support
49.24 this effort. This appropriation is available until
49.25 June 30, 2029. The base for fiscal year 2026
49.26 and each year thereafter is \$250,000.
- 49.27 (j) \$2,000,000 the first year and \$2,000,000
49.28 the second year are for the habitat
49.29 enhancement landscape program under
49.30 Minnesota Statutes, section 103B.106. This is
49.31 a onetime appropriation and is available until
49.32 June 30, 2029.
- 49.33 (k) \$203,000 the first year and \$203,000 the
49.34 second year are for soil health practice

50.1 adoption purposes consistent with the
50.2 cost-sharing provisions of Minnesota Statutes,
50.3 section 103C.501, and for soil health program
50.4 responsibilities in consultation with the
50.5 University of Minnesota Office for Soil
50.6 Health.

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

50.28 (m) \$2,500,000 the first year and \$5,000,000
50.29 the second year are to acquire conservation
50.30 easements and to restore and enhance
50.31 peatlands and adjacent lands consistent with
50.32 Minnesota Statutes, sections 103F.501 to
50.33 103F.531, for the purposes of climate
50.34 resiliency, adaptation, carbon sequestration,
50.35 and related benefits. Of this amount, up to

51.1 \$299,000 is for deposit in the water and soil
51.2 conservation easement stewardship account
51.3 established under Minnesota Statutes, section
51.4 103B.103. This is a onetime appropriation and
51.5 is available until June 30, 2029. The board
51.6 must give priority to leveraging nonstate
51.7 funding, including practices, programs, and
51.8 projects funded by the U.S. Department of
51.9 Agriculture via the Conservation Reserve
51.10 Enhancement Program, the Conservation
51.11 Reserve Program, the Federal Inflation
51.12 Reduction Act, the Federal Farm Bill, or the
51.13 Climate-Smart Commodities Program.

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

51.33 (o) \$8,500,000 the first year and \$8,500,000
51.34 the second year are for water quality and
51.35 storage practices and projects to protect

52.1 infrastructure, improve water quality and
52.2 related public benefits, and mitigate climate
52.3 change impacts consistent with Minnesota
52.4 Statutes, sections 103F.05 and 103F.06. This
52.5 is a onetime appropriation and is available
52.6 until June 30, 2029. The board must give
52.7 priority to leveraging nonstate funding,
52.8 including practices, programs, and projects
52.9 funded by the U.S. Department of Agriculture
52.10 via the Conservation Reserve Enhancement
52.11 Program, the Conservation Reserve Program,
52.12 the Federal Inflation Reduction Act, the
52.13 Federal Farm Bill, or the Climate-Smart
52.14 Commodities Program.

52.15 (p) \$4,673,000 the first year and \$4,673,000
52.16 the second year are for natural resources block
52.17 grants to local governments to implement the
52.18 Wetland Conservation Act and shoreland
52.19 management program under Minnesota
52.20 Statutes, chapter 103F, and local water
52.21 management responsibilities under Minnesota
52.22 Statutes, chapter 103B. The board may reduce
52.23 the amount of the natural resources block grant
52.24 to a county by an amount equal to any
52.25 reduction in the county's general services
52.26 allocation to a soil and water conservation
52.27 district from the county's previous year
52.28 allocation when the board determines that the
52.29 reduction was disproportionate. The base for
52.30 this appropriation in fiscal year 2026 and
52.31 beyond is \$3,423,000.

52.32 (q) \$129,000 the first year and \$136,000 the
52.33 second year are to accomplish the objectives
52.34 of Minnesota Statutes, section 10.65, and
52.35 related Tribal government coordination. The

53.1 base for fiscal year 2026 and each year
53.2 thereafter is \$144,000.

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

53.27 (s) \$3,000,000 the first year is to acquire
53.28 conservation easements from landowners to
53.29 preserve, restore, create, and enhance wetlands
53.30 and associated uplands of prairie and
53.31 grasslands and to restore and enhance rivers
53.32 and streams, riparian lands, and associated
53.33 uplands of prairie and grasslands, in order to
53.34 protect soil and water quality, support fish and
53.35 wildlife habitat, reduce flood damage, and

54.1 provide other public benefits. Minnesota
54.2 Statutes, section 103F.515, applies to this
54.3 program. The board must give priority to
54.4 leveraging federal money by enrolling targeted
54.5 new lands or enrolling environmentally
54.6 sensitive lands that have expiring federal
54.7 conservation agreements. The board is
54.8 authorized to enter into new agreements and
54.9 amend past agreements with landowners as
54.10 required by Minnesota Statutes, section
54.11 103F.515, subdivision 5, to allow for
54.12 restoration. Up to five percent of this
54.13 appropriation may be used for restoration and
54.14 enhancement.

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

54.18 (u) \$5,623,000 the first year and \$5,804,000
54.19 the second year are for agency administration
54.20 and operation of the Board of Water and Soil
54.21 Resources.

54.22 (v) The board may shift money in this section
54.23 and may adjust the technical and
54.24 administrative assistance portion of the funds
54.25 to leverage federal or other nonstate funds or
54.26 to address accountability, oversight, local
54.27 government performance, or high-priority
54.28 needs.

54.29 (w) Returned grants and payments are
54.30 available for two years after they are returned
54.31 or regranted, whichever is later. Funds must
54.32 be regranted consistent with the purposes of
54.33 this section. If an appropriation for grants in
54.34 either year is insufficient, the appropriation in
54.35 the other year is available for it.

55.1 (x) Notwithstanding Minnesota Statutes,
 55.2 section 16B.97, grants awarded from
 55.3 appropriations in this section are exempt from
 55.4 the Department of Administration, Office of
 55.5 Grants Management Policy 08-08 Grant
 55.6 Payments and 08-10 Grant Monitoring.

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

55.8	<u>Appropriations by Fund</u>		
55.9		<u>2024</u>	<u>2025</u>
55.10	<u>General</u>	<u>38,540,000</u>	<u>7,540,000</u>
55.11	<u>Natural Resources</u>	<u>8,950,000</u>	<u>8,950,000</u>

55.12 (a) \$7,540,000 the first year and \$7,540,000
 55.13 the second year are for metropolitan-area
 55.14 regional parks operation and maintenance
 55.15 according to Minnesota Statutes, section
 55.16 473.351. The base for this appropriation in
 55.17 fiscal year 2026 and beyond is \$2,540,000.

55.18 (b) \$8,950,000 the first year and \$8,950,000
 55.19 the second year are from the natural resources
 55.20 fund for metropolitan-area regional parks and
 55.21 trails maintenance and operations. This
 55.22 appropriation is from revenue deposited in the
 55.23 natural resources fund under Minnesota
 55.24 Statutes, section 297A.94, paragraph (h),
 55.25 clause (3).

55.26 (c) \$5,000,000 the first year is for developing
 55.27 a decision-making support tool set to help
 55.28 local partners quantify the risks of a changing
 55.29 climate and prioritize strategies that mitigate
 55.30 those risks. This is a onetime appropriation
 55.31 and is available until June 30, 2027.

55.32 (d) \$9,000,000 the first year is to modernize
 55.33 regional parks and trails. This is a onetime

56.1 appropriation and is available until June 30,
56.2 2027.

56.3 (e) \$5,000,000 the first year is for reducing
56.4 the amount of inflow and infiltration to the
56.5 Metropolitan Council's metropolitan sanitary
56.6 sewer disposal system. Of this amount,
56.7 \$4,000,000 is for grants to cities for capital
56.8 improvements in municipal wastewater
56.9 collection systems under Minnesota Statutes,
56.10 section 473.5491, and \$1,000,000 is for grants
56.11 and loans to inspect, repair, and replace
56.12 privately owned sewer service lines. Priority
56.13 for grants and loans for privately owned lines
56.14 must be given to applicants with a household
56.15 income at or below 80 percent of area median
56.16 income. This is a onetime appropriation and
56.17 is available until June 30, 2026.

56.18 (f) \$9,000,000 the first year is for grants to
56.19 implementing agencies to remove hazardous
56.20 trees and replace ash trees with more diverse,
56.21 climate-adapted species within the
56.22 metropolitan regional park system. This is a
56.23 onetime appropriation.

56.24 (g) \$3,000,000 the first year is to develop a
56.25 comprehensive plan to ensure communities in
56.26 the White Bear Lake area have access to
56.27 sufficient safe drinking water to allow for
56.28 municipal growth while simultaneously
56.29 ensuring the sustainability of surface water
56.30 and groundwater resources to supply the needs
56.31 of future generations. The Metropolitan
56.32 Council must establish a work group
56.33 consisting of the commissioners of natural
56.34 resources, health, and the Pollution Control
56.35 Agency or their designees and representatives

57.1 from the Metropolitan Area Water Supply
57.2 Advisory Committee; the St. Paul Regional
57.3 Water Services; the cities of Stillwater,
57.4 Mahtomedi, Hugo, Lake Elmo, Lino Lakes,
57.5 North St. Paul, Oakdale, Vadnais Heights,
57.6 Shoreview, Woodbury, New Brighton, and
57.7 White Bear Lake; and the town of White Bear
57.8 to advise the council in developing the
57.9 comprehensive plan. This is a onetime
57.10 appropriation and is available until June 30,
57.11 2027. The comprehensive plan must:

57.12 (1) evaluate methods for conserving and
57.13 recharging groundwater in the area, including:

57.14 (i) converting water supplies that are
57.15 groundwater dependent to total or partial
57.16 supplies from surface water sources;

57.17 (ii) reusing water, including water discharged
57.18 from contaminated wells;

57.19 (iii) projects designed to increase groundwater
57.20 recharge; and

57.21 (iv) other methods for reducing groundwater
57.22 use;

57.23 (2) based on the evaluation conducted under
57.24 clause (1), determine which existing
57.25 groundwater supply wells, if converted to
57.26 surface water sources, would be most effective
57.27 and efficient in ensuring future water
57.28 sustainability in the area;

57.29 (3) identify a long-term plan for converting
57.30 groundwater supply wells identified in clause
57.31 (2) to surface water sources, including
57.32 recommendations on water supply governance
57.33 and concept-level engineering that addresses
57.34 preliminary design considerations, including

58.1 supply source, treatment, distribution,
 58.2 operation, and financing needed to complete
 58.3 any changes to water supply infrastructure;
 58.4 (4) include any policy and funding
 58.5 recommendations for converting groundwater
 58.6 supply wells to surface water sources,
 58.7 recommendations for treating and reusing
 58.8 wastewater, and any other recommendations
 58.9 for additional measures that reduce
 58.10 groundwater use, promote water reuse, and
 58.11 increase groundwater recharge;
 58.12 (5) include any policy and funding
 58.13 recommendations for local wastewater
 58.14 treatment and recharge; and
 58.15 (6) be submitted to the chairs and ranking
 58.16 minority members of the house of
 58.17 representatives and senate committees and
 58.18 divisions with jurisdiction over environment
 58.19 and natural resources finance and policy by
 58.20 June 30, 2027.

58.21 **Sec. 6. CONSERVATION CORPS**
 58.22 **MINNESOTA**

\$ 1,195,000 \$ 1,195,000

58.23 Appropriations by Fund

	<u>2024</u>	<u>2025</u>
58.24 <u>General</u>	<u>705,000</u>	<u>705,000</u>
58.25 <u>Natural Resources</u>	<u>490,000</u>	<u>490,000</u>

58.26 Conservation Corps Minnesota may receive
 58.27 money appropriated from the natural resources
 58.28 fund under this section only as provided in an
 58.29 agreement with the commissioner of natural
 58.30 resources.

58.31 **Sec. 7. ZOOLOGICAL BOARD**

\$ 14,494,000 \$ 13,812,000

58.32 Appropriations by Fund

	<u>2024</u>	<u>2025</u>
58.33		
58.34		

59.1 General 14,239,000 13,557,000
 59.2 Natural Resources 255,000 255,000

59.3 (a) \$255,000 the first year and \$255,000 the
 59.4 second year are from the natural resources
 59.5 fund from revenue deposited under Minnesota
 59.6 Statutes, section 297A.94, paragraph (h),
 59.7 clause (5).

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

59.11 (c) \$250,000 the first year is for removing
 59.12 hazardous trees and replacing ash trees with
 59.13 more diverse, climate-adapted species. This
 59.14 is a onetime appropriation.

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

59.16 \$9,000,000 the first year and \$450,000 the
 59.17 second year are for debt reduction, rehiring
 59.18 and retaining employees, and reducing
 59.19 entrance fees for fiscal years 2024 and 2025.

59.20 **Sec. 9. LEGISLATIVE COORDINATING**
 59.21 **COMMISSION** \$ **52,000** \$ **52,000**

59.22 \$52,000 the first year and \$52,000 the second
 59.23 year are for the Legislative Water Commission
 59.24 established in this act.

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

59.26 (a) \$1,633,000 the first year and \$1,856,000
 59.27 the second year are for chronic wasting disease
 59.28 contingency plans developed by the Center
 59.29 for Infectious Disease Research and Policy.
 59.30 The center must develop, refine, and share
 59.31 with relevant experts and stakeholders
 59.32 contingency plans regarding the potential
 59.33 transmission of chronic wasting disease from
 59.34 Cervidae to humans, livestock, and other

60.1 species. The contingency plans must provide
60.2 a blueprint for preparedness and response
60.3 planning documents, including authoritative
60.4 risk communication, education, and outreach
60.5 materials. This is a onetime appropriation and
60.6 is available until June 30, 2026.

60.7 (b) \$200,000 the first year is for the University
60.8 of Minnesota Water Council to develop a
60.9 scope of work, timeline, and budget for the
60.10 50-year clean water plan as required under
60.11 this act.

60.12 (c) \$6,600,000 the first year is for the
60.13 Minnesota Aquatic Invasive Species Research
60.14 Center to enhance and implement the center's
60.15 aquatic invasive species research-based
60.16 solutions through:

60.17 (1) implementation of a watershed-scale carp
60.18 management plan and additional research
60.19 focused on site-specific method refinement
60.20 and evaluation;

60.21 (2) creation of a long-term monitoring
60.22 program with state and local partners that
60.23 evaluates the feasibility of whole-lake zebra
60.24 mussel control projects and the development
60.25 of criteria for selecting and managing lakes;

60.26 (3) refinement and implementation of
60.27 large-scale surveillance and early detection
60.28 methods for high-priority aquatic invasive
60.29 species, including but not limited to zebra
60.30 mussels, spiny water flea, and starry
60.31 stonewort; and

60.32 (4) development and sharing, with relevant
60.33 experts and stakeholders, contingency plans
60.34 regarding the potential risks of aquatic

61.1 invasive species. The contingency plans must
 61.2 provide a blueprint for preparedness and
 61.3 response planning documents, including
 61.4 authoritative risk communication, education,
 61.5 and outreach materials. The communication,
 61.6 education, and outreach materials must be
 61.7 prepared in multiple languages, including but
 61.8 not limited to Tribal languages.

61.9 (d) The board must ensure that the Minnesota
 61.10 Aquatic Invasive Species Research Center
 61.11 coordinates research activities funded under
 61.12 paragraph (c) with Tribal governments.

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

61.15	Sec. 11. <u>PUBLIC SAFETY</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>229,000</u>
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61.16 \$229,000 the second year is from the fire
 61.17 safety account in the special revenue fund for
 61.18 purposes of the class B firefighting foam
 61.19 requirements under Minnesota Statutes,
 61.20 section 325F.072.

61.21 **Sec. 12. APPROPRIATIONS GIVEN EFFECT ONCE.**

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

ARTICLE 2

ENVIRONMENT AND NATURAL RESOURCES TRUST FUND

61.26 Section 1. **APPROPRIATIONS.**

61.27 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
 61.28 and for the purposes specified in this article. The appropriations are from the environment
 61.29 and natural resources trust fund, or another named fund, and are available for the fiscal
 61.30 years indicated for each purpose. The figures "2024" and "2025" used in this article mean
 61.31 that the appropriations listed under them are available for the fiscal year ending June 30,
 61.32 2024, or June 30, 2025, respectively. "The first year" is fiscal year 2024. "The second year"
 61.33 is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025. Any unencumbered

62.1 balance remaining in the first year does not cancel and is available for the second year or
 62.2 until the end of the appropriation. These are onetime appropriations.

62.3		<u>APPROPRIATIONS</u>	
62.4		<u>Available for the Year</u>	
62.5		<u>Ending June 30</u>	
62.6		<u>2024</u>	<u>2025</u>

62.7 **Sec. 2. MINNESOTA RESOURCES**

62.8	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>79,833,000</u>	<u>\$</u>	<u>-0-</u>
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62.9	<u>Appropriations by Fund</u>	
62.10	<u>2024</u>	<u>2025</u>

62.11	<u>Environment and</u>		
62.12	<u>Natural Resources</u>		
62.13	<u>Trust Fund</u>	<u>79,644,000</u>	<u>-0-</u>

62.14	<u>Great Lakes</u>		
62.15	<u>Protection Account</u>	<u>189,000</u>	<u>-0-</u>

62.16 The amounts that may be spent for each
 62.17 purpose are specified in the following
 62.18 subdivisions.

62.19 **Subd. 2. Definitions**

62.20 (a) "Trust fund" means the Minnesota
 62.21 environment and natural resources trust fund
 62.22 established under the Minnesota Constitution,
 62.23 article XI, section 14.

62.24 (b) "Great Lakes protection account" means
 62.25 the account referred to in Minnesota Statutes,
 62.26 section 116Q.02.

62.27	<u>Subd. 3. Foundational Natural Resource Data</u>		
62.28	<u>and Information</u>	<u>8,219,000</u>	<u>-0-</u>

62.29 **(a) Assessing Restorations for Rusty-Patched**
 62.30 **and Other Bumblebee Habitat**

62.31 \$75,000 the first year is from the trust fund to
 62.32 the commissioner of natural resources for an
 62.33 agreement with the Friends of the Mississippi
 62.34 River to assess how prairie restoration and
 62.35 different restoration seeding methods affect
 62.36 bumblebee abundance, diversity, and habitat

63.1 and make recommendations to improve
63.2 restoration outcomes.

63.3 **(b) Removing Barriers to Carbon Market Entry**

63.4 \$482,000 the first year is from the trust fund
63.5 to the Board of Regents of the University of
63.6 Minnesota to develop ground-tested carbon
63.7 stock models of forest resources throughout
63.8 Minnesota to enable better resource
63.9 management of public and private forests as
63.10 well as generate reliable tools for landowners
63.11 seeking to enter carbon markets.

63.12 **(c) Mapping Migratory Bird Pit Stops in**
63.13 **Minnesota**

63.14 \$340,000 the first year is from the trust fund
63.15 to the commissioner of natural resources for
63.16 an agreement with the National Audubon
63.17 Society, Minnesota office, to identify avian
63.18 migratory stopover sites, develop a shared
63.19 decision-support tool, and publish guidance
63.20 for conserving migratory birds in Minnesota.
63.21 This appropriation is available until June 30,
63.22 2027, by which time the project must be
63.23 completed and final products delivered.

63.24 **(d) Enhancing Knowledge of Minnesota River**
63.25 **Fish Ecology**

63.26 \$199,000 the first year is from the trust fund
63.27 to the commissioner of natural resources to
63.28 collect baseline information about the diets,
63.29 distribution, status, and movement patterns of
63.30 fish in the Minnesota River to inform
63.31 management and conservation decisions.

63.32 **(e) Changing Distribution of Flying Squirrel**
63.33 **Species in Minnesota**

63.34 \$186,000 the first year is from the trust fund
63.35 to the Board of Regents of the University of

64.1 Minnesota for the Natural Resources Research
64.2 Institute in Duluth to determine current
64.3 distribution and habitat associations of
64.4 northern and southern flying squirrels to fill
64.5 key knowledge gaps in flying squirrel status
64.6 in Minnesota.

64.7 **(f) Statewide Forest Carbon Inventory and**
64.8 **Change Mapping**

64.9 \$987,000 the first year is from the trust fund
64.10 to the commissioner of natural resources to
64.11 work with Minnesota Forest Resources
64.12 Council, Minnesota Forestry Association, the
64.13 Board of Water and Soil Resources, and the
64.14 University of Minnesota to develop a
64.15 programmatic approach and begin collecting
64.16 plot-based inventories on private forestland
64.17 for use with remote sensing data to better
64.18 assess changing forest conditions and climate
64.19 mitigation opportunities across all ownerships
64.20 in the state.

64.21 **(g) Predicting the Future of Aquatic Species by**
64.22 **Understanding the Past**

64.23 \$170,000 the first year is from the trust fund
64.24 to the Board of Regents of the University of
64.25 Minnesota to use past and present information
64.26 to model future ranges of native aquatic
64.27 species in Minnesota to generate publicly
64.28 available tools for species and habitat
64.29 management.

64.30 **(h) Assessing Status of Common Tern**
64.31 **Populations in Minnesota**

64.32 \$199,000 the first year is from the trust fund
64.33 to the Board of Regents of the University of
64.34 Minnesota for the Natural Resources Research
64.35 Institute in Duluth to assess the population

65.1 status of Common Tern breeding colonies in
65.2 Minnesota, implement management activities,
65.3 and develop a standardized monitoring
65.4 protocol and online database for accessing
65.5 current and historic monitoring data to help
65.6 prioritize conservation and restoration actions
65.7 for this state-threatened species.

65.8 **(i) Salvaged Wildlife to Inform Environmental**
65.9 **Health, Ecology, and Education**

65.10 \$486,000 the first year is from the trust fund
65.11 to the Board of Regents of the University of
65.12 Minnesota, Bell Museum of Natural History,
65.13 to establish a statewide network to collect,
65.14 analyze, and archive salvaged dead wildlife
65.15 and build a foundation of biodiversity
65.16 resources to track ecosystem-wide changes,
65.17 monitor environmental health, and educate
65.18 Minnesotans about the value of scientific
65.19 specimens.

65.20 **(j) Developing Conservation Priorities for Rare**
65.21 **and Specialist Bees**

65.22 \$619,000 the first year is from the trust fund
65.23 to the Board of Regents of the University of
65.24 Minnesota to collect data on rare and specialist
65.25 bees and their habitat preferences, determine
65.26 their conservation status, and develop
65.27 strategies to improve their chances of survival.

65.28 **(k) Efficacy of Urban Archery Hunting to**
65.29 **Manage Deer**

65.30 \$393,000 the first year is from the trust fund
65.31 to the Board of Trustees of the Minnesota
65.32 State Colleges and Universities for Bemidji
65.33 State University to conduct an analysis of deer
65.34 survival, habitat use, and hunter data in the
65.35 city of Bemidji to improve special archery

66.1 hunt management practices in urban areas of
66.2 the state.

66.3 **(l) Mapping the Ecology of Urban and Rural**
66.4 **Canids**

66.5 \$601,000 the first year is from the trust fund
66.6 to the Board of Regents of the University of
66.7 Minnesota to determine how disease
66.8 prevalence, diet, habitat use, and interspecies
66.9 interactions of coyotes and foxes change from
66.10 urban to rural areas along the Mississippi
66.11 River corridor.

66.12 **(m) Maximizing Lowland Conifer Ecosystem**
66.13 **Services - Phase II**

66.14 \$482,000 the first year is from the trust fund
66.15 to the Board of Regents of the University of
66.16 Minnesota to continue monitoring forested
66.17 peatland hydrology and wildlife, conduct new
66.18 wildlife and habitat surveys, and quantify
66.19 carbon storage to provide support for
66.20 management decisions.

66.21 **(n) Modernizing Minnesota's Wildlife (and**
66.22 **Plant) Action Plan**

66.23 \$889,000 the first year is from the trust fund
66.24 to the commissioner of natural resources to
66.25 modernize the Minnesota Wildlife Action Plan
66.26 by filling critical data gaps, including adding
66.27 rare plants to the plan, and standardizing
66.28 conservation status assessment methods to
66.29 ensure Minnesota's natural heritage is
66.30 protected into the future.

66.31 **(o) Linking Breeding and Migratory Bird**
66.32 **Populations in Minnesota**

66.33 \$199,000 the first year is from the trust fund
66.34 to the commissioner of natural resources for
66.35 an agreement with Hawk Ridge Bird

67.1 Observatory to map year-round habitat use of
67.2 understudied bird species of special
67.3 conservation concern and evaluate areas with
67.4 the greatest risk of contaminant exposure.

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

67.6 \$441,000 the first year is from the trust fund
67.7 to the commissioner of natural resources to
67.8 establish baseline conditions and develop a
67.9 cost-effective method to monitor
67.10 approximately 93,000 acres of old growth
67.11 forest in Minnesota to ensure that these rare
67.12 and important forest resources are properly
67.13 protected.

67.14 **(q) Integrating Remotely Sensed Data with**
67.15 **Traditional Forest Inventory**

67.16 \$191,000 the first year is from the trust fund
67.17 to the Board of Regents of the University of
67.18 Minnesota for the Natural Resources Research
67.19 Institute in Duluth to calibrate and optimize
67.20 the use of LiDAR for forest inventory
67.21 purposes and estimate stand-level forest
67.22 resource metrics in northeastern Minnesota so
67.23 ecosystem services can be better considered
67.24 in management decisions.

67.25 **(r) Community Response Monitoring for**
67.26 **Adaptive Management in Southeast Minnesota**

67.27 \$483,000 the first year is from the trust fund
67.28 to the commissioner of natural resources for
67.29 an agreement with The Nature Conservancy
67.30 to assess community-level plant and animal
67.31 responses to past restoration efforts in select
67.32 southeast Minnesota conservation focus areas
67.33 to determine if management outcomes are
67.34 being achieved.

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

68.1 \$797,000 the first year is from the trust fund
 68.2 to the Board of Regents of the University of
 68.3 Minnesota, Bell Museum of Natural History,
 68.4 to expand the Minnesota Biodiversity Atlas
 68.5 to include more than 2,000,000 records and
 68.6 images of Minnesota wildlife, plants, and
 68.7 fungi by adding insect specimens, collections
 68.8 from new partners, historical data, and
 68.9 repatriating records of Minnesota's
 68.10 biodiversity that exist in various federal
 68.11 institutions.

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

68.13 Appropriations by Fund

68.14 <u>Environment and</u>		
68.15 <u>Natural Resources</u>		
68.16 <u>Trust Fund</u>	8,139,000	-0-
68.17 <u>Great Lakes</u>		
68.18 <u>Protection Account</u>	189,000	-0-

68.19 **(a) Ditching Delinquent Ditches: Optimizing**
 68.20 **Wetland Restoration**

68.21 \$199,000 the first year is from the trust fund
 68.22 to the Board of Regents of the University of
 68.23 Minnesota to use new techniques to identify
 68.24 and rank areas statewide where targeted
 68.25 removal of poorly functioning drainage ditches
 68.26 and restoration to wetlands can provide
 68.27 maximum human and ecological benefits,
 68.28 including aquifer recharge and flood
 68.29 prevention.

68.30 **(b) Assessment of Red River Basin Project**
 68.31 **Outcomes**

68.32 \$920,000 the first year is from the trust fund
 68.33 to the commissioner of natural resources for
 68.34 an agreement with Red River Watershed
 68.35 Management Board acting as fiscal agent for
 68.36 the Red River Basin Flood Damage Reduction

69.1 Work Group to plan and implement
69.2 multiresource monitoring at flood damage
69.3 reduction and natural resource enhancement
69.4 projects across the Red River Basin to evaluate
69.5 outcomes and improve design of future
69.6 projects at a regional scale. This appropriation
69.7 is available until June 30, 2028, by which time
69.8 the project must be completed and final
69.9 products delivered.

69.10 **(c) Wind Wave and Boating Impacts on Inland**
69.11 **Lakes**

69.12 \$415,000 the first year is from the trust fund
69.13 to the Board of Regents of the University of
69.14 Minnesota for the St. Anthony Falls
69.15 Laboratory to conduct a field study to measure
69.16 the impacts of boat propeller wash and boat
69.17 wakes on lake bottoms, shorelines, and water
69.18 quality compared to the impacts of
69.19 wind-generated waves.

69.20 **(d) Finding, Capturing, and Destroying PFAS**
69.21 **in Minnesota Waters**

69.22 \$478,000 the first year is from the trust fund
69.23 to the Board of Regents of the University of
69.24 Minnesota to develop novel methods for the
69.25 detection, sequestration, and degradation of
69.26 poly- and perfluoroalkyl substances (PFAS)
69.27 in Minnesota's lakes and rivers.

69.28 **(e) Sinking and Suspended Microplastic**
69.29 **Particles in Lake Superior**

69.30 \$412,000 the first year is to the Board of
69.31 Regents of the University of Minnesota for
69.32 the Large Lakes Observatory in Duluth to
69.33 investigate the abundance, characteristics, and
69.34 fate of microplastic particles in Lake Superior
69.35 to inform remediation strategies and analyses

70.1 of environmental impacts. Of this amount,
70.2 \$189,000 is from the Great Lakes protection
70.3 account and \$223,000 is from the trust fund.
70.4 These appropriations may also be used to
70.5 educate the public about the research
70.6 conducted with this appropriation.

70.7 **(f) Ecotoxicological Impacts of Quinone Outside**
70.8 **Inhibitor (QoI) Fungicides**

70.9 \$279,000 the first year is from the trust fund
70.10 to the commissioner of natural resources for
70.11 an agreement with the University of St.
70.12 Thomas to assess the ecological hazards
70.13 associated with QoI fungicides and their major
70.14 environmental transformation products.

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

70.16 \$1,004,000 the first year is from the trust fund
70.17 to the commissioner of natural resources for
70.18 an agreement with Fillmore County Soil and
70.19 Water Conservation District to reduce
70.20 sedimentation and improve aquatic habitat by
70.21 restoring a channel of the north branch of the
70.22 Root River at the site of a failed hydroelectric
70.23 power dam that was removed in 2003.

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

70.25 \$391,000 the first year is from the trust fund
70.26 to the Board of Regents of the University of
70.27 Minnesota for the St. Anthony Falls
70.28 Laboratory to partner with the Freshwater
70.29 Society to develop a practical tool for mapping
70.30 aquifer recharge potential, demonstrate the
70.31 tool with laboratory and field tests, use the
70.32 tool to evaluate recharge potential of several
70.33 aquifers in Minnesota, and analyze aquifer
70.34 recharge policy.

71.1 **(i) ALASD's Chloride Source Reduction Pilot**
71.2 **Program**

71.3 \$764,000 the first year is from the trust fund
71.4 to the commissioner of natural resources for
71.5 an agreement with Alexandria Lake Area
71.6 Sanitary District (ALASD) to coordinate with
71.7 Douglas County and the Pollution Control
71.8 Agency to pilot an incentive program for
71.9 residences and businesses to install
71.10 high-efficiency water softeners, salt-free
71.11 systems, or softener discharge disposal
71.12 systems to reduce the annual salt load to Lake
71.13 Winona and downstream waters. The pilot
71.14 program includes rebates, inspections,
71.15 community education, and water quality
71.16 monitoring to measure chloride reduction
71.17 success. This appropriation is available until
71.18 June 30, 2027, by which time the project must
71.19 be completed and final products delivered.

71.20 **(j) Removing CECs from Stormwater with**
71.21 **Biofiltration**

71.22 \$641,000 the first year is from the trust fund
71.23 to the Board of Regents of the University of
71.24 Minnesota for the St. Anthony Falls
71.25 Laboratory to develop a treatment practice
71.26 design using biofiltration media to remove
71.27 contaminants of emerging concern (CECs)
71.28 from stormwater runoff and to provide
71.29 statewide stormwater management guidance.

71.30 **(k) Didymo II The North Shore Threat**
71.31 **Continues**

71.32 \$394,000 the first year is from the trust fund
71.33 to the Science Museum of Minnesota for the
71.34 St. Croix Watershed Research Station to
71.35 identify North Shore streams with didymo,
71.36 determine the risk of invasion to other streams,

72.1 document didymo impacts to stream
 72.2 functioning, and develop strategies to prevent
 72.3 further spread of didymo.

72.4 **(l) Leveraging Data Analytics Innovations for**
 72.5 **Watershed District Planning**

72.6 \$738,000 the first year is from the trust fund
 72.7 to the commissioner of natural resources for
 72.8 an agreement with Minnehaha Creek
 72.9 Watershed District to integrate local and
 72.10 statewide data sets into a high-resolution
 72.11 planning tool that forecasts the impacts of
 72.12 changing precipitation patterns and
 72.13 quantitatively compares cost effectiveness and
 72.14 outcomes for water quality, ecological
 72.15 integrity, and flood prevention projects in the
 72.16 district. Minnehaha Creek Watershed District
 72.17 may license third parties to use products
 72.18 developed with this appropriation without
 72.19 further approval from the legislature or the
 72.20 Legislative-Citizen Commission on Minnesota
 72.21 Resources, provided the licensing does not
 72.22 generate income. This appropriation is subject
 72.23 to Minnesota Statutes, section 116P.10.

72.24 **(m) Protecting Water in the Central Sands**
 72.25 **Region of the Mississippi River Headwaters**

72.26 \$1,693,000 the first year is from the trust fund
 72.27 to the commissioner of natural resources for
 72.28 an agreement with the White Earth Band of
 72.29 Minnesota Chippewa Indians to conduct a
 72.30 policy analysis and assess aggregate irrigation
 72.31 impacts on water quality and quantity in the
 72.32 Pineland Sands region of the state.

72.33 **Subd. 5. Environmental Education**

3,905,000

-0-

72.34 **(a) Fostering Conservation by Connecting**
 72.35 **Students to the BWCA**

73.1 \$1,080,000 the first year is from the trust fund
73.2 to the commissioner of natural resources for
73.3 an agreement with the Friends of the Boundary
73.4 Waters Wilderness to connect Minnesota
73.5 youth to the Boundary Waters through
73.6 environmental education, experiential learning,
73.7 and wilderness canoe trips.

73.8 **(b) Statewide Environmental Education via PBS**
73.9 **Outdoor Series**

73.10 \$391,000 the first year is from the trust fund
73.11 to the commissioner of natural resources for
73.12 an agreement with Pioneer Public
73.13 Broadcasting Service to produce new episodes
73.14 of a statewide public television series and an
73.15 educational web page designed to inspire
73.16 Minnesotans to connect with the outdoors and
73.17 to restore and protect the state's natural
73.18 resources.

73.19 **(c) Increasing Diversity in Environmental**
73.20 **Careers**

73.21 \$763,000 the first year is from the trust fund
73.22 to the commissioner of natural resources in
73.23 cooperation with Conservation Corps
73.24 Minnesota and Iowa to ensure a stable and
73.25 prepared natural resources work force in
73.26 Minnesota by encouraging a diversity of
73.27 students to pursue careers in environment and
73.28 natural resources through internships,
73.29 mentorships, and fellowships with the
73.30 Department of Natural Resources, the Board
73.31 of Water and Soil Resources, and the Pollution
73.32 Control Agency. This appropriation is
73.33 available until June 30, 2028, by which time
73.34 the project must be completed and final
73.35 products delivered.

74.1 **(d) Reducing Biophobia & Fostering**
74.2 **Environmental Stewardship in Underserved**
74.3 **Schools**

74.4 \$180,000 the first year is from the trust fund
74.5 to the Board of Regents of the University of
74.6 Minnesota for the Raptor Center to foster
74.7 long-lasting environmental stewardship and
74.8 literacy in Minnesota youth in underserved
74.9 schools by providing engaging, multiunit,
74.10 standards-based environmental programming
74.11 featuring positive interactions with raptors and
74.12 evaluating program effectiveness and areas
74.13 for improvement.

74.14 **(e) Sharing Minnesota's Biggest Environmental**
74.15 **Investment**

74.16 \$628,000 the first year is from the trust fund
74.17 to the Science Museum of Minnesota, in
74.18 coordination with the Legislative-Citizen
74.19 Commission on Minnesota Resources
74.20 (LCCMR), to increase public access to the
74.21 results of LCCMR-recommended research,
74.22 including through a free online interactive
74.23 map, in-depth videos, and public events.

74.24 **(f) North Shore Private Forestry Outreach and**
74.25 **Implementation**

74.26 \$375,000 the first year is from the trust fund
74.27 to the commissioner of natural resources for
74.28 an agreement with Sugarloaf: The North Shore
74.29 Stewardship Association to conduct outreach
74.30 to private forest landowners, develop site
74.31 restoration plans, and connect landowners with
74.32 restoration assistance to encourage private
74.33 forest restoration and improve the ecological
74.34 health of Minnesota's North Shore forest
74.35 landscape.

75.1 **(g) Teaching Students about Watersheds**
 75.2 **through Outdoor Science**

75.3 \$290,000 the first year is from the trust fund
 75.4 to the commissioner of natural resources for
 75.5 an agreement with Minnesota Trout Unlimited
 75.6 to engage students in classroom and outdoor
 75.7 hands-on learning focused on water quality,
 75.8 groundwater, aquatic life, and watershed
 75.9 stewardship and provide youth and their
 75.10 families with fishing experiences to further
 75.11 foster a conservation ethic.

75.12 **(h) Bioblitz Urban Parks: Engaging**
 75.13 **Communities in Scientific Efforts**

75.14 \$198,000 the first year is from the trust fund
 75.15 to the commissioner of natural resources for
 75.16 an agreement with the Minneapolis Park and
 75.17 Recreation Board to work with volunteers to
 75.18 collect baseline biodiversity data for
 75.19 neighborhood and regional parks to inspire
 75.20 stewardship and inform habitat restoration
 75.21 work.

75.22 **Subd. 6. Aquatic and Terrestrial Invasive**
 75.23 **Species**

5,104,000

-0-

75.24 **(a) Northward Expansion of Ecologically**
 75.25 **Damaging Amphibians and Reptiles**

75.26 \$163,000 the first year is from the trust fund
 75.27 to the Board of Regents of the University of
 75.28 Minnesota to assess the distribution and
 75.29 potential for expansion of key detrimental and
 75.30 nonnative amphibians and reptiles in
 75.31 Minnesota.

75.32 **(b) Developing Research-Based Solutions to**
 75.33 **Minnesota's AIS Problems**

75.34 \$4,941,000 the first year is from the trust fund
 75.35 to the Board of Regents of the University of

76.1 Minnesota for the Minnesota Aquatic Invasive
 76.2 Species Research Center to conduct
 76.3 high-priority projects aimed at solving
 76.4 Minnesota's aquatic invasive species problems
 76.5 using rigorous science and a collaborative
 76.6 process. Additionally, funds may be spent to
 76.7 deliver research findings to end users through
 76.8 strategic communication and outreach. This
 76.9 appropriation is subject to Minnesota Statutes,
 76.10 section 116P.10. This appropriation is
 76.11 available until June 30, 2027, by which time
 76.12 the project must be completed and final
 76.13 products delivered.

76.14 **Subd. 7. Air Quality, Climate Change, and**
 76.15 **Renewable Energy**

3,913,000

-0-

76.16 **(a) Community Forestry AmeriCorps**

76.17 \$1,500,000 the first year is from the trust fund
 76.18 to the commissioner of natural resources for
 76.19 an agreement with ServeMinnesota to preserve
 76.20 and increase tree canopy throughout the state
 76.21 by training, supporting, and deploying
 76.22 AmeriCorps members to local agencies and
 76.23 nonprofit organizations to plant and inventory
 76.24 trees, develop and implement pest
 76.25 management plans, create and maintain
 76.26 nursery beds for replacement trees, and
 76.27 organize opportunities for community
 76.28 engagement in tree stewardship activities.

76.29 **(b) Biochar Implementation in Habitat**
 76.30 **Restoration: A Pilot**

76.31 \$185,000 the first year is from the trust fund
 76.32 to the commissioner of natural resources for
 76.33 an agreement with Great River Greening to
 76.34 pilot the use of portable biochar kilns as an
 76.35 alternative to open-pile burning of trees and

77.1 shrubs to reduce smoke and carbon emissions
77.2 and produce beneficial by-products from
77.3 invasive species removal and land restoration
77.4 efforts.

77.5 **(c) Completing Installment of the Minnesota**
77.6 **Ecological Monitoring Network**

77.7 \$1,094,000 the first year is from the trust fund
77.8 to the commissioner of natural resources to
77.9 improve conservation and management of
77.10 Minnesota's native forests, wetlands, and
77.11 grasslands by completing the Ecological
77.12 Monitoring Network to measure ecosystems'
77.13 change through time.

77.14 **(d) Lichens as Low-Cost Air Quality Monitors**
77.15 **in Minnesota**

77.16 \$341,000 the first year is from the trust fund
77.17 to the Board of Regents of the University of
77.18 Minnesota to develop community science
77.19 protocols for using lichens as indicators of air
77.20 quality and conduct an analysis of air pollution
77.21 changes across Minnesota in the present and
77.22 in the past century.

77.23 **(e) Environment-Friendly Decarbonizing of Steel**
77.24 **Production with Hydrogen Plasma**

77.25 \$739,000 the first year is from the trust fund
77.26 to the Board of Regents of the University of
77.27 Minnesota to investigate the use of microwave
77.28 hydrogen plasma to reduce fossil fuel use,
77.29 carbon dioxide emissions, and waste and
77.30 enable the use of alternative iron resources,
77.31 including lower quality iron ores, tailings, and
77.32 iron ore waste piles, in the iron-making
77.33 industry. This appropriation is subject to
77.34 Minnesota Statutes, section 116P.10.

78.1 **(f) Economic Analysis Guide for Minnesota**
 78.2 **Climate Investments**

78.3 \$54,000 the first year is from the trust fund to
 78.4 the commissioner of the Minnesota Pollution
 78.5 Control Agency to create a guide that will
 78.6 incorporate nation-wide best practices for
 78.7 considering costs, benefits, economics, and
 78.8 equity in Minnesota climate policy decisions.

78.9 **Subd. 8. Methods to Protect or Restore Land,**
 78.10 **Water, and Habitat**

15,997,000

-0-

78.11 **(a) Minnesota Bee and Beneficial Species Habitat**
 78.12 **Enhancement II**

78.13 \$876,000 the first year is from the trust fund
 78.14 to the commissioner of natural resources for
 78.15 an agreement with Pheasants Forever Inc. to
 78.16 enhance grassland habitats to benefit
 78.17 pollinators and other wildlife species on
 78.18 permanently protected lands and to collaborate
 78.19 with the University of Minnesota to determine
 78.20 best practices for seeding timing and
 78.21 techniques.

78.22 **(b) Karner Blue Butterfly Insurance Population**
 78.23 **Establishment in Minnesota**

78.24 \$405,000 the first year is from the trust fund
 78.25 to the commissioner of natural resources for
 78.26 an agreement with the Three Rivers Park
 78.27 District to establish a breeding population of
 78.28 the federally endangered Karner blue butterfly
 78.29 on protected lands within the butterfly's
 78.30 northern expanding range, increase the habitat
 78.31 area, and evaluate the butterfly establishment
 78.32 effort to assist with adaptive management.
 78.33 This appropriation is available until June 30,
 78.34 2027, by which time the project must be
 78.35 completed and final products delivered.

79.1 **(c) Root River Habitat Restoration at Eagle**
79.2 **Bluff**

79.3 \$866,000 the first year is from the trust fund
79.4 to the commissioner of natural resources for
79.5 an agreement with Eagle Bluff Environmental
79.6 Learning Center to restore habitat in and
79.7 alongside the Root River north of Lanesboro,
79.8 Minnesota, and to conduct monitoring to
79.9 ensure water quality and fish population
79.10 improvements are achieved. This appropriation
79.11 is available until June 30, 2028, by which time
79.12 the project must be completed and final
79.13 products delivered.

79.14 **(d) Restoring Mussels in Streams and Lakes -**
79.15 **Continuation**

79.16 \$825,000 the first year is from the trust fund
79.17 to the commissioner of natural resources to
79.18 propagate, rear, and restore native freshwater
79.19 mussel assemblages and the ecosystem
79.20 services they provide in the Mississippi,
79.21 Cedar, and Cannon Rivers; to evaluate
79.22 reintroduction success; and to inform the
79.23 public on mussels and mussel conservation.

79.24 **(e) Minnesota Million: Seedlings for**
79.25 **Reforestation and CO₂ Sequestration**

79.26 \$906,000 the first year is from the trust fund
79.27 to the Board of Regents of the University of
79.28 Minnesota, Duluth, to collaborate with The
79.29 Nature Conservancy and Minnesota Extension
79.30 to expand networks of seed collectors and tree
79.31 growers and to research tree planting strategies
79.32 to accelerate reforestation for carbon
79.33 sequestration, wildlife habitat, and watershed
79.34 resilience.

79.35 **(f) Panoway on Wayzata Bay Shoreline**
79.36 **Restoration Project**

80.1 \$200,000 the first year is from the trust fund
80.2 to the commissioner of natural resources for
80.3 an agreement with the city of Wayzata to
80.4 restore native lake bottom and shoreline
80.5 vegetation to improve shoreline stability,
80.6 wildlife habitat, and the natural beauty of Lake
80.7 Minnetonka's Wayzata Bay. The recipient
80.8 must report to the Legislative-Citizen
80.9 Commission on Minnesota Resources on the
80.10 effectiveness of any new methods tested while
80.11 conducting the project and may use a portion
80.12 of the appropriation to prepare that report.

80.13 **(g) Pollinator Central III: Habitat Improvement**
80.14 **with Community Monitoring**

80.15 \$190,000 the first year is from the trust fund
80.16 to the commissioner of natural resources for
80.17 an agreement with Great River Greening to
80.18 restore and enhance pollinator habitat in parks,
80.19 schools, and other public spaces to benefit
80.20 pollinators and people and to build knowledge
80.21 about impacts of the pollinator plantings
80.22 through community-based monitoring.

80.23 **(h) Restoring Forests and Savannas Using**
80.24 **Silvopasture - Phase II**

80.25 \$674,000 the first year is from the trust fund
80.26 to the commissioner of natural resources for
80.27 an agreement with Great River Greening to
80.28 continue to partner with the University of
80.29 Minnesota and the Sustainable Farming
80.30 Association to demonstrate, evaluate, and
80.31 increase adoption of the combined use of
80.32 intensive tree, forage, and grazing as a method
80.33 to restore and manage forest and savanna
80.34 habitats.

80.35 **(i) Minnesota Community Schoolyards**

81.1 \$1,433,000 the first year is from the trust fund
81.2 to the commissioner of natural resources for
81.3 an agreement with The Trust for Public Land
81.4 to engage students and communities to create
81.5 nature-focused habitat improvements at
81.6 schoolyards across the state to increase
81.7 environmental outcomes and encourage
81.8 outdoor learning.

81.9 **(j) Pollinator Enhancement and Mississippi**
81.10 **River Shoreline Restoration**

81.11 \$187,000 the first year is from the trust fund
81.12 to the adjutant general of the Department of
81.13 Military Affairs to restore native prairie,
81.14 support pollinator plantings, and stabilize a
81.15 large section of stream bank along the
81.16 Mississippi River within Camp Ripley.

81.17 **(k) Conservation Cooperative for Working**
81.18 **Lands**

81.19 \$2,611,000 the first year is from the trust fund
81.20 to the commissioner of natural resources for
81.21 an agreement with Pheasants Forever Inc. to
81.22 collaborate with Natural Resources
81.23 Conservation Service, Board of Water and
81.24 Soil Resources, and Minnesota Association
81.25 of Soil and Water Conservation Districts to
81.26 accelerate adoption of voluntary conservation
81.27 practices on working lands in Minnesota by
81.28 increasing technical assistance to farmers and
81.29 landowners while also attracting federal
81.30 matching funds.

81.31 **(l) Quantifying Environmental Benefits of**
81.32 **Peatland Restoration in Minnesota**

81.33 \$754,000 the first year is from the trust fund
81.34 to the Board of Regents of the University of
81.35 Minnesota to quantify the capacity of restored

82.1 peatlands to store and accumulate atmospheric
82.2 carbon and prevent release of accumulated
82.3 mercury into the surrounding environment.

82.4 This appropriation is available until June 30,
82.5 2027, by which time the project must be
82.6 completed and final products delivered.

82.7 **(m) Renewing Access to an Iconic North Shore**
82.8 **Vista**

82.9 \$197,000 the first year is from the trust fund
82.10 to the commissioner of natural resources for
82.11 an agreement with the Superior Hiking Trail
82.12 Association to use national trail design best
82.13 practices to renew trails and a campground
82.14 along the Bean and Bear Lakes section of the
82.15 Superior Hiking Trail that provides access to
82.16 one of Minnesota's most iconic vistas.

82.17 **(n) Addressing Erosion Along High Use River**
82.18 **Loops**

82.19 \$368,000 the first year is from the trust fund
82.20 to the commissioner of natural resources for
82.21 an agreement with the Superior Hiking Trail
82.22 Association to rehabilitate and renew popular
82.23 river loops of the Superior Hiking Trail to
82.24 withstand high visitor use and serve
82.25 Minnesotans for years to come.

82.26 **(o) Pollinator Habitat Creation at Minnesota**
82.27 **Closed Landfills**

82.28 \$1,508,000 the first year is from the trust fund
82.29 to the commissioner of the Minnesota
82.30 Pollution Control Agency to conduct a pilot
82.31 project to create pollinator habitat at closed
82.32 landfill sites in the closed landfill program.
82.33 This appropriation is available until June 30,
82.34 2027, by which time the project must be
82.35 completed and final products delivered.

83.1 **(p) Enhancing Habitat Connectivity within the**
83.2 **Urban Mississippi Flyway**

83.3 \$190,000 the first year is from the trust fund
83.4 to the commissioner of natural resources for
83.5 an agreement with the Minneapolis Park and
83.6 Recreation Board to enhance and restore
83.7 habitat in and between urban neighborhood
83.8 parks and the Mississippi River to benefit
83.9 animals, plants, and neighborhoods
83.10 traditionally disconnected from nature and to
83.11 raise awareness of the Mississippi River
83.12 Flyway.

83.13 **(q) Statewide Diversion of Furniture and**
83.14 **Mattress Waste Pilots**

83.15 \$2,833,000 the first year is from the trust fund
83.16 to the commissioner of natural resources for
83.17 an agreement with EMERGE Community
83.18 Development to work collaboratively with the
83.19 University of Minnesota, Second Chance
83.20 Recycling, and local governments to test and
83.21 implement methods to expand mattress and
83.22 furniture recycling statewide, including by
83.23 researching value-add commodity markets for
83.24 recycled materials, piloting mattress collection
83.25 in greater Minnesota counties, piloting
83.26 curbside furniture collection in the
83.27 metropolitan area, and increasing facility
83.28 capacity to recycle collected mattresses. Any
83.29 revenue generated from selling products or
83.30 assets developed or acquired with this
83.31 appropriation must be repaid to the trust fund
83.32 unless a plan is approved for reinvestment of
83.33 income in the project. This appropriation is
83.34 subject to Minnesota Statutes, section 116P.10.

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

84.1 \$974,000 the first year is from the trust fund
 84.2 to the commissioner of natural resources for
 84.3 an agreement with Otter Tail County to plan,
 84.4 engineer, and restore wetlands and prairie
 84.5 within the newly expanded Phelps Mill County
 84.6 Park to improve habitat connectivity for
 84.7 wildlife and enhance recreational experiences
 84.8 for users. Up to \$322,000 of this appropriation
 84.9 may be used to plan, engineer, and construct
 84.10 a boardwalk, viewing platforms, and soft trails
 84.11 within the park. This appropriation is available
 84.12 until June 30, 2027, by which time the project
 84.13 must be completed and final products
 84.14 delivered.

84.15 **Subd. 9. Land Acquisition, Habitat, and**
 84.16 **Recreation**

31,241,000

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84.17 **(a) SNA Stewardship, Outreach, and**
 84.18 **Biodiversity Protection**

84.19 \$1,919,000 the first year is from the trust fund
 84.20 to the commissioner of natural resources to
 84.21 restore and enhance exceptional habitat on
 84.22 scientific and natural areas (SNAs), increase
 84.23 public involvement and outreach, and
 84.24 strategically acquire lands that meet criteria
 84.25 for SNAs under Minnesota Statutes, section
 84.26 86A.05, from willing sellers. This
 84.27 appropriation is available until June 30, 2027,
 84.28 by which time the project must be completed
 84.29 and final products delivered.

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

84.31 \$727,000 the first year is from the trust fund
 84.32 to the commissioner of natural resources for
 84.33 an agreement with the city of Frazee to acquire
 84.34 land for protecting and enhancing natural
 84.35 resources and for future development as

85.1 Wannigan Regional Park, where the Heartland
85.2 State, North Country National, and Otter Tail
85.3 River Water Trails will meet. Initial site
85.4 development or restoration work may be
85.5 conducted with this appropriation.

85.6 **(c) Local Parks, Trails, and Natural Areas Grant**
85.7 **Programs**

85.8 \$3,802,000 the first year is from the trust fund
85.9 to the commissioner of natural resources to
85.10 solicit and rank applications and fund
85.11 competitive matching grants for local parks,
85.12 trail connections, and natural and scenic areas
85.13 under Minnesota Statutes, section 85.019. This
85.14 appropriation is for local nature-based
85.15 recreation, connections to regional and state
85.16 natural areas, and recreation facilities and may
85.17 not be used for athletic facilities such as sport
85.18 fields, courts, and playgrounds.

85.19 **(d) Outreach and Stewardship Through the**
85.20 **Native Prairie Bank Program**

85.21 \$620,000 the first year is from the trust fund
85.22 to the commissioner of natural resources to
85.23 enhance and monitor lands enrolled in the
85.24 native prairie bank and to provide outreach
85.25 and technical assistance to landowners,
85.26 practitioners, and the public to increase
85.27 awareness and stewardship of the state's
85.28 remaining native prairie. This appropriation
85.29 is available until June 30, 2027, by which time
85.30 the project must be completed and final
85.31 products delivered.

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

85.33 \$4,952,000 the first year is from the trust fund
85.34 to the commissioner of natural resources to
85.35 expand recreational opportunities on

86.1 Minnesota state trails by rehabilitating and
86.2 enhancing existing state trails and replacing
86.3 or repairing existing state trail bridges.

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

86.5 \$700,000 the first year is from the trust fund
86.6 to the commissioner of natural resources for
86.7 an agreement with the city of St. Joseph to
86.8 increase recreational opportunities and access
86.9 at East Park along the Sauk River in St. Joseph
86.10 through enhancements such as a canoe and
86.11 kayak access, a floating dock, paved and
86.12 mowed trails, and parking entrance
86.13 improvements.

86.14 **(g) Scandia Gateway Trail to William O'Brien**
86.15 **State Park**

86.16 \$2,689,000 the first year is from the trust fund
86.17 to the commissioner of natural resources for
86.18 an agreement with the city of Scandia to
86.19 engineer and construct a segment of the
86.20 Gateway State Trail between the city of
86.21 Scandia and William O'Brien State Park that
86.22 will be maintained by the Department of
86.23 Natural Resources. The segment to be
86.24 constructed includes a pedestrian tunnel and
86.25 trailhead parking area. This project must be
86.26 designed and constructed in accordance with
86.27 Department of Natural Resources state trail
86.28 standards. Engineering and construction plans
86.29 must be approved by the commissioner of
86.30 natural resources before construction may
86.31 commence. This appropriation is available
86.32 until June 30, 2027, by which time the project
86.33 must be completed and final products
86.34 delivered.

- 87.1 **(h) Grand Marais Mountain Bike Trail**
87.2 **Rehabilitation - Phase II**
- 87.3 \$200,000 the first year is from the trust fund
87.4 to the commissioner of natural resources for
87.5 an agreement with Superior Cycling
87.6 Association to rehabilitate and modify existing
87.7 mountain bike trails at Pincushion Mountain
87.8 to increase the trail's environmental
87.9 sustainability and provide better access to
87.10 beginner and adaptive cyclers.
- 87.11 **(i) Acquisition of State Parks and Trails**
87.12 **Inholdings**
- 87.13 \$5,425,000 the first year is from the trust fund
87.14 to the commissioner of natural resources to
87.15 acquire high-priority inholdings from willing
87.16 sellers within the legislatively authorized
87.17 boundaries of state parks, recreation areas, and
87.18 trails to protect Minnesota's natural heritage,
87.19 enhance outdoor recreation, and improve the
87.20 efficiency of public land management. This
87.21 appropriation is available until June 30, 2027,
87.22 by which time the project must be completed
87.23 and final products delivered.
- 87.24 **(j) St. Louis River Re-Connect - Phase II**
- 87.25 \$1,375,000 the first year is from the trust fund
87.26 to the commissioner of natural resources for
87.27 an agreement with the city of Duluth to
87.28 increase recreational opportunities and access
87.29 to the Waabizheshikana hiking and water trails
87.30 in West Duluth with trail and trailhead
87.31 enhancements such as accessible canoe and
87.32 kayak launches, picnic areas, and restrooms;
87.33 restored habitat; stormwater improvements;
87.34 directional signage, and trailside interpretation.
87.35 This appropriation may also be used to partner

88.1 with the St. Louis River Alliance to create an
88.2 ambassadors program to engage the
88.3 surrounding community and facilitate use of
88.4 the trails.

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

88.6 \$1,306,000 the first year is from the trust fund
88.7 to the commissioner of natural resources for
88.8 an agreement with the city of Biwabik to
88.9 reconstruct and renovate Biwabik Recreation
88.10 Area's access road, parking area, and bathroom
88.11 facilities.

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

88.13 \$1,970,000 the first year is from the trust fund
88.14 to the commissioner of natural resources for
88.15 an agreement with the city of Silver Bay to
88.16 develop a multimodal trailhead center to
88.17 provide safe access to the Superior Hiking,
88.18 Gitchi-Gami Bike, and C.J. Ramstad/North
88.19 Shore trails; Black Beach Park; and other
88.20 recreational destinations. Before any
88.21 construction costs are incurred, the city must
88.22 demonstrate that all funding to complete the
88.23 project are secured.

88.24 **(m) Above the Falls Regional Park Restoration**
88.25 **Planning and Acquisition**

88.26 \$1,376,000 the first year is from the trust fund
88.27 to the commissioner of natural resources for
88.28 an agreement with the Minneapolis Park and
88.29 Recreation Board to acquire land along the
88.30 Mississippi River from willing sellers for
88.31 habitat restoration, trail development, and
88.32 low-intensity recreational facilities in Above
88.33 the Falls Regional Park. This appropriation
88.34 may also be used to prepare restoration plans
88.35 for lands acquired. This appropriation may not

89.1 be used to purchase habitable residential
 89.2 structures. Before the acquisition, a phase 1
 89.3 environmental assessment must be completed
 89.4 and the Minneapolis Park and Recreation
 89.5 Board must not accept any liability for
 89.6 previous contamination of lands acquired with
 89.7 this appropriation.

89.8 **(n) Redhead Mountain Bike Park**
 89.9 \$1,666,000 the first year is from the trust fund
 89.10 to the commissioner of natural resources for
 89.11 an agreement with the city of Chisholm as the
 89.12 fiscal agent for the Minnesota Discovery
 89.13 Center to enhance outdoor recreational
 89.14 opportunities by adding trails and amenities
 89.15 to the Redhead Mountain Bike Park in
 89.16 Chisholm. Amenities may include such things
 89.17 as pump tracks, skills courses, changing
 89.18 stations, shade shakes, and signage.

89.19 **(o) Maplewood State Park Trail Segment of the**
 89.20 **Perham to Pelican Rapids Regional Trail**
 89.21 \$2,514,000 the first year is from the trust fund
 89.22 to the commissioner of natural resources for
 89.23 an agreement with Otter Tail County to partner
 89.24 with the Department of Natural Resources to
 89.25 construct the Maplewood State Park segment
 89.26 of the Perham to Pelican Rapids Regional
 89.27 Trail. This project must be designed and
 89.28 constructed in accordance with Department
 89.29 of Natural Resources state trail standards.
 89.30 Engineering and construction plans must be
 89.31 approved by the commissioner of natural
 89.32 resources before construction may commence.

89.33 **Subd. 10. Administration, Emerging Issues, and**
 89.34 **Contract Agreement Reimbursement**

3,126,000

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89.35 **(a) LCCMR Administrative Budget**

90.1 \$2,133,000 the first year is from the trust fund
90.2 to the Legislative-Citizen Commission on
90.3 Minnesota Resources for administration in
90.4 fiscal years 2024 and 2025 as provided in
90.5 Minnesota Statutes, section 116P.09,
90.6 subdivision 5. This appropriation is available
90.7 until June 30, 2025. Notwithstanding
90.8 Minnesota Statutes, section 116P.11,
90.9 paragraph (b), Minnesota Statutes, section
90.10 16A.281, applies to this appropriation.

90.11 **(b) Emerging Issues**

90.12 \$767,000 the first year is from the trust fund
90.13 to the Legislative-Citizen Commission on
90.14 Minnesota Resources to an emerging issues
90.15 account authorized in Minnesota Statutes,
90.16 section 116P.08, subdivision 4, paragraph (d).

90.17 **(c) Contract Agreement Reimbursement**

90.18 \$224,000 the first year is from the trust fund
90.19 to the commissioner of natural resources, at
90.20 the direction of the Legislative-Citizen
90.21 Commission on Minnesota Resources, for
90.22 expenses incurred in preparing and
90.23 administering contracts, including for the
90.24 agreements specified in this section.

90.25 **(d) Legislative Coordinating Commission Legacy**
90.26 **Website**

90.27 \$2,000 the first year is from the trust fund to
90.28 the Legislative Coordinating Commission for
90.29 the website required in Minnesota Statutes,
90.30 section 3.303, subdivision 10.

90.31 **Subd. 11. Availability of Appropriations**

90.32 Money appropriated in this section may not
90.33 be spent on activities unless they are directly
90.34 related to and necessary for a specific

91.1 appropriation and are specified in the work
91.2 plan approved by the Legislative-Citizen
91.3 Commission on Minnesota Resources. Money
91.4 appropriated in this section must not be spent
91.5 on indirect costs or other institutional overhead
91.6 charges that are not directly related to and
91.7 necessary for a specific appropriation. Costs
91.8 that are directly related to and necessary for
91.9 an appropriation, including financial services,
91.10 human resources, information services, rent,
91.11 and utilities, are eligible only if the costs can
91.12 be clearly justified and individually
91.13 documented specific to the appropriation's
91.14 purpose and would not be generated by the
91.15 recipient but for receipt of the appropriation.
91.16 No broad allocations for costs in either dollars
91.17 or percentages are allowed. Unless otherwise
91.18 provided, the amounts in this section are
91.19 available for three years beginning July 1,
91.20 2023, and ending June 30, 2026, when projects
91.21 must be completed and final products
91.22 delivered. For acquisition of real property, the
91.23 appropriations in this section are available for
91.24 an additional fiscal year if a binding contract
91.25 for acquisition of the real property is entered
91.26 into before the expiration date of the
91.27 appropriation. If a project receives a federal
91.28 award, the period of the appropriation is
91.29 extended to equal the federal award period to
91.30 a maximum trust fund appropriation length of
91.31 six years.

91.32 **Subd. 12. Data Availability Requirements Data**

91.33 Data collected by the projects funded under
91.34 this section must conform to guidelines and
91.35 standards adopted by Minnesota IT Services.

92.1 Spatial data must also conform to additional
92.2 guidelines and standards designed to support
92.3 data coordination and distribution that have
92.4 been published by the Minnesota Geospatial
92.5 Information Office. Descriptions of spatial
92.6 data must be prepared as specified in the state's
92.7 geographic metadata guideline and must be
92.8 submitted to the Minnesota Geospatial
92.9 Information Office. All data must be
92.10 accessible and free to the public unless made
92.11 private under the Data Practices Act,
92.12 Minnesota Statutes, chapter 13. To the extent
92.13 practicable, summary data and results of
92.14 projects funded under this section should be
92.15 readily accessible on the Internet and
92.16 identified as having received funding from the
92.17 environment and natural resources trust fund.

92.18 **Subd. 13. Project Requirements**

92.19 (a) As a condition of accepting an
92.20 appropriation under this section, an agency or
92.21 entity receiving an appropriation or a party to
92.22 an agreement from an appropriation must
92.23 comply with paragraphs (b) to (l) and
92.24 Minnesota Statutes, chapter 116P, and must
92.25 submit a work plan and annual or semiannual
92.26 progress reports in the form determined by the
92.27 Legislative-Citizen Commission on Minnesota
92.28 Resources for any project funded in whole or
92.29 in part with funds from the appropriation.
92.30 Modifications to the approved work plan and
92.31 budget expenditures must be made through
92.32 the amendment process established by the
92.33 Legislative-Citizen Commission on Minnesota
92.34 Resources.

93.1 (b) A recipient of money appropriated in this
93.2 section that conducts a restoration using funds
93.3 appropriated in this section must use native
93.4 plant species according to the Board of Water
93.5 and Soil Resources' native vegetation
93.6 establishment and enhancement guidelines
93.7 and include an appropriate diversity of native
93.8 species selected to provide habitat for
93.9 pollinators throughout the growing season as
93.10 required under Minnesota Statutes, section
93.11 84.973.

93.12 (c) For all restorations conducted with money
93.13 appropriated under this section, a recipient
93.14 must prepare an ecological restoration and
93.15 management plan that, to the degree
93.16 practicable, is consistent with the
93.17 highest-quality conservation and ecological
93.18 goals for the restoration site. Consideration
93.19 should be given to soil, geology, topography,
93.20 and other relevant factors that would provide
93.21 the best chance for long-term success and
93.22 durability of the restoration project. The plan
93.23 must include the proposed timetable for
93.24 implementing the restoration, including site
93.25 preparation, establishment of diverse plant
93.26 species, maintenance, and additional
93.27 enhancement to establish the restoration;
93.28 identify long-term maintenance and
93.29 management needs of the restoration and how
93.30 the maintenance, management, and
93.31 enhancement will be financed; and take
93.32 advantage of the best-available science and
93.33 include innovative techniques to achieve the
93.34 best restoration.

- 94.1 (d) An entity receiving an appropriation in this
94.2 section for restoration activities must provide
94.3 an initial restoration evaluation at the
94.4 completion of the appropriation and an
94.5 evaluation three years after the completion of
94.6 the expenditure. Restorations must be
94.7 evaluated relative to the stated goals and
94.8 standards in the restoration plan, current
94.9 science, and, when applicable, the Board of
94.10 Water and Soil Resources' native vegetation
94.11 establishment and enhancement guidelines.
94.12 The evaluation must determine whether the
94.13 restorations are meeting planned goals,
94.14 identify any problems with implementing the
94.15 restorations, and, if necessary, give
94.16 recommendations on improving restorations.
94.17 The evaluation must be focused on improving
94.18 future restorations.
- 94.19 (e) All restoration and enhancement projects
94.20 funded with money appropriated in this section
94.21 must be on land permanently protected by a
94.22 conservation easement or public ownership.
- 94.23 (f) A recipient of money from an appropriation
94.24 under this section must give consideration to
94.25 contracting with Conservation Corps
94.26 Minnesota for contract restoration and
94.27 enhancement services.
- 94.28 (g) All conservation easements acquired with
94.29 money appropriated under this section must:
- 94.30 (1) be permanent;
- 94.31 (2) specify the parties to an easement in the
94.32 easement;
- 94.33 (3) specify all provisions of an agreement that
94.34 are permanent;

- 95.1 (4) be sent to the Legislative-Citizen
95.2 Commission on Minnesota Resources in an
95.3 electronic format at least ten business days
95.4 before closing;
- 95.5 (5) include a long-term monitoring and
95.6 enforcement plan and funding for monitoring
95.7 and enforcing the easement agreement; and
- 95.8 (6) include requirements in the easement
95.9 document to protect the quantity and quality
95.10 of groundwater and surface water through
95.11 specific activities such as keeping water on
95.12 the landscape, reducing nutrient and
95.13 contaminant loading, and not permitting
95.14 artificial hydrological modifications.
- 95.15 (h) For any acquisition of lands or interest in
95.16 lands, a recipient of money appropriated under
95.17 this section must not agree to pay more than
95.18 100 percent of the appraised value for a parcel
95.19 of land using this money to complete the
95.20 purchase, in part or in whole, except that up
95.21 to ten percent above the appraised value may
95.22 be allowed to complete the purchase, in part
95.23 or in whole, using this money if permission is
95.24 received in advance of the purchase from the
95.25 Legislative-Citizen Commission on Minnesota
95.26 Resources.
- 95.27 (i) For any acquisition of land or interest in
95.28 land, a recipient of money appropriated under
95.29 this section must give priority to high-quality
95.30 natural resources or conservation lands that
95.31 provide natural buffers to water resources.
- 95.32 (j) For new lands acquired with money
95.33 appropriated under this section, a recipient
95.34 must prepare an ecological restoration and

96.1 management plan in compliance with
96.2 paragraph (c), including sufficient funding for
96.3 implementation unless the work plan addresses
96.4 why a portion of the money is not necessary
96.5 to achieve a high-quality restoration.

96.6 (k) To ensure public accountability for using
96.7 public funds, a recipient of money
96.8 appropriated under this section must, within
96.9 60 days of the transaction, provide to the
96.10 Legislative-Citizen Commission on Minnesota
96.11 Resources documentation of the selection
96.12 process used to identify parcels acquired and
96.13 provide documentation of all related
96.14 transaction costs, including but not limited to
96.15 appraisals, legal fees, recording fees,
96.16 commissions, other similar costs, and
96.17 donations. This information must be provided
96.18 for all parties involved in the transaction. The
96.19 recipient must also report to the
96.20 Legislative-Citizen Commission on Minnesota
96.21 Resources any difference between the
96.22 acquisition amount paid to the seller and the
96.23 state-certified or state-reviewed appraisal, if
96.24 a state-certified or state-reviewed appraisal
96.25 was conducted.

96.26 (l) A recipient of an appropriation from the
96.27 trust fund under this section must acknowledge
96.28 financial support from the environment and
96.29 natural resources trust fund in project
96.30 publications, signage, and other public
96.31 communications and outreach related to work
96.32 completed using the appropriation.
96.33 Acknowledgment may occur, as appropriate,
96.34 through use of the trust fund logo or inclusion
96.35 of language attributing support from the trust

97.1 fund. Each direct recipient of money
97.2 appropriated in this section, as well as each
97.3 recipient of a grant awarded pursuant to this
97.4 section, must satisfy all reporting and other
97.5 requirements incumbent upon constitutionally
97.6 dedicated funding recipients as provided in
97.7 Minnesota Statutes, section 3.303, subdivision
97.8 10, and Minnesota Statutes, chapter 116P.

97.9 (m) A recipient of an appropriation from the
97.10 trust fund under this section that is receiving
97.11 funding to conduct children's services, as
97.12 defined in Minnesota Statutes, section
97.13 299C.61, subdivision 7, must certify to the
97.14 Legislative-Citizen Commission on Minnesota
97.15 Resources, as part of the required work plan,
97.16 that criminal background checks for
97.17 background check crimes, as defined in
97.18 Minnesota Statutes, section 299C.61,
97.19 subdivision 2, are performed on all employees,
97.20 contractors, and volunteers that have or may
97.21 have access to a child to whom the recipient
97.22 provides children's services using the
97.23 appropriation.

97.24 **Subd. 14. Payment Conditions and Capital**
97.25 **Equipment Expenditures**

97.26 (a) All agreements, grants, or contracts
97.27 referred to in this section must be administered
97.28 on a reimbursement basis unless otherwise
97.29 provided in this section. Notwithstanding
97.30 Minnesota Statutes, section 16A.41,
97.31 expenditures made on or after July 1, 2023,
97.32 or the date the work plan is approved,
97.33 whichever is later, are eligible for
97.34 reimbursement unless otherwise provided in
97.35 this section. Periodic payments must be made

98.1 upon receiving documentation that the
98.2 deliverable items articulated in the approved
98.3 work plan have been achieved, including
98.4 partial achievements as evidenced by approved
98.5 progress reports. Reasonable amounts may be
98.6 advanced to projects to accommodate
98.7 cash-flow needs or match federal money. The
98.8 advances must be approved as part of the work
98.9 plan. No expenditures for capital equipment
98.10 are allowed unless expressly authorized in the
98.11 project work plan.

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

98.14 **Subd. 15. Purchasing Recycled and Recyclable**
98.15 **Materials**

98.16 A political subdivision, public or private
98.17 corporation, or other entity that receives an
98.18 appropriation under this section must use the
98.19 appropriation in compliance with Minnesota
98.20 Statutes, section 16C.0725, regarding
98.21 purchasing recycled, repairable, and durable
98.22 materials, and Minnesota Statutes, section
98.23 16C.073, regarding purchasing and using
98.24 paper stock and printing.

98.25 **Subd. 16. Energy Conservation and Sustainable**
98.26 **Building Guidelines**

98.27 A recipient to whom an appropriation is made
98.28 under this section for a capital improvement
98.29 project must ensure that the project complies
98.30 with the applicable energy conservation and
98.31 sustainable building guidelines and standards
98.32 contained in law, including Minnesota
98.33 Statutes, sections 16B.325, 216C.19, and
98.34 216C.20, and rules adopted under those
98.35 sections. The recipient may use the energy

99.1 planning, advocacy, and State Energy Office
99.2 units of the Department of Commerce to
99.3 obtain information and technical assistance
99.4 on energy conservation and alternative-energy
99.5 development relating to planning and
99.6 constructing the capital improvement project.

99.7 **Subd. 17. Accessibility**

99.8 Structural and nonstructural facilities must
99.9 meet the design standards in the Americans
99.10 with Disabilities Act (ADA) accessibility
99.11 guidelines.

99.12 **Subd. 18. Carryforward; Extensions**

99.13 The availability of the appropriations for the
99.14 following projects is extended to June 30,
99.15 2024:

99.16 (1) Laws 2018, chapter 214, article 4, section
99.17 2, subdivision 6, paragraph (a), Minnesota
99.18 Invasive Terrestrial Plants and Pests Center -
99.19 Phase 4;

99.20 (2) Laws 2018, chapter 214, article 4, section
99.21 2, subdivision 8, paragraph (e), Restoring
99.22 Forests in Minnesota State Parks;

99.23 (3) Laws 2019, First Special Session chapter
99.24 4, article 2, section 2, subdivision 3, paragraph
99.25 (d), Minnesota Trumpeter Swan Migration
99.26 Ecology and Conservation;

99.27 (4) Laws 2019, First Special Session chapter
99.28 4, article 2, section 2, subdivision 8, paragraph
99.29 (g), Agricultural Weed Control Using
99.30 Autonomous Mowers;

99.31 (5) Laws 2019, First Special Session chapter
99.32 4, article 2, section 2, subdivision 10,

100.1 paragraph (d), Grants Management System;
100.2 and
100.3 (6) Laws 2021, First Special Session chapter
100.4 6, article 5, section 2, subdivision 10,
100.5 Emerging Issues Account; Wastewater
100.6 Renewable Energy Demonstration Grants.

100.7 Subd. 19. **Repurpose**

100.8 The unencumbered amount, estimated to be
100.9 \$176,000, in Laws 2021, First Special Session
100.10 chapter 6, article 6, section 2, subdivision 8,
100.11 paragraph (f), Restoring Upland Forests for
100.12 Birds, is for examining the impacts of
100.13 neonicotinoid exposure on the reproduction
100.14 and survival of Minnesota's game species,
100.15 including deer and prairie chicken. This
100.16 amount is in addition to the appropriation
100.17 under article 1, section 3, subdivision 6, for
100.18 these purposes and is available until June 30,
100.19 2027.

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

100.21 Subdivision 1. **Membership.** (a) A Legislative-Citizen Commission on Minnesota
100.22 Resources of ~~17~~ 19 members is created in the legislative branch, consisting of ~~the chairs of~~
100.23 ~~the house of representatives and senate committees on environment and natural resources~~
100.24 ~~finance or designees appointed for the terms of the chairs, four members of the senate~~
100.25 ~~appointed by the Subcommittee on Committees of the Committee on Rules and~~
100.26 ~~Administration, and four members of the house of representatives appointed by the speaker~~
100.27 ten legislative members and nine citizen members.

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

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

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

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

101.6 (3) two members of the house of representatives appointed by the house minority leader;
 101.7 and

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

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

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

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

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

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

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

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

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

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

101.24 (4) not be a registered lobbyist.

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

102.1 ~~(e)~~ (f) Appointed legislative members ~~shall~~ serve on the commission for two-year terms,
102.2 beginning in January of each odd-numbered year and continuing through the end of December
102.3 of the next even-numbered year. Appointed citizen members ~~shall~~ serve four-year terms,
102.4 beginning in January of the first year and continuing through the end of December of the
102.5 final year. Citizen and legislative members continue to serve until their successors are
102.6 appointed.

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

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

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

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

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

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

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

102.27 (b) The duties of the Trust Fund Citizen Selection Committee ~~shall be~~ are to:

102.28 (1) identify citizen candidates to be members of the commission as part of the open
102.29 appointments process under section 15.0597;

102.30 (2) request and review citizen candidate applications to be members of the commission;
102.31 and

103.1 (3) interview the citizen candidates and recommend an adequate pool of candidates to
103.2 be selected for commission membership by the governor, ~~the senate, and the house of~~
103.3 ~~representatives.~~

103.4 (c) Members serve three-year terms and are entitled to ~~travel expenses incurred to fulfill~~
103.5 ~~their duties under this subdivision as provided in section 15.059, subdivision 6~~ per diem
103.6 and reimbursement for expenses incurred in the services of the committee, as provided in
103.7 section 15.059, subdivision 3, except that a citizen selection committee member may be
103.8 compensated at the rate of up to \$125 a day.

103.9 (d) A member appointed under this subdivision may not be a registered lobbyist.

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

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

103.12 Subd. 2. **Duties.** (a) The commission ~~shall~~ must recommend an annual or biennial
103.13 legislative bill for appropriations from the environment and natural resources trust fund and
103.14 ~~shall~~ must adopt a strategic plan as provided in section 116P.08. Except as provided under
103.15 section 116P.09, subdivision 6, paragraph (b), approval of the recommended legislative bill
103.16 requires an affirmative vote of at least ~~12~~ 11 members of the commission.

103.17 (b) It is a condition of acceptance of the appropriations made from the Minnesota
103.18 environment and natural resources trust fund, and oil overcharge money under section 4.071,
103.19 subdivision 2, that the agency or entity receiving the appropriation must submit a work plan
103.20 and annual or semiannual progress reports in the form determined by the Legislative-Citizen
103.21 Commission on Minnesota Resources, and comply with applicable reporting requirements
103.22 under section 116P.16. None of the money provided may be spent unless the commission
103.23 has approved the pertinent work plan. Modifications to the approved work plan and budget
103.24 expenditures ~~shall~~ must be made through the amendment process established by the
103.25 commission. The commission ~~shall~~ must ensure that the expenditures and outcomes described
103.26 in the work plan for appropriations funded by the environment and natural resources trust
103.27 fund are met.

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

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

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

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

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

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

104.7 (4) provide for project outcome evaluation;

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

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

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

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

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

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

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

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

104.29 **116P.11 AVAILABILITY OF FUNDS FOR DISBURSEMENT.**

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

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

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

105.4 **116P.15 CAPITAL CONSTRUCTION AND LAND ACQUISITION;**
105.5 **RESTRICTIONS.**

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

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

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

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

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

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

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

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

106.10 (3) a reference to this section; and

106.11 (4) the following statement:

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

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

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

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

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

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

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

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

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

107.15 (3) a reference to this subdivision; and

107.16 (4) the following statement:

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

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

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

107.26 **116P.16 REAL PROPERTY INTERESTS; REPORT.**

107.27 (a) By December 1 each year, a recipient of an appropriation from the trust fund, that
107.28 is used for the acquisition of an interest in real property, including, but not limited to, an
107.29 easement or fee title, or for the construction of a building, trail, campground, or other capital
107.30 asset with a total cost of \$10,000 or more must submit annual reports on the status of the
107.31 real property to the Legislative-Citizen Commission on Minnesota Resources or its successor
107.32 in a form determined by the commission. The responsibility for reporting under this section

108.1 may be transferred by the recipient of the appropriation to another person who holds the
108.2 interest in the real property. To complete the transfer of reporting responsibility, the recipient
108.3 of the appropriation must:

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

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

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

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

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

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

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

108.19 **116P.18 LANDS IN PUBLIC DOMAIN.**

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

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

108.27 (2) the purchase is approved, prior to the acquisition, by an affirmative vote of at least
108.28 ~~12~~ 11 members of the commission.

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

109.1 Sec. 11. [116P.21] ADDITIONAL CAPITAL CONSTRUCTION PROJECT
109.2 REQUIREMENTS.

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

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

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

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

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

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

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

109.22 (2) a land acquisition project.

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

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

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

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

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

110.3 **(a) Teacher Field School: Stewardship through**
 110.4 **Nature-Based Education**

110.5 \$500,000 the second year is from the trust
 110.6 fund to the commissioner of natural resources
 110.7 for an agreement with Hamline University to
 110.8 create an immersive, research-backed field
 110.9 school for teachers to use nature-based
 110.10 education to benefit student well-being and
 110.11 academic outcomes while increasing
 110.12 stewardship habits.

110.13 **(b) Increasing K-12 Student Learning to Develop**
 110.14 **Environmental Awareness, Appreciation, and**
 110.15 **Interest**

110.16 \$1,602,000 the second year is from the trust
 110.17 fund to the commissioner of natural resources
 110.18 for an agreement with Osprey Wilds
 110.19 Environmental Learning Center to partner with
 110.20 Minnesota's five other accredited residential
 110.21 environmental learning centers to provide
 110.22 needs-based scholarships to ~~at least 25,000~~
 110.23 K-12 students statewide for immersive
 110.24 multiday environmental learning experiences.

110.25 **(c) Expanding Access to Wildlife Learning Bird**
 110.26 **by Bird**

110.27 \$276,000 the second year is from the trust
 110.28 fund to the commissioner of natural resources
 110.29 to engage young people from diverse
 110.30 communities in wildlife conservation through
 110.31 bird-watching in schools, outdoor leadership
 110.32 training, and participating in neighborhood
 110.33 bird walks.

110.34 **(d) Engaging a Diverse Public in Environmental**
 110.35 **Stewardship**

111.1 \$300,000 the second year is from the trust
111.2 fund to the commissioner of natural resources
111.3 for an agreement with Great River Greening
111.4 to increase participation in natural resources
111.5 restoration efforts through volunteer,
111.6 internship, and youth engagement activities
111.7 that target diverse audiences more accurately
111.8 reflecting local demographic and
111.9 socioeconomic conditions in Minnesota.

111.10 **(e) Bugs Below Zero: Engaging Citizens in**
111.11 **Winter Research**

111.12 \$198,000 the second year is from the trust
111.13 fund to the Board of Regents of the University
111.14 of Minnesota to raise awareness about the
111.15 winter life of bugs, inspire learning about
111.16 stream food webs, and engage citizen scientists
111.17 in research and environmental stewardship.

111.18 **(f) ESTEP: Earth Science Teacher Education**
111.19 **Project**

111.20 \$495,000 the second year is from the trust
111.21 fund to the commissioner of natural resources
111.22 for an agreement with the Minnesota Science
111.23 Teachers Association to provide professional
111.24 development for Minnesota science teachers
111.25 in environmental and earth science to
111.26 strengthen environmental education in schools.

111.27 **(g) YES! Students Take Action to Complete Eco**
111.28 **Projects**

111.29 \$199,000 the second year is from the trust
111.30 fund to the commissioner of natural resources
111.31 for an agreement with Prairie Woods
111.32 Environmental Learning Center, in partnership
111.33 with Ney Nature Center and Laurentian
111.34 Environmental Center, to empower Minnesota
111.35 youth to connect with natural resource experts,

112.1 identify ecological challenges, and take action
 112.2 to complete innovative projects in their
 112.3 communities.

112.4 **(h) Increasing Diversity in Environmental**
 112.5 **Careers**

112.6 \$500,000 the second year is from the trust
 112.7 fund to the commissioner of natural resources,
 112.8 in cooperation with Conservation Corps
 112.9 Minnesota and Iowa, to encourage a diversity
 112.10 of students to pursue careers in the
 112.11 environment and natural resources through
 112.12 internships, mentorships, and fellowships with
 112.13 the Department of Natural Resources, the
 112.14 Board of Water and Soil Resources, and the
 112.15 Pollution Control Agency.

112.16 **(i) Diversity and Access to Wildlife-Related**
 112.17 **Opportunities**

112.18 \$199,000 the second year is from the trust
 112.19 fund to the Board of Regents of the University
 112.20 of Minnesota to broaden the state's
 112.21 conservation constituency by researching
 112.22 diverse communities' values about nature and
 112.23 wildlife experiences and identifying barriers
 112.24 to engagement.

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

112.26 **Subd. 8. Methods to Protect, Restore, and**
 112.27 **Enhance Land, Water, and Habitat**

-0- 11,294,000

112.28 **(a) Minnesota's Volunteer Rare Plant**
 112.29 **Conservation Corps**

112.30 \$859,000 the second year is from the trust
 112.31 fund to the Board of Regents of the University
 112.32 of Minnesota for the Minnesota Landscape
 112.33 Arboretum to partner with the Department of
 112.34 Natural Resources and the Minnesota Native
 112.35 Plant Society to establish and train a volunteer

113.1 corps to survey, monitor, and bank seed from
113.2 Minnesota's rare plant populations and
113.3 enhance the effectiveness and efficiencies of
113.4 conservation efforts.

113.5 **(b) Conservation Corps Veterans Service Corps**
113.6 **Program**

113.7 \$1,339,000 the second year is from the trust
113.8 fund to the commissioner of natural resources
113.9 for an agreement with Conservation Corps
113.10 Minnesota to create a Veterans Service Corps
113.11 program to accelerate natural resource
113.12 restorations in Minnesota while providing
113.13 workforce development opportunities for the
113.14 state's veterans.

113.15 **(c) Creating Seed Sources of Early-Blooming**
113.16 **Plants for Pollinators**

113.17 \$200,000 the second year is from the trust
113.18 fund to the commissioner of natural resources
113.19 to establish new populations of early-season
113.20 flowers by hand-harvesting and propagating
113.21 species that are currently lacking in prairie
113.22 restorations and that are essential to pollinator
113.23 health. This appropriation is available until
113.24 June 30, 2026, by which time the project must
113.25 be completed and final products delivered.

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

113.27 \$1,000,000 the second year is from the trust
113.28 fund to the commissioner of natural resources
113.29 for an agreement with the city of Hastings to
113.30 develop an ecological-based master plan for
113.31 Lake Rebecca Park and to enhance habitat
113.32 quality and construct passive recreational
113.33 facilities consistent with the master plan. No
113.34 funds for implementation may be spent until
113.35 the master plan is complete.

114.1 **(e) Pollinator Plantings and the Redistribution**
114.2 **of Soil Toxins**

114.3 \$610,000 the second year is from the trust
114.4 fund to the Board of Regents of the University
114.5 of Minnesota to map urban and suburban soil
114.6 toxins of concern, such as heavy metals and
114.7 microplastics, and to test whether pollinator
114.8 plantings can redistribute these toxins in the
114.9 soil of yards, parks, and community gardens
114.10 and reduce exposure to humans and wildlife.

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

114.12 \$189,000 the second year is from the trust
114.13 fund to the Board of Regents of the University
114.14 of Minnesota to identify, develop, and
114.15 field-test various types of waste wood chips
114.16 and fungi to sequester and degrade PFAS
114.17 leachate from contaminated waste sites. This
114.18 appropriation is subject to Minnesota Statutes,
114.19 section 116P.10.

114.20 **(g) Phytoremediation for Extracting Deicing**
114.21 **Salt**

114.22 \$451,000 the second year is from the trust
114.23 fund to the Board of Regents of the University
114.24 of Minnesota to protect lands and waters from
114.25 contamination by collaborating with the
114.26 Department of Transportation to develop
114.27 methods for using native plants to remediate
114.28 roadside deicing salt.

114.29 **(h) Mustinka River Fish and Wildlife Habitat**
114.30 **Corridor Rehabilitation**

114.31 \$2,692,000 the second year is from the trust
114.32 fund to the commissioner of natural resources
114.33 for an agreement with the Bois de Sioux
114.34 Watershed District to permanently rehabilitate
114.35 a straightened reach of the Mustinka River to

115.1 a naturally functioning stream channel and
115.2 floodplain corridor for water, fish, and wildlife
115.3 benefits.

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

115.5 \$286,000 the second year is from the trust
115.6 fund to the commissioner of natural resources
115.7 for an agreement with Minneapolis Park and
115.8 Recreation Board to restore an area of
115.9 compacted urban turf within Bohemian Flats
115.10 Park and adjacent to the Mississippi River to
115.11 an oak savanna ecosystem.

115.12 **(j) Watershed and Forest Restoration: What a**
115.13 **Match!**

115.14 \$3,318,000 the second year is from the trust
115.15 fund to the Board of Water and Soil
115.16 Resources, in cooperation with soil and water
115.17 conservation districts, the Mille Lacs Band of
115.18 Ojibwe, and the Department of Natural
115.19 Resources, to acquire interests in land and to
115.20 accelerate tree planting on ~~privately owned,~~
115.21 protected lands for water-quality protection
115.22 and carbon sequestration. Notwithstanding
115.23 subdivision 14, paragraph (e), this
115.24 appropriation may be spent to reforest lands
115.25 protected through long-term contracts as
115.26 provided in the approved work plan.

115.27 **(k) River Habitat Restoration and Recreation**
115.28 **in Melrose**

115.29 \$350,000 the second year is from the trust
115.30 fund to the commissioner of natural resources
115.31 for an agreement with the city of Melrose to
115.32 conduct habitat restoration and create fishing,
115.33 canoeing, and camping opportunities along a
115.34 segment of the Sauk River within the city of
115.35 Melrose and to provide public education about

116.1 stream restoration, fish habitat, and the
 116.2 importance of natural areas.

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

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

116.5 **(a) Mesabi Trail: Wahlsten Road (CR 26) to**
 116.6 **toward Tower**

116.7 \$1,307,000 the second year is from the trust
 116.8 fund to the commissioner of natural resources
 116.9 for an agreement with the St. Louis and Lake
 116.10 Counties Regional Railroad Authority to
 116.11 acquire easements, engineer, and construct a
 116.12 segment of the Mesabi Trail beginning at the
 116.13 intersection of Wahlsten Road (CR 26) and
 116.14 Benson Road in Embarrass and extending to
 116.15 toward Tower.

116.16 **(b) Environmental Learning Classroom with**
 116.17 **Trails**

116.18 \$82,000 the second year is from the trust fund
 116.19 to the commissioner of natural resources for
 116.20 an agreement with Mountain Iron-Buhl Public
 116.21 Schools to build an outdoor classroom
 116.22 pavilion, accessible trails, and a footbridge
 116.23 within the Mountain Iron-Buhl School Forest
 116.24 to conduct environmental education that
 116.25 cultivates a lasting conservation ethic.

116.26 **(c) Local Parks, Trails, and Natural Areas Grant**
 116.27 **Programs**

116.28 \$3,560,000 the second year is from the trust
 116.29 fund to the commissioner of natural resources
 116.30 to solicit, rank, and fund competitive matching
 116.31 grants for local parks, trail connections, and
 116.32 natural and scenic areas under Minnesota
 116.33 Statutes, section 85.019. This appropriation is
 116.34 for local nature-based recreation, connections

117.1 to regional and state natural areas, and
117.2 recreation facilities and may not be used for
117.3 athletic facilities such as sport fields, courts,
117.4 and playgrounds.

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

117.6 \$500,000 the second year is from the trust
117.7 fund to the commissioner of natural resources
117.8 for an agreement with the city of Duluth to
117.9 expand recreational access along the St. Louis
117.10 River and estuary by implementing the St.
117.11 Louis River National Water Trail outreach
117.12 plan, designing and constructing upgrades and
117.13 extensions to the Waabizheshikana Trail, and
117.14 installing interpretive features that describe
117.15 the cultural and ecological significance of the
117.16 area.

117.17 **(e) Native Prairie Stewardship and Prairie Bank**
117.18 **Easement Acquisition**

117.19 \$1,353,000 the second year is from the trust
117.20 fund to the commissioner of natural resources
117.21 to provide technical stewardship assistance to
117.22 private landowners, restore and enhance native
117.23 prairie protected by easements in the native
117.24 prairie bank, and acquire easements for the
117.25 native prairie bank in accordance with
117.26 Minnesota Statutes, section 84.96, including
117.27 preparing initial baseline property assessments.
117.28 Up to \$60,000 of this appropriation may be
117.29 deposited in the natural resources conservation
117.30 easement stewardship account created under
117.31 Minnesota Statutes, section 84.69, proportional
117.32 to the number of easements acquired.

117.33 **(f) Minnesota State Parks and State Trails**
117.34 **Maintenance and Development**

118.1 \$1,600,000 the second year is from the trust
118.2 fund to the commissioner of natural resources
118.3 for maintenance and development at state
118.4 parks, recreation areas, and trails to protect
118.5 Minnesota's natural heritage, enhance outdoor
118.6 recreation, and improve the efficiency of
118.7 public land management.

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

118.9 \$7,387,000 the second year is from the trust
118.10 fund to the commissioner of natural resources
118.11 to expand recreational opportunities on
118.12 Minnesota state trails by rehabilitating and
118.13 enhancing existing state trails and replacing
118.14 or repairing existing state trail bridges.

118.15 **(h) SNA Habitat Restoration and Public**
118.16 **Engagement**

118.17 \$5,000,000 the second year is from the trust
118.18 fund to the commissioner of natural resources
118.19 for the scientific and natural areas (SNA)
118.20 program to restore and enhance exceptional
118.21 habitat on SNAs and increase public
118.22 involvement and outreach.

118.23 **(i) The Missing Link: Gull Lake Trail, Fairview**
118.24 **Township**

118.25 \$1,394,000 the second year is from the trust
118.26 fund to the commissioner of natural resources
118.27 for an agreement with Fairview Township to
118.28 complete the Gull Lake Trail by engineering
118.29 and constructing the trail's final segment
118.30 through Fairview Township in the Brainerd
118.31 Lakes area.

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

118.33 \$1,000,000 the second year is from the trust
118.34 fund to the commissioner of natural resources

119.1 for an agreement with the city of Silver Bay
119.2 to develop a multimodal trailhead center to
119.3 provide safe access to the Superior,
119.4 Gitchi-Gami, and C.J. Ramstad/North Shore
119.5 trails; Black Beach Park; and other
119.6 recreational destinations.

119.7 **(k) Brookston Campground, Boat Launch, and**
119.8 **Outdoor Recreational Facility**

119.9 \$453,000 the second year is from the trust
119.10 fund to the commissioner of natural resources
119.11 for an agreement with the city of Brookston
119.12 to build a campground, boat launch, and
119.13 outdoor recreation area on the banks of the St.
119.14 Louis River in northeastern Minnesota. Before
119.15 any trust fund dollars are spent, the city must
119.16 demonstrate that all funds to complete the
119.17 project are secured and a fiscal agent must be
119.18 approved in the work plan.

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

119.20 \$727,000 the second year is from the trust
119.21 fund to the commissioner of natural resources
119.22 for an agreement with the city of Virginia to
119.23 design, engineer, and construct a multiuse trail
119.24 that will connect Silver Lake Trail to a new
119.25 Miners Entertainment and Convention Center
119.26 and provide lighting on Bailey Lake Trail.

119.27 **(m) Floodwood Campground Improvement**
119.28 **Project**

119.29 \$816,000 the second year is from the trust
119.30 fund to the commissioner of natural resources
119.31 for an agreement with the city of Floodwood
119.32 to upgrade the Floodwood Campground and
119.33 connecting trails to provide high-quality nature
119.34 and recreation experience for people of all
119.35 ages.

120.1 **(n) Ranier Safe Harbor/Transient Dock - Phase**

120.2 **2**

120.3 \$1,000,000 the second year is from the trust
120.4 fund to the commissioner of natural resources
120.5 for an agreement with the city of Ranier to
120.6 construct a safe harbor and transient dock to
120.7 accommodate watercraft of many sizes to
120.8 improve public access for boat recreation on
120.9 Rainy Lake. Before trust fund dollars are
120.10 spent, a fiscal agent must be approved in the
120.11 work plan. Before any trust fund dollars are
120.12 spent, the city must demonstrate that all funds
120.13 to complete the project are secured. Any
120.14 revenue generated from selling products or
120.15 assets developed or acquired with this
120.16 appropriation must be repaid to the trust fund
120.17 unless a plan is approved for reinvestment of
120.18 income in the project as provided under
120.19 Minnesota Statutes, section 116P.10.

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

120.21 (a) Initial citizen appointments to the Legislative-Citizen Commission on Minnesota
120.22 Resources as amended in this act must be made by February 1, 2026. The first meeting of
120.23 the revised Legislative-Citizen Commission on Minnesota Resources must be convened by
120.24 the chair or a designee of the Legislative Coordinating Commission by June 15, 2026. The
120.25 Legislative-Citizen Commission on Minnesota Resources must select cochairs from its
120.26 membership at its first meeting.

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

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

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

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

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

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

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

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

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

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

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

121.15 Sec. 17. **EFFECTIVE DATE.**

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

121.17 **ARTICLE 3**

121.18 **POLLUTION CONTROL**

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

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

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

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

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

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

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

122.20 (g) Notwithstanding paragraph (f), if money is received from a settlement agreement or
122.21 an assurance of discontinuance entered into by the attorney general of the state or a court
122.22 order in litigation brought by the attorney general of the state on behalf of the state or a state
122.23 agency against a consulting firm working for an opioid manufacturer or opioid wholesale
122.24 drug distributor, the commissioner shall deposit any money received into the settlement
122.25 account established within the opiate epidemic response fund under section 256.042,
122.26 subdivision 1. Notwithstanding section 256.043, subdivision 3a, paragraph (a), any amount
122.27 deposited into the settlement account in accordance with this paragraph shall be appropriated
122.28 to the commissioner of human services to award as grants as specified by the opiate epidemic
122.29 response advisory council in accordance with section 256.043, subdivision 3a, paragraph
122.30 (d).

122.31 (h) If the Minnesota Pollution Control Agency, through litigation or settlement of a
122.32 matter that could have resulted in litigation, recovers \$250,000 or more in a civil penalty
122.33 from violations of a permit issued by the agency, then 40 percent of the money recovered
122.34 must be distributed to the community health board, as defined in section 145A.02, where

123.1 the permitted facility is located. Within 30 days of a final court order in the litigation or the
123.2 effective date of the settlement agreement, the commissioner of the Minnesota Pollution
123.3 Control Agency must notify the applicable community health board that the litigation has
123.4 concluded or a settlement has been reached. The commissioner must collect the money and
123.5 transfer it to the applicable community health board. The community health board must
123.6 meet directly with the residents potentially affected by the pollution that was the subject of
123.7 the litigation or settlement to identify the residents' concerns and incorporate those concerns
123.8 into a project that benefits the residents. The project must be implemented by the community
123.9 health board and funded as directed in this paragraph. The community health board may
123.10 recover the reasonable costs it incurs to administer this paragraph from the funds transferred
123.11 to the board under this paragraph. This paragraph directs the transfer and use of money only
123.12 and does not create a right of intervention in the litigation or settlement of the enforcement
123.13 action for any person or entity. A supplemental environmental project funded as part of a
123.14 settlement agreement is not part of a civil penalty and must not be included in calculating
123.15 the amount of funds required to be distributed to a community health board under this
123.16 paragraph. For the purposes of this paragraph, "supplemental environmental project" means
123.17 a project that benefits the environment or public health that a regulated facility agrees to
123.18 undertake, though not legally required to do so, as part of a settlement with respect to an
123.19 enforcement action taken by the Minnesota Pollution Control Agency to resolve
123.20 noncompliance.

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

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

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

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

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

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

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

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

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

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

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

124.17 ~~(c)~~ (3) to establish and alter such reasonable pollution standards for any waters of the
124.18 state in relation to the public use to which they are or may be put as it shall deem necessary
124.19 for the purposes of this chapter and, with respect to the pollution of waters of the state,
124.20 chapter 116;

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

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

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

124.31 ~~(2)~~ (ii) prohibiting or directing the abatement of any discharge of sewage, industrial
124.32 waste, or other wastes, into any waters of the state or the deposit thereof or the discharge

125.1 into any municipal disposal system where the same is likely to get into any waters of the
125.2 state in violation of this chapter and, with respect to the pollution of waters of the state,
125.3 chapter 116, or standards or rules promulgated or permits issued pursuant thereto, and
125.4 specifying the schedule of compliance within which such prohibition or abatement must be
125.5 accomplished;

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

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

125.14 ~~(5)~~ (v) establishing, and from time to time revising, standards of performance for new
125.15 sources taking into consideration, among other things, classes, types, sizes, and categories
125.16 of sources, processes, pollution control technology, cost of achieving such effluent reduction,
125.17 and any nonwater quality environmental impact and energy requirements. Said standards
125.18 of performance for new sources shall encompass those standards for the control of the
125.19 discharge of pollutants which reflect the greatest degree of effluent reduction which the
125.20 agency determines to be achievable through application of the best available demonstrated
125.21 control technology, processes, operating methods, or other alternatives, including, where
125.22 practicable, a standard permitting no discharge of pollutants. New sources shall encompass
125.23 buildings, structures, facilities, or installations from which there is or may be the discharge
125.24 of pollutants, the construction of which is commenced after the publication by the agency
125.25 of proposed rules prescribing a standard of performance which will be applicable to such
125.26 source. Notwithstanding any other provision of the law of this state, any point source the
125.27 construction of which is commenced after May 20, 1973, and which is so constructed as to
125.28 meet all applicable standards of performance for new sources shall, consistent with and
125.29 subject to the provisions of section 306(d) of the Amendments of 1972 to the Federal Water
125.30 Pollution Control Act, not be subject to any more stringent standard of performance for new
125.31 sources during a ten-year period beginning on the date of completion of such construction
125.32 or during the period of depreciation or amortization of such facility for the purposes of
125.33 section 167 or 169, or both, of the Federal Internal Revenue Code of 1954, whichever period
125.34 ends first. Construction shall encompass any placement, assembly, or installation of facilities
125.35 or equipment, including contractual obligations to purchase such facilities or equipment, at

126.1 the premises where such equipment will be used, including preparation work at such
126.2 premises;

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

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

126.12 ~~(8)~~ (viii) notwithstanding any other provision of this chapter, and with respect to the
126.13 pollution of waters of the state, chapter 116, requiring the achievement of more stringent
126.14 limitations than otherwise imposed by effluent limitations in order to meet any applicable
126.15 water quality standard by establishing new effluent limitations, based upon section 115.01,
126.16 subdivision 13, clause (b), including alternative effluent control strategies for any point
126.17 source or group of point sources to insure the integrity of water quality classifications,
126.18 whenever the agency determines that discharges of pollutants from such point source or
126.19 sources, with the application of effluent limitations required to comply with any standard
126.20 of best available technology, would interfere with the attainment or maintenance of the
126.21 water quality classification in a specific portion of the waters of the state. Prior to
126.22 establishment of any such effluent limitation, the agency shall hold a public hearing to
126.23 determine the relationship of the economic and social costs of achieving such limitation or
126.24 limitations, including any economic or social dislocation in the affected community or
126.25 communities, to the social and economic benefits to be obtained and to determine whether
126.26 or not such effluent limitation can be implemented with available technology or other
126.27 alternative control strategies. If a person affected by such limitation demonstrates at such
126.28 hearing that, whether or not such technology or other alternative control strategies are
126.29 available, there is no reasonable relationship between the economic and social costs and
126.30 the benefits to be obtained, such limitation shall not become effective and shall be adjusted
126.31 as it applies to such person;

126.32 ~~(9)~~ (ix) modifying, in its discretion, any requirement or limitation based upon best
126.33 available technology with respect to any point source for which a permit application is filed
126.34 after July 1, 1977, upon a showing by the owner or operator of such point source satisfactory
126.35 to the agency that such modified requirements will represent the maximum use of technology

127.1 within the economic capability of the owner or operator and will result in reasonable further
127.2 progress toward the elimination of the discharge of pollutants; and

127.3 ~~(f)~~ (x) requiring that applicants for wastewater discharge permits evaluate in their
127.4 applications the potential reuses of the discharged wastewater;

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

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

127.13 ~~(h)~~ (8) to conduct such investigations, issue such notices, public and otherwise, and hold
127.14 such hearings as are necessary or which it may deem advisable for the discharge of its duties
127.15 under this chapter and, with respect to the pollution of waters of the state, under chapter
127.16 116, including, but not limited to, the issuance of permits, and to authorize any member,
127.17 employee, or agent appointed by it to conduct such investigations or, issue such notices and
127.18 hold such hearings;

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

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

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

127.32 ~~(k)~~ (12) to impose as additional conditions in permits to publicly owned disposal systems
127.33 appropriate measures to insure compliance by industrial and other users with any pretreatment

128.1 standard, including, but not limited to, those related to toxic pollutants, and any system of
128.2 user charges ratably as is hereby required under state law or said Federal Water Pollution
128.3 Control Act, as amended, or any regulations or guidelines promulgated thereunder;

128.4 ~~(13)~~ (13) to set a period not to exceed five years for the duration of any national pollutant
128.5 discharge elimination system permit or not to exceed ten years for any permit issued as a
128.6 state disposal system permit only;

128.7 ~~(14)~~ (14) to require each governmental subdivision identified as a permittee for a
128.8 wastewater treatment works to evaluate in every odd-numbered year the condition of its
128.9 existing system and identify future capital improvements that will be needed to attain or
128.10 maintain compliance with a national pollutant discharge elimination system or state disposal
128.11 system permit; and

128.12 ~~(15)~~ (15) to train subsurface sewage treatment system personnel, including persons who
128.13 design, construct, install, inspect, service, and operate subsurface sewage treatment systems,
128.14 and charge fees as necessary to pay the agency's costs. All fees received must be paid into
128.15 the state treasury and credited to the agency's training account. Money in the account is
128.16 appropriated to the agency to pay expenses related to training.

128.17 (b) The information required in paragraph (a), clause ~~(14)~~ (14), must be submitted in
128.18 every odd-numbered year to the commissioner on a form provided by the commissioner.
128.19 The commissioner shall provide technical assistance if requested by the governmental
128.20 subdivision.

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

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

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

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

129.2 **115.061 DUTY TO NOTIFY; AVOIDING WATER POLLUTION.**

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

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

129.12 (c) Promptly after notifying the agency of a discharge under paragraph (a), a publicly
129.13 owned treatment works or a publicly or privately owned domestic sewer system owner must
129.14 provide notice to the potentially impacted public and to any downstream drinking water
129.15 facility that may be impacted by the discharge. Notice to the public and to any drinking
129.16 water facility must be made using the most efficient communications system available to
129.17 the facility owner such as in person, telephone call, radio, social media, web page, or another
129.18 expedited form. In addition, signage must be posted at all impacted public use areas within
129.19 the same jurisdiction or notification must be provided to the entity that has jurisdiction over
129.20 any impacted public use areas. A notice under this paragraph must include the date and time
129.21 of the discharge, a description of the material released, a warning of the potential public
129.22 health risk, and the permittee's contact information.

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

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

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

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

130.2 **115A.1415 ARCHITECTURAL PAINT; PRODUCT STEWARDSHIP PROGRAM;**
130.3 **STEWARDSHIP PLAN.**

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

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

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

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

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

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

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

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

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

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

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

130.29 (7) "reuse" means donating or selling collected architectural paint back into the market
130.30 for its original intended use, when the architectural paint retains its original purpose and
130.31 performance characteristics;

131.1 (8) "sale" or "sell" means transfer of title of architectural paint for consideration, including
131.2 a remote sale conducted through a sales outlet, catalog, website, or similar electronic means.
131.3 Sale or sell includes a lease through which architectural paint is provided to a consumer by
131.4 a producer, wholesaler, or retailer;

131.5 (9) "stewardship assessment" means the amount added to the purchase price of
131.6 architectural paint sold in the state ~~that is necessary to cover the cost of collecting,~~
131.7 ~~transporting, and processing postconsumer architectural paint by the producer or stewardship~~
131.8 ~~organization pursuant to a product stewardship program~~ to implement a product stewardship
131.9 program according to an approved stewardship plan;

131.10 (10) "stewardship organization" means an organization appointed by one or more
131.11 producers to act as an agent on behalf of the producer to design, submit, and administer a
131.12 product stewardship program under this section; and

131.13 (11) "stewardship plan" means a detailed plan describing the manner in which a product
131.14 stewardship program under subdivision 2 will be implemented.

131.15 Subd. 2. **Product stewardship program.** For architectural paint sold in the state,
131.16 producers must, individually or through a stewardship organization, implement and finance
131.17 a statewide product stewardship program that manages the architectural paint by reducing
131.18 the paint's waste generation, promoting its reuse and recycling, and providing for negotiation
131.19 and execution of agreements to collect, transport, and process the architectural paint for
131.20 end-of-life recycling and reuse.

131.21 Subd. 3. **Participation required to sell.** (a) ~~On and after July 1, 2014, or three months~~
131.22 ~~after program plan approval, whichever is sooner,~~ No producer, wholesaler, or retailer may
131.23 sell or offer for sale in the state architectural paint unless the paint's producer participates
131.24 in an approved stewardship plan, either individually or through a stewardship organization.

131.25 (b) Each producer must operate a product stewardship program approved by the ~~agency~~
131.26 commissioner or enter into an agreement with a stewardship organization to operate, on the
131.27 producer's behalf, a product stewardship program approved by the ~~agency~~ commissioner.

131.28 Subd. 4. **Stewardship plan required.** (a) ~~On or before March 1, 2014, and~~ Before
131.29 offering architectural paint for sale in the state, a producer must submit a stewardship plan
131.30 to the ~~agency~~ commissioner and receive approval of the plan or must submit documentation
131.31 to the ~~agency~~ commissioner that demonstrates the producer has entered into an agreement
131.32 with a stewardship organization to be an active participant in an approved product
131.33 stewardship program as described in subdivision 2. A stewardship plan must include all
131.34 elements required under subdivision 5.

132.1 (b) ~~An~~ A proposed amendment to the plan, if determined necessary by the commissioner,
132.2 must be submitted to the commissioner for review and approval or rejection every five
132.3 years.

132.4 (c) ~~It is the responsibility of~~ The entities responsible for each stewardship plan ~~to~~ must
132.5 notify the ~~agency~~ commissioner within 30 days of any significant proposed changes ~~or~~
132.6 ~~modifications~~ to the plan or its implementation. Within 30 days of the notification, a written
132.7 proposed plan revision amendment must be submitted to the ~~agency~~ commissioner for
132.8 review and approval or rejection.

132.9 Subd. 5. **Plan content.** A stewardship plan must contain:

132.10 (1) certification that the product stewardship program will accept all discarded paint
132.11 regardless of which producer produced the architectural paint and its individual components;

132.12 (2) contact information for the individual and the entity submitting the stewardship plan,
132.13 a list of all producers participating in the product stewardship program, and the brands
132.14 covered by the product stewardship program;

132.15 (3) a description of the methods by which the discarded paint will be collected in all
132.16 areas in the state without relying on end-of-life fees, including an explanation of how the
132.17 collection system will be convenient and adequate to serve the needs of small businesses
132.18 and residents in both urban and rural areas on an ongoing basis and a discussion of how the
132.19 existing household hazardous waste infrastructure will be considered when selecting
132.20 collection sites;

132.21 (4) a description of how the adequacy of the collection program will be monitored and
132.22 maintained;

132.23 (5) the names and locations of collectors, transporters, and recyclers that will manage
132.24 discarded paint;

132.25 (6) a description of how the discarded paint and the paint's components will be safely
132.26 and securely transported, tracked, and handled from collection through final recycling and
132.27 processing;

132.28 (7) a description of the method that will be used to reuse, deconstruct, or recycle the
132.29 discarded paint to ensure that the paint's components, to the extent feasible, are transformed
132.30 or remanufactured into finished products for use;

132.31 (8) a description of the promotion and outreach activities that will be used to encourage
132.32 participation in the collection and recycling programs and how the activities' effectiveness
132.33 will be evaluated and the program modified, if necessary;

133.1 (9) the proposed stewardship assessment. ~~The producer or stewardship organization~~
133.2 ~~shall propose a uniform stewardship assessment for any architectural paint sold in the state.~~
133.3 ~~The proposed stewardship assessment shall be reviewed by an independent auditor to ensure~~
133.4 ~~that the assessment does not exceed the costs of the product stewardship program and the~~
133.5 ~~independent auditor shall recommend an amount for the stewardship assessment. The agency~~
133.6 ~~must approve the stewardship assessment~~ established according to subdivision 5a;

133.7 (10) evidence of adequate insurance and financial assurance that may be required for
133.8 collection, handling, and disposal operations;

133.9 (11) five-year performance goals, including an estimate of the percentage of discarded
133.10 paint that will be collected, reused, and recycled during each of the first five years of the
133.11 stewardship plan. The performance goals must include a specific goal for the amount of
133.12 discarded paint that will be collected and recycled and reused during each year of the plan.
133.13 The performance goals must be based on:

133.14 (i) the most recent collection data available for the state;

133.15 (ii) the estimated amount of architectural paint disposed of annually;

133.16 (iii) the weight of the architectural paint that is expected to be available for collection
133.17 annually; and

133.18 (iv) actual collection data from other existing stewardship programs.

133.19 The stewardship plan must state the methodology used to determine these goals; and

133.20 (12) a discussion of the status of end markets for collected architectural paint and what,
133.21 if any, additional end markets are needed to improve the functioning of the program.

133.22 Subd. 5a. Stewardship assessment. The producer or stewardship organization must
133.23 propose a uniform stewardship assessment for any architectural paint sold in the state that
133.24 covers but does not exceed the costs of developing the stewardship plan, operating and
133.25 administering the program in accordance with the stewardship plan and the requirements
133.26 of this section, and maintaining a financial reserve. A stewardship organization or producer
133.27 must not maintain a financial reserve in excess of 75 percent of the organization's annual
133.28 operating expenses. The producer or stewardship organization must retain an independent
133.29 auditor to review the proposed stewardship assessment to ensure that the assessment meets
133.30 the requirements of this section. The independent auditor must recommend an amount for
133.31 the stewardship assessment. If the financial reserve exceeds 75 percent of the producer or
133.32 stewardship organization's annual operating expenses, the producer or stewardship
133.33 organization must submit a proposed plan amendment according to subdivision 4, paragraph

134.1 (c), to comply with this subdivision. The commissioner must review and approve or reject
 134.2 the stewardship assessment according to subdivision 7.

134.3 Subd. 6. **Consultation required.** Each stewardship organization or individual producer
 134.4 submitting a stewardship plan or plan amendment must consult with stakeholders including
 134.5 retailers, contractors, collectors, recyclers, local government, and customers during the
 134.6 development of the plan or plan amendment.

134.7 Subd. 7. **Agency Commissioner review and approval.** (a) Within 90 days after receipt
 134.8 ~~of receiving~~ a proposed stewardship plan, the ~~agency shall~~ commissioner must determine
 134.9 whether the plan complies with ~~subdivision 4~~ this section. If the ~~agency~~ commissioner
 134.10 approves a plan, the ~~agency shall~~ commissioner must notify the applicant of the plan approval
 134.11 in writing. If the ~~agency~~ commissioner rejects a plan, the ~~agency shall~~ commissioner must
 134.12 notify the applicant in writing of the reasons for rejecting the plan.

134.13 (b) An applicant whose plan is rejected by the ~~agency~~ commissioner must submit a
 134.14 revised stewardship plan to the ~~agency~~ commissioner within 60 days after receiving notice
 134.15 of rejection. A stewardship organization may submit a revised stewardship plan to the
 134.16 commissioner on not more than two consecutive occasions. If, after the second consecutive
 134.17 submission, the commissioner determines that the revised stewardship plan still does not
 134.18 meet the requirements of this section, the commissioner must modify the stewardship plan
 134.19 as necessary to meet the requirements of this section and approve the stewardship plan.

134.20 ~~(b)~~ (c) Any proposed ~~changes~~ amendment to a stewardship plan must be reviewed and
 134.21 approved or rejected by the ~~agency~~ commissioner in writing according to this subdivision.

134.22 Subd. 8. **Plan availability.** All ~~draft~~ proposed stewardship plans and amendments and
 134.23 approved stewardship plans ~~shall~~ and amendments must be placed on the agency's website
 134.24 for at least 30 days and made available at the agency's headquarters for public review and
 134.25 comment.

134.26 Subd. 9. **Conduct authorized.** A producer or stewardship organization that organizes
 134.27 collection, transport, and processing of architectural paint under this section is immune from
 134.28 liability for the conduct under state laws relating to antitrust, restraint of trade, unfair trade
 134.29 practices, and other regulation of trade or commerce only to the extent that the conduct is
 134.30 necessary to plan and implement the producer's or organization's chosen organized collection
 134.31 or recycling system.

134.32 Subd. 10. **Producer responsibilities.** (a) On and after the date of implementation of a
 134.33 product stewardship program according to this section, a producer of architectural paint

135.1 must add the stewardship assessment, as established under subdivision ~~5, clause (9)~~ 5a, to
135.2 the cost of architectural paint sold to retailers and distributors in the state by the producer.

135.3 (b) Producers of architectural paint or the stewardship organization ~~shall~~ must provide
135.4 consumers with educational materials regarding the stewardship assessment and product
135.5 stewardship program. The materials must include, but are not limited to, information
135.6 regarding available end-of-life management options for architectural paint offered through
135.7 the product stewardship program and information that notifies consumers that a charge for
135.8 the operation of the product stewardship program is included in the purchase price of
135.9 architectural paint sold in the state.

135.10 Subd. 11. **Retailer responsibilities.** (a) ~~On and after July 1, 2014, or three months after~~
135.11 ~~program plan approval, whichever is sooner,~~ No architectural paint may be sold in the state
135.12 unless the paint's producer is participating in an approved stewardship plan.

135.13 (b) On and after the implementation date of a product stewardship program according
135.14 to this section, each retailer or distributor, as applicable, must ensure that the full amount
135.15 of the stewardship assessment added to the cost of architectural paint by producers under
135.16 subdivision 10 is included in the purchase price of all architectural paint sold in the state.

135.17 (c) Any retailer may participate, on a voluntary basis, as a designated collection point
135.18 pursuant to a product stewardship program under this section and in accordance with
135.19 applicable law.

135.20 (d) No retailer or distributor shall be found to be in violation of this subdivision if, on
135.21 the date the architectural paint was ordered from the producer or its agent, the producer was
135.22 listed as compliant on the agency's website according to subdivision 14.

135.23 Subd. 12. **Stewardship reports.** ~~Beginning October 1, 2015,~~ By April 1 each year,
135.24 producers of architectural paint sold in the state must individually or through a stewardship
135.25 organization submit an annual report to the agency commissioner describing the product
135.26 stewardship program for the preceding calendar year. At a minimum, the report must contain:

135.27 (1) a description of the methods used to collect, transport, and process architectural paint
135.28 in all regions of the state;

135.29 (2) the weight of all architectural paint collected in all regions of the state and a
135.30 comparison to the performance goals and recycling rates established in the stewardship
135.31 plan;

135.32 (3) the amount of unwanted architectural paint collected in the state by method of
135.33 disposition, including reuse, recycling, and other methods of processing;

136.1 (4) samples of educational materials provided to consumers and an evaluation of the
136.2 effectiveness of the materials and the methods used to disseminate the materials; and
136.3 (5) an independent financial audit.

136.4 Subd. 13. **Data classification.** Trade secret and sales information, as defined under
136.5 section 13.37, submitted to the agency commissioner under this section are private or
136.6 nonpublic data under section 13.37.

136.7 Subd. 14. **Agency Commissioner responsibilities.** The ~~agency shall~~ commissioner must
136.8 provide, on ~~its~~ the agency's website, a list of all compliant producers and brands participating
136.9 in stewardship plans that the agency commissioner has approved and a list of all producers
136.10 and brands the agency commissioner has identified as noncompliant with this section.

136.11 Subd. 15. **Local government responsibilities.** (a) A city, county, or other public agency
136.12 may choose to participate voluntarily in a product stewardship program.

136.13 (b) Cities, counties, and other public agencies are encouraged to work with producers
136.14 and stewardship organizations to assist in meeting product stewardship program reuse and
136.15 recycling obligations, by providing education and outreach or using other strategies.

136.16 (c) A city, county, or other public agency that participates in a product stewardship
136.17 program must report for the first year of the program to the agency commissioner using the
136.18 reporting form provided by the agency commissioner on the cost savings as a result of
136.19 participation and must describe how the savings were used.

136.20 Subd. 16. **Administrative fee.** (a) The stewardship organization or individual producer
136.21 submitting a stewardship plan ~~shall~~ must pay an annual administrative fee to the
136.22 commissioner. The agency commissioner may establish a variable fee based on relevant
136.23 factors, including, but not limited to, the portion of architectural paint sold in the state by
136.24 members of the organization compared to the total amount of architectural paint sold in the
136.25 state by all organizations submitting a stewardship plan.

136.26 (b) ~~Prior to July 1, 2014, and Before July 1 annually thereafter~~ each year, the agency
136.27 ~~shall~~ commissioner must identify the costs ~~it~~ the agency incurs under this section. The
136.28 ~~agency shall~~ commissioner must set the fee at an amount that, when paid by every
136.29 stewardship organization or individual producer that submits a stewardship plan, is adequate
136.30 to reimburse the agency's full costs of administering this section. The total amount of annual
136.31 fees collected under this subdivision must not exceed the amount necessary to reimburse
136.32 costs incurred by the agency to administer this section.

137.1 (c) A stewardship organization or individual producer subject to this subdivision must
137.2 pay the ~~agency's~~ commissioner's administrative fee under paragraph (a) on or before July
137.3 1, ~~2014, and annually thereafter~~ each year. Each year after the initial payment, the annual
137.4 administrative fee may not exceed five percent of the aggregate stewardship assessment
137.5 added to the cost of all architectural paint sold by producers in the state for the preceding
137.6 calendar year.

137.7 (d) All fees received under this section ~~shall~~ must be deposited in the state treasury and
137.8 credited to a product stewardship account in the special revenue fund. ~~For fiscal years 2014,~~
137.9 ~~2015, 2016, and 2017,~~ The amount collected under this section is annually appropriated to
137.10 the ~~agency~~ commissioner to implement and enforce this section.

137.11 Subd. 17. **Duty to provide information.** Upon request of the commissioner for purposes
137.12 of determining compliance with this section, a person must furnish to the commissioner
137.13 any information that the person has or may reasonably obtain.

137.14 Sec. 10. Minnesota Statutes 2022, section 115A.565, subdivision 1, is amended to read:

137.15 Subdivision 1. **Grant program established.** The commissioner must make competitive
137.16 grants to political subdivisions or federally recognized Tribes ~~to establish curbside recycling~~
137.17 ~~or composting, increase~~ for waste reduction, reuse, recycling or, and composting, reduce
137.18 ~~the amount of recyclable materials entering disposal facilities, or reduce the costs associated~~
137.19 ~~with hauling waste by locating collection sites as close as possible to the site where the~~
137.20 ~~waste is generated~~ of source-separated compostable materials or yard waste. To be eligible
137.21 for grants under this section, a political subdivision or federally recognized Tribe must be
137.22 located outside the seven-county metropolitan area and a city must have a population of
137.23 less than 45,000.

137.24 Sec. 11. Minnesota Statutes 2022, section 115A.565, subdivision 3, is amended to read:

137.25 Subd. 3. **Priorities; eligible projects.** (a) If applications for grants exceed the available
137.26 appropriations, grants must be made for projects that, in the commissioner's judgment,
137.27 provide the highest return in public benefits.

137.28 (b) To be eligible to receive a grant, a project must:

137.29 (1) be locally administered;

137.30 (2) have an educational component and measurable outcomes;

137.31 (3) request \$250,000 or less;

138.1 (4) demonstrate local direct and indirect matching support of at least a quarter amount
138.2 of the grant request; ~~and~~

138.3 (5) include at least one of the following elements:

138.4 ~~(i) transition to residential recycling through curbside or centrally located collection~~
138.5 ~~sites;~~

138.6 ~~(ii) development of local recycling systems to support curbside recycling; or~~

138.7 ~~(iii) development or expansion of local recycling systems to support recycling bulk~~
138.8 ~~materials, including, but not limited to, electronic waste.~~

138.9 (i) waste reduction;

138.10 (ii) reuse;

138.11 (iii) recycling; or

138.12 (iv) composting of source-separated compostable materials or yard waste; and

138.13 (6) demonstrate that the project will reduce waste generation through waste reduction
138.14 or reuse or that the project will increase the amount of recyclable materials or
138.15 source-separated compostable materials diverted from a disposal facility.

138.16 Sec. 12. [115A.566] ZERO-WASTE GRANT PROGRAM.

138.17 Subdivision 1. Definitions. (a) For purposes of this section the following terms have
138.18 the meanings given.

138.19 (b) "Compost" means a product that:

138.20 (1) is manufactured through the controlled aerobic, biological decomposition of
138.21 biodegradable materials; and

138.22 (2) has undergone mesophilic and thermophilic temperatures, which significantly reduces
138.23 the viability of pathogens and weed seeds and stabilizes the carbon such that it is beneficial
138.24 to plant growth.

138.25 (c) "Composting" means the controlled microbial degradation of organic waste to yield
138.26 a humus-like product.

138.27 (d) "Electronics" means any product that is powered by electricity but does not include
138.28 industrial machinery or lead-acid batteries.

138.29 (e) "Eligible entity" means:

138.30 (1) a small business, as defined in section 645.445;

- 139.1 (2) an organization that is exempt from taxes under section 501(c)(3) of the Internal
139.2 Revenue Code; or
- 139.3 (3) a Minnesota city, county, public school district, town, or Tribal government.
- 139.4 (f) "Embodied energy" means energy that was used to create a product or material.
- 139.5 (g) "Environmental justice area" means one or more census tracts in Minnesota:
139.6 (1) in which, based on the most recent data published by the United States Census Bureau:
139.7 (i) 40 percent or more of the area's total population is nonwhite;
139.8 (ii) 35 percent or more of households in the area have an income that is at or below 200
139.9 percent of the federal poverty level; or
- 139.10 (iii) 40 percent or more of the population over the age of five has limited English
139.11 proficiency; or
- 139.12 (2) located in Indian Country, as defined in United States Code, title 18, section 1151.
- 139.13 (h) "Life-cycle impact" means the environmental impacts of products, processes, or
139.14 services from raw materials through production, usage, and disposal.
- 139.15 (i) "Living wage" means the minimum income necessary to allow a person working 40
139.16 hours per week to afford the cost of housing, food, and other material necessities.
- 139.17 (j) "Refurbished" means a product that was used, deemed defective, recycled, or returned
139.18 to the manufacturer or a third party, then tested and repaired by the manufacturer or a third
139.19 party before being sold again.
- 139.20 (k) "Responsible end market" means a materials market in which recycling materials or
139.21 disposing of contaminants is conducted in a way that benefits the environment and minimizes
139.22 risks to public health and worker health and safety.
- 139.23 (l) "Reuse" means the repair, repurposing, or multiple use of products and materials in
139.24 a way that extends the useful life of products and materials and decreases the demand for
139.25 new production. Reuse is not recycling and does not alter an object's physical form by
139.26 extracting base materials for processing into a new product.
- 139.27 (m) "Rural area" means an area outside the boundaries of a city whose population is
139.28 50,000 or more and outside an area contiguous to the city that has a population density
139.29 greater than 100 persons per square mile.
- 139.30 (n) "Zero waste" means conserving all resources by means of responsible production,
139.31 consumption, reuse, and recovery of products, packaging, and materials without burning

140.1 or otherwise destroying embodied energy, with no discharges to land, water, or air that
140.2 threaten the environment or human health.

140.3 Subd. 2. **Grant program.** The commissioner must establish a competitive grant program
140.4 to award grants to eligible entities to promote projects described in subdivisions 5 to 8 that
140.5 are consistent with zero-waste practices.

140.6 Subd. 3. **Grant application process.** (a) The commissioner must develop administrative
140.7 procedures governing the application and grant award process.

140.8 (b) The commissioner must award grants to eligible entities under this section through
140.9 a competitive grant process. In a request for proposals, the commissioner must:

140.10 (1) specify the maximum grant amount; and

140.11 (2) establish the minimum percentage of total project funds that an applicant must
140.12 contribute to the project. Recycling projects described in subdivisions 5, 7, and 8 must
140.13 demonstrate use of responsible end markets.

140.14 (c) The commissioner must develop, in consultation with the agency's Environmental
140.15 Justice Advisory Group, a streamlined and accessible application process.

140.16 (d) To apply for a grant under this section, an eligible entity must submit a written
140.17 application to the commissioner on a form prescribed by the commissioner.

140.18 (e) The application must include specific source reduction, recycling, or composting
140.19 targets or estimate reductions in life-cycle impacts to be achieved by the project.

140.20 (f) A project awarded a grant under this section must be completed within three years
140.21 of the award.

140.22 (g) A recycling project awarded a grant under this section must not include energy
140.23 recovery or energy generation by any means, including but not limited to combustion,
140.24 incineration, pyrolysis, gasification, solvolysis, thermal desorption, or waste to fuel, or
140.25 landfill disposal of discarded material or discarded product component materials, including
140.26 the use of materials as landfill cover.

140.27 Subd. 4. **Grant award process; priorities.** In awarding grants under this section, the
140.28 commissioner must:

140.29 (1) award at least 60 percent of available money to eligible entities whose projects are
140.30 located in environmental justice areas and at least 30 percent of available funds to eligible
140.31 entities whose projects are located in rural areas; and

140.32 (2) give priority to eligible entities whose projects:

- 141.1 (i) achieve source reduction;
- 141.2 (ii) develop reuse systems;
- 141.3 (iii) support existing or create new jobs that pay a living wage, with additional priority
- 141.4 given to projects that create jobs for individuals with barriers to employment, as determined
- 141.5 by the commissioner;
- 141.6 (iv) minimize any negative environmental consequences of the proposed project;
- 141.7 (v) demonstrate a need for additional investment in infrastructure and projects to achieve
- 141.8 source reduction, recycling, or composting targets set by the local unit of government
- 141.9 responsible for waste and recycling programs in the project area;
- 141.10 (vi) encourage further investment in source reduction, recycling, or composting projects;
- 141.11 or
- 141.12 (vii) incorporate multistakeholder involvement, including nonprofit, commercial, and
- 141.13 public sector partners.
- 141.14 **Subd. 5. Electronics grants.** (a) The commissioner may award grants under this
- 141.15 subdivision to source reduction and recycling projects that address electronics. Grants may
- 141.16 be used to fund recycling technology or infrastructure, research and development projects,
- 141.17 and electronics repair or refurbishment.
- 141.18 (b) No grant may be awarded under this subdivision:
- 141.19 (1) for an electronic waste buy-back program that pays consumers for used electronics
- 141.20 in the form of credits that may be used to purchase additional electronics; or
- 141.21 (2) to recyclers who are not certified by an organization accredited by the American
- 141.22 National Standards Institute National Accreditation Board as having achieved the e-Stewards
- 141.23 Standard for Responsible Recycling and Reuse of Electronic Equipment.
- 141.24 **Subd. 6. Source reduction and reuse grants.** The commissioner may award grants
- 141.25 under this subdivision to projects that promote source reduction or reuse. Grants may be
- 141.26 used:
- 141.27 (1) to redesign products in ways that reduce their life-cycle impacts while not increasing
- 141.28 the toxicity of those impacts, including reducing the amount of packaging; or
- 141.29 (2) for education and outreach activities that encourage consumers to change their product
- 141.30 purchasing, use, or disposal behaviors in ways that promote source reduction or reuse.

142.1 Subd. 7. **Market development grants.** (a) The commissioner may award grants under
142.2 this subdivision to projects that promote and strengthen markets for reuse, recycling, and
142.3 composting, including projects that increase demand for sorted recyclable commodities,
142.4 refurbished goods, or compost.

142.5 (b) Projects seeking grants under this subdivision must target materials that are
142.6 disproportionately disposed of in landfills or incinerated and must reduce the volume, weight,
142.7 or toxicity of waste and waste by-products.

142.8 (c) Projects seeking grants under this subdivision to expand recycling markets must
142.9 target easily or commonly recycled materials.

142.10 (d) Projects seeking grants under this subdivision must not conflict with other laws or
142.11 requirements identified by the commissioner.

142.12 Subd. 8. **Recycling and composting infrastructure grants.** (a) Grants awarded under
142.13 this subdivision may be used for facilities, machinery, equipment, and other physical
142.14 infrastructure or supplies required to collect or process materials for recycling and
142.15 composting.

142.16 (b) Grants awarded under this subdivision must result in increased capacity to process
142.17 residential and commercial source-separated organics, yard waste, and recyclable materials.
142.18 Grants awarded to increase the capacity of composting infrastructure must generate a usable
142.19 product that has demonstrable environmental benefits.

142.20 (c) No grant may be awarded under this subdivision to support composting material
142.21 derived from mixed municipal solid waste.

142.22 Subd. 9. **Reporting.** By January 15, 2025, and each January 15 through 2027, the
142.23 commissioner must submit a written report to the chairs and ranking minority members of
142.24 the legislative committees having jurisdiction over economic development and environment
142.25 that describes the use of grant money under this section. The report must include, at a
142.26 minimum:

142.27 (1) a list of grant recipients, grant amounts, and project descriptions; and

142.28 (2) a narrative of progress made toward grant project goals.

142.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

142.30 Sec. 13. **[115A.993] PROHIBITED DISPOSAL METHODS.**

142.31 A person must not dispose of waste treated seed in a manner inconsistent with the product
142.32 label, where applicable, or by:

- 143.1 (1) burial near a drinking water source or any creek, stream, river, lake, or other surface
143.2 water;
- 143.3 (2) composting; or
- 143.4 (3) incinerating within a home or other dwelling.

143.5 Sec. 14. Minnesota Statutes 2022, section 115B.17, subdivision 14, is amended to read:

143.6 Subd. 14. **Requests for review, investigation, and oversight.** (a) The commissioner
143.7 may, upon request, assist a person in determining whether real property has been the site
143.8 of a release or threatened release of a hazardous substance, pollutant, or contaminant. The
143.9 commissioner may also assist in, or supervise, the development and implementation of
143.10 reasonable and necessary response actions. Assistance may include review of agency records
143.11 and files, and review and approval of a requester's investigation plans and reports and
143.12 response action plans and implementation.

143.13 (b) Except as otherwise provided in this paragraph, the person requesting assistance
143.14 under this subdivision shall pay the agency for the agency's cost, as determined by the
143.15 commissioner, of providing assistance. A state agency, political subdivision, or other public
143.16 entity is not required to pay for the agency's cost to review agency records and files. ~~Money~~
143.17 ~~received by the agency for assistance under this section~~ The first \$350,000 received annually
143.18 by the agency for assistance under this subdivision from persons who are not otherwise
143.19 responsible under sections 115B.01 to 115B.18 must be deposited in the remediation fund
143.20 and is exempt from section 16A.1285. Money received after the first \$350,000 must be
143.21 deposited in the state treasury and credited to an account in the special revenue fund. Money
143.22 in the account is annually appropriated to the commissioner for the purposes of administering
143.23 this subdivision.

143.24 (c) When a person investigates a release or threatened release in accordance with an
143.25 investigation plan approved by the commissioner under this subdivision, the investigation
143.26 does not associate that person with the release or threatened release for the purpose of section
143.27 115B.03, subdivision 3, paragraph (a), clause (4).

143.28 Sec. 15. Minnesota Statutes 2022, section 115B.171, subdivision 3, is amended to read:

143.29 Subd. 3. **Test reporting.** (a) By ~~January~~ March 15 each year, the commissioner of the
143.30 Pollution Control Agency must report to each community in the east metropolitan area a
143.31 summary of the results of the testing for private wells in the community. The report must
143.32 include information on the number of wells tested and trends of PFC contamination in

144.1 private wells in the community. Reports to communities under this section must also be
144.2 published on the Pollution Control Agency's website.

144.3 (b) By ~~January~~ March 15 each year, the commissioner of the Pollution Control Agency
144.4 must report to the legislature, as provided in section 3.195, on the testing for private wells
144.5 conducted in the east metropolitan area, including copies of the community reports required
144.6 in paragraph (a), the number of requests for well testing in each community, and the total
144.7 amount spent for testing private wells in each community.

144.8 Sec. 16. Minnesota Statutes 2022, section 115B.52, subdivision 4, is amended to read:

144.9 Subd. 4. **Reporting.** The commissioner of the Pollution Control Agency and the
144.10 commissioner of natural resources must jointly submit:

144.11 (1) by April 1, 2019, an implementation plan detailing how the commissioners will:

144.12 (i) determine how the priorities in the settlement will be met and how the spending will
144.13 move from the first priority to the second priority and the second priority to the third priority
144.14 outlined in the settlement; and

144.15 (ii) evaluate and determine what projects receive funding;

144.16 (2) by ~~February 1 and August 1~~ October 1 each year, a ~~biannual~~ report to the chairs and
144.17 ranking minority members of the legislative policy and finance committees with jurisdiction
144.18 over environment and natural resources on expenditures from the water quality and
144.19 sustainability account during the previous ~~six months~~ fiscal year; and

144.20 (3) by ~~August~~ October 1, 2019 2023, and each year thereafter, a report to the legislature
144.21 on expenditures from the water quality and sustainability account during the previous fiscal
144.22 year and a spending plan for anticipated expenditures from the account during the current
144.23 fiscal year.

144.24 Sec. 17. Minnesota Statutes 2022, section 116.06, subdivision 1, is amended to read:

144.25 Subdivision 1. **Applicability.** The definitions given in this section shall obtain for the
144.26 purposes of sections 116.01 to ~~116.075~~ 116.076 except as otherwise expressly provided or
144.27 indicated by the context.

144.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.

145.1 Sec. 18. Minnesota Statutes 2022, section 116.06, is amended by adding a subdivision to
145.2 read:

145.3 Subd. 6a. **Commissioner.** "Commissioner" means the commissioner of the Pollution
145.4 Control Agency.

145.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

145.6 Sec. 19. Minnesota Statutes 2022, section 116.06, is amended by adding a subdivision to
145.7 read:

145.8 Subd. 10a. **Environmental justice.** "Environmental justice" means that:

145.9 (1) communities of color, Indigenous communities, and low-income communities have
145.10 a healthy environment and are treated fairly when environmental statutes, rules, and policies
145.11 are developed, adopted, implemented, and enforced; and

145.12 (2) in all decisions that have the potential to affect the environment of an environmental
145.13 justice area or the public health of its residents, due consideration is given to the history of
145.14 the area's and its residents' cumulative exposure to pollutants and to any current
145.15 socioeconomic conditions that increase the physical sensitivity of those residents to additional
145.16 exposure to pollutants.

145.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

145.18 Sec. 20. Minnesota Statutes 2022, section 116.06, is amended by adding a subdivision to
145.19 read:

145.20 Subd. 10b. **Environmental justice area.** "Environmental justice area" means one or
145.21 more census tracts in Minnesota:

145.22 (1) in which, based on the most recent data published by the United States Census Bureau:

145.23 (i) 40 percent or more of the population is nonwhite;

145.24 (ii) 35 percent or more of the households have an income at or below 200 percent of the
145.25 federal poverty level; or

145.26 (iii) 40 percent or more of the population over the age of five has limited English
145.27 proficiency; or

145.28 (2) located within Indian Country, as defined in United States Code, title 18, section
145.29 1151.

145.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

146.1 Sec. 21. [116.062] AIR TOXICS EMISSIONS REPORTING.

146.2 (a) This section applies to facilities that are subject to paragraph (b) and are located in
146.3 the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington.

146.4 (b) The commissioner must require owners and operators of a facility issued an air
146.5 quality permit by the agency, except a facility issued an Option B registration permit under
146.6 Minnesota Rules, part 7007.1120, to annually report the facility's air toxics emissions to
146.7 the agency, including a facility not required as a condition of its air quality permit to keep
146.8 records of air toxics emissions. The commissioner must determine the method to be used
146.9 by a facility to directly measure or estimate air toxics emissions. The commissioner must
146.10 amend permits and complete rulemaking, and may enter into enforceable agreements with
146.11 facility owners and operators, in order to make the reporting requirements under this section
146.12 enforceable.

146.13 (c) For the purposes of this section, "air toxics" means chemical compounds or compound
146.14 classes that are emitted into the air by a permitted facility and that are:

146.15 (1) hazardous air pollutants listed under the federal Clean Air Act, United States Code,
146.16 title 42, section 7412, as amended;

146.17 (2) chemicals reported as released into the atmosphere by a facility located in the state
146.18 for the Toxic Release Inventory under the federal Emergency Planning and Community
146.19 Right-to-Know Act, United States Code, title 42, section 11023, as amended;

146.20 (3) chemicals for which the Department of Health has developed health-based values
146.21 or risk assessment advice;

146.22 (4) chemicals for which the risk to human health has been assessed by either the federal
146.23 Environmental Protection Agency's Integrated Risk Information System or its Provisional
146.24 Peer-Reviewed Toxicity Values; or

146.25 (5) chemicals reported by facilities in the agency's most recent triennial emissions
146.26 inventory.

146.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

146.28 Sec. 22. [116.064] ODOR MANAGEMENT.

146.29 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
146.30 the meanings given.

147.1 (b) "Objectionable odor" means pollution of the ambient air beyond the property line of
147.2 a facility consisting of an odor that, considering its characteristics, intensity, frequency, and
147.3 duration:

147.4 (1) is, or can reasonably be expected to be, injurious to public health or welfare; or

147.5 (2) unreasonably interferes with the enjoyment of life or the use of property of persons
147.6 exposed to the odor.

147.7 (c) "Odor complaint" means a notification received and recorded by the agency or by a
147.8 political subdivision from an identifiable person that describes the nature, duration, and
147.9 location of the odor.

147.10 Subd. 2. **Application.** This section applies to facilities that are located in the counties
147.11 of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington.

147.12 Subd. 3. **Prohibition.** No person may cause or allow emission into the ambient air of
147.13 any substance or combination of substances in quantities that produce an objectionable odor
147.14 beyond the property line of the facility that is the source of the odor.

147.15 Subd. 4. **Odor complaints; investigation.** (a) The agency must conduct a site
147.16 investigation of any facility against which six or more verifiable odor complaints have been
147.17 submitted to the agency or to local government officials within 48 hours. The investigation
147.18 must include:

147.19 (1) an interview with the owner or operator of the facility against which the complaint
147.20 was made;

147.21 (2) a physical examination of the facilities, equipment, operations, conditions, methods,
147.22 storage areas for material inputs, chemicals and waste, and any other factors that may
147.23 contribute to or are designed to mitigate the emission of odors; and

147.24 (3) testing at locations identified in the odor complaints and at other locations beyond
147.25 the property line of the facility that is the source of the odor using a precision instrument
147.26 capable of measuring odors in ambient air.

147.27 (b) The commissioner, based upon the agency's site investigation and the results of odor
147.28 testing and considering the nature, intensity, frequency, and duration of the odor and other
147.29 relevant factors, shall determine whether the odor emitted from the facility constitutes an
147.30 objectionable odor. In making the determination, the commissioner may consider the opinions
147.31 of a random sample of persons exposed to samples of the odor taken from ambient air
147.32 beyond the property line of the facility that is the source of the odor.

148.1 (c) The agency must notify officials in local jurisdictions:

148.2 (1) of odor complaints filed with the agency regarding properties within the local
148.3 jurisdiction;

148.4 (2) of any investigation of an odor complaint conducted by the agency at a facility within
148.5 the local jurisdiction and the results of the investigation;

148.6 (3) that odor complaints filed with respect to properties located within those jurisdictions
148.7 must be forwarded to the agency within three business days of being filed; and

148.8 (4) of any additional actions taken by the agency with respect to the complaints.

148.9 Subd. 5. **Objectionable odor; management plan.** (a) If the commissioner determines
148.10 under subdivision 4 that the odor emitted from a facility is an objectionable odor, the
148.11 commissioner shall require the owner of the facility to develop and submit to the agency
148.12 for review within 90 days an odor management plan designed to mitigate odor emissions.
148.13 The agency must provide technical assistance to the property owner in developing a
148.14 management plan, including:

148.15 (1) identifying odor control technology and equipment that may reduce odor emissions;
148.16 and

148.17 (2) identifying alternative methods of operation or alternative materials that may reduce
148.18 odor emissions.

148.19 The commissioner may grant an extension for submission of the odor management plan for
148.20 up to an additional 90 days for good cause.

148.21 (b) An odor management plan must contain, at a minimum, for each odor source
148.22 contributing to odor emissions:

148.23 (1) a description of plant operations and materials that generate odors;

148.24 (2) proposed changes in equipment, operations, or materials that are designed to mitigate
148.25 odor emissions;

148.26 (3) the estimated effectiveness of the plan in reducing odor emissions;

148.27 (4) the estimated cost of implementing the plan; and

148.28 (5) a schedule of plan implementation activities.

148.29 (c) The commissioner may accept, reject, or modify an odor management plan submitted
148.30 under this subdivision.

149.1 (d) If the commissioner, based upon the same factors considered under subdivision 4,
149.2 paragraph (b), determines that implementation of the odor management plan has failed to
149.3 reduce the facility's odor emissions to a level where they are no longer objectionable odors,
149.4 the commissioner shall order the facility owner to revise the odor management plan within
149.5 90 days of receipt of the commissioner's order. If the revised odor management plan is not
149.6 acceptable to the commissioner or is implemented but fails to reduce the property's odor
149.7 emissions to a level where they are no longer objectionable odors, the commissioner may
149.8 impose penalties under section 115.071 or may modify or revoke the facility's permit under
149.9 section 116.07, subdivision 4a, paragraph (d).

149.10 Subd. 6. **Exemptions.** This section does not apply to:

149.11 (1) on-farm animal and agricultural operations;

149.12 (2) motor vehicles and transportation facilities;

149.13 (3) municipal wastewater treatment plants;

149.14 (4) single-family dwellings not used for commercial purposes;

149.15 (5) materials odorized for safety purposes;

149.16 (6) painting and coating operations that are not required to be licensed;

149.17 (7) restaurants; and

149.18 (8) temporary activities and operations.

149.19 Subd. 7. **Rulemaking required.** (a) The commissioner must adopt rules to implement
149.20 this section, and section 14.125 does not apply.

149.21 (b) The commissioner must comply with chapter 14 and must complete the statement
149.22 of need and reasonableness according to chapter 14 and section 116.07, subdivision 2,
149.23 paragraph (f).

149.24 (c) The rules must include:

149.25 (1) an odor standard or standards for air pollution that may qualify as an objectionable
149.26 odor under subdivision 1, paragraph (b), clause (2);

149.27 (2) a process for determining if an odor is objectionable;

149.28 (3) a process for investigating and addressing odor complaints;

149.29 (4) guidance for developing odor-management plans; and

150.1 (5) procedures and criteria for determining the success or failure of an odor-management
150.2 plan.

150.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

150.4 Sec. 23. **[116.065] CUMULATIVE IMPACTS ANALYSIS; PERMIT DECISIONS**
150.5 **IN ENVIRONMENTAL JUSTICE AREAS.**

150.6 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
150.7 the meanings given.

150.8 (b) "Commissioner" means the commissioner of the Minnesota Pollution Control Agency.

150.9 (c) "Compelling public interest" means a factor or condition that is necessary to serve
150.10 an essential environmental, health, or safety need of residents of an environmental justice
150.11 area and that cannot reasonably be met by alternative available means.

150.12 (d) "Cumulative impacts" means the impacts of aggregated levels of past and current
150.13 air, water, and land pollution in a defined geographic area to which current residents are
150.14 exposed.

150.15 (e) "Environmental justice" means:

150.16 (1) communities of color, Indigenous communities, and low-income communities have
150.17 a healthy environment and are treated fairly when environmental statutes, rules, and policies
150.18 are developed, adopted, implemented, and enforced; and

150.19 (2) in all decisions that have the potential to affect the environment of an environmental
150.20 justice area or the public health of its residents, due consideration is given to the history of
150.21 the area's and its residents' cumulative exposure to pollutants and to any current
150.22 socioeconomic conditions that could increase harm to those residents from additional
150.23 exposure to pollutants.

150.24 (f) "Environmental justice area" means one or more census tracts in Minnesota:

150.25 (1) in which, based on the most recent data published by the United States Census Bureau:

150.26 (i) 40 percent or more of the population is nonwhite;

150.27 (ii) 35 percent or more of the households have an income at or below 200 percent of the
150.28 federal poverty level; or

150.29 (iii) 40 percent or more of the population over the age of five has limited English
150.30 proficiency; or

151.1 (2) located within Indian Country, as defined in United States Code, title 18, section
151.2 1151.

151.3 (g) "Environmental stressors" means factors that may make residents of an environmental
151.4 justice area susceptible to harm from exposure to pollutants. Environmental stressors include:

151.5 (1) environmental effects on health from exposure to past and current pollutants in the
151.6 environmental justice area, including any biomonitoring information from residents; and

151.7 (2) social and environmental factors, including but not limited to poverty, substandard
151.8 housing, food insecurity, elevated rates of disease, and poor access to health insurance and
151.9 medical care.

151.10 Subd. 2. **Applicability.** This section applies to applications for the following types of
151.11 new construction permits, permits required for facility expansions, and reissuances of
151.12 existing permits for facilities: (1) located in the counties of Anoka, Carver, Dakota, Hennepin,
151.13 Ramsey, Scott, or Washington; or (2) located in the cities of Duluth, Mankato, Moorhead,
151.14 North Mankato, Rochester, or St. Cloud; and (3) for which the commissioner has determined
151.15 under subdivision 3 that issuance of the permit as proposed may impact the environment
151.16 or the health of residents in an environmental justice area:

151.17 (i) a major source air permit, as defined in Minnesota Rules, part 7007.0200; and

151.18 (ii) a state air permit required under Minnesota Rules, part 7007.0250, subparts 2 to 6.

151.19 Subd. 3. **Cumulative impacts analysis; determination of need.** (a) The commissioner
151.20 is responsible for determining whether a proposed permit action may impact the environment
151.21 or health of the residents of an environmental justice area.

151.22 (b) A permit application must indicate whether the permit action sought is likely to
151.23 impact the environment or the health of residents of an environmental justice area and must
151.24 include the data used by the applicant to make the determination.

151.25 (c) In making a determination whether a cumulative analysis is required, the commissioner
151.26 must:

151.27 (1) review the permit application and the applicant's assessment of the need to conduct
151.28 a cumulative analysis;

151.29 (2) assess whether the proposed permit exceeds any of the benchmarks for conducting
151.30 a cumulative impact analysis established in rules adopted under subdivision 6;

151.31 (3) review any comments and material evidence submitted by members of the public
151.32 regarding the necessity for a cumulative impact analysis; and

152.1 (4) review any other information the commissioner deems relevant.

152.2 (d) An applicant must conduct a cumulative impacts analysis if:

152.3 (1) the potential impacts of the permit issuance exceed any of the benchmarks for
152.4 conducting a cumulative impacts analysis established in rules adopted under subdivision 6;

152.5 (2) the commissioner determines that issuance of the permit may impact the environment
152.6 or health of the residents of an environmental justice area; or

152.7 (3) material evidence accompanying a petition signed by at least 50 individuals residing
152.8 or owning property in the environmental justice area potentially affected by the permit
152.9 issuance demonstrates that issuance of the permit may impact the environment or health of
152.10 the residents of the environmental justice area.

152.11 Subd. 4. **Public meeting requirements.** (a) A permit applicant or permit holder required
152.12 to conduct a cumulative impacts analysis under subdivision 2 must hold at least two public
152.13 meetings in the environmental justice area impacted by the facility before the commissioner
152.14 issues or denies a permit. The first public meeting must be held before conducting a
152.15 cumulative impacts analysis, and the second must be held after conducting the analysis.

152.16 (b) The permit applicant or permit holder must:

152.17 (1) publish notice containing the date, time, and location of the public meetings and a
152.18 brief description of the permit or project in a newspaper of general circulation in the
152.19 environmental justice area at least 30 days before the meetings;

152.20 (2) post physical signage in the environmental justice area impacted, as directed by the
152.21 commissioner; and

152.22 (3) provide the commissioner with notice of the public meeting and a copy of the
152.23 cumulative impacts analysis at least 45 days before the second public meeting.

152.24 (c) The commissioner must post the notice and cumulative impacts analysis on the
152.25 agency website at least 30 days before the second public meeting.

152.26 (d) The permit applicant or permit holder must:

152.27 (1) provide an opportunity for robust public and Tribal engagement at the public meetings;

152.28 (2) accept written and oral comments, as directed by the commissioner, from any
152.29 interested party; and

152.30 (3) provide an electronic copy of all written comments and a transcript of all oral
152.31 comments to the agency within 30 days of the public meetings.

153.1 (e) If the permit applicant or permit holder is applying for more than one permit that
153.2 may affect the same environmental justice area, the permit applicant or permit holder may
153.3 request that the commissioner require that the facility hold two public meetings that address
153.4 all of the permits sought. The commissioner may approve or deny the request.

153.5 (f) The commissioner may incorporate conditions in a permit for a facility located in or
153.6 affecting an environmental justice area to hold multiple in-person meetings with residents
153.7 of the environmental justice area affected by the facility to share information and discuss
153.8 community concerns.

153.9 **Subd. 5. Environmental justice area; permit decisions.** (a) In determining whether to
153.10 issue or deny a permit, the commissioner must consider the cumulative impacts analysis
153.11 conducted, the testimony presented, and comments submitted in public meetings held under
153.12 subdivision 4. The permit may be issued no earlier than 30 days following the last public
153.13 meeting.

153.14 (b) The commissioner must deny an application for a permit subject to this section for
153.15 a facility in an environmental justice area if the cumulative impacts analysis determines that
153.16 issuing the permit, in combination with the environmental stressors present in the
153.17 environmental justice area, would contribute to adverse cumulative environmental stressors
153.18 or adverse cumulative impacts in the environmental justice area, unless:

153.19 (1) the commissioner enters into a community benefit agreement with the facility owner
153.20 or operator, in consultation with community-based organizations representing the interests
153.21 of residents of the environmental justice area; and

153.22 (2) there is a compelling public interest to issue the permit, as determined by the
153.23 commissioner, based on criteria established in rules adopted under subdivision 6.

153.24 (c) If the commissioner determines that a compelling public interest exists and the
153.25 applicant enters into a community benefit agreement with the commissioner, the agency
153.26 may grant a permit that imposes conditions on the construction and operation of the facility
153.27 to protect public health and the environment.

153.28 (d) The commissioner must prepare a written document containing the reasons for the
153.29 commissioner's decision regarding the need for a cumulative impacts analysis made under
153.30 this subdivision and describing how various pieces of evidence were weighed and balanced
153.31 to arrive at the decision. The commissioner must provide a copy of the document to the
153.32 permit applicant and to any person who submitted material evidence to the commissioner
153.33 for consideration in making the decision and must post the document on the agency website.

154.1 (e) Issuance of a permit under this section must include a requirement that the facility
154.2 provide information to the community describing the health risks that the facility poses.

154.3 (f) A community benefit agreement must be signed on or before the date a new or reissued
154.4 permit is issued in an environmental justice area.

154.5 (g) The commissioner must publish and maintain on the agency website a list of
154.6 environmental justice areas in the state.

154.7 (h) The agency must maintain an updated database of the identified stressors in specific
154.8 census tracts and make this database accessible to the public.

154.9 Subd. 6. **Rulemaking.** (a) The commissioner must adopt rules under chapter 14 to
154.10 implement and govern the cumulative impacts analysis and issuance or denial of permits
154.11 for facilities that impact environmental justice areas as provided in this section.

154.12 Notwithstanding section 14.125, the agency must publish notice of intent to adopt rules
154.13 within 36 months of the effective date of this act, or the authority for the rules expires.

154.14 (b) During the rulemaking process, the Pollution Control Agency must engage in robust
154.15 public engagement, including public meetings, and Tribal consultation.

154.16 (c) Rules adopted under this section must:

154.17 (1) establish benchmarks to assist the commissioner's determination regarding the need
154.18 for a cumulative impacts analysis;

154.19 (2) establish the required content of a cumulative impacts analysis, including sources
154.20 of public information that an applicant can access regarding environmental stressors that
154.21 are present in an environmental justice area;

154.22 (3) define conditions, criteria, or circumstances that qualify as a compelling public
154.23 interest, which:

154.24 (i) must include, with respect to economic considerations, only those that directly and
154.25 substantially benefit residents of the environmental justice area;

154.26 (ii) must include noneconomic considerations that directly benefit the residents of the
154.27 environmental justice area; and

154.28 (iii) must take into account public comments made at public meetings held under
154.29 subdivision 4;

154.30 (4) establish the content of a community benefit agreement and procedures for entering
154.31 into community benefit agreements, which must include:

155.1 (i) meaningful consultation with members of the public and community-based
155.2 organizations or coalitions representing the interests of residents within the environmental
155.3 justice area;

155.4 (ii) at least one public meeting held within the environmental justice area; and

155.5 (iii) a formal petition showing support from 50 community members that is signed after
155.6 a public meeting; and

155.7 (5) establish a petition process and form submitted to the agency by environmental
155.8 justice area residents to support the need for a cumulative impact analysis, including criteria
155.9 defining potential adverse cumulative impacts on the environment or health of the residents.

155.10 (d) The agency must provide translation services and translated materials upon request
155.11 during rulemaking meetings.

155.12 (e) The agency must provide public notice on the agency website at least 30 days before
155.13 public meetings held on the rulemaking. The notice must include the date, time, and location
155.14 of the meeting. The agency must use multiple communication methods to inform residents
155.15 of environmental justice areas in the public meetings held for the rulemaking.

155.16 Subd. 7. **Review.** Any person aggrieved by a final decision on the need for a cumulative
155.17 impacts analysis or the issuance or denial of a permit under this section is entitled to judicial
155.18 review of the decision under sections 14.63 to 14.68. A petition for a writ of certiorari by
155.19 an aggrieved person for judicial review under sections 14.63 to 14.68 must be filed with
155.20 the court of appeals and served on all parties to the contested case not more than 30 days
155.21 after the party receives the final decision and order of the agency.

155.22 Subd. 8. **Compliance costs.** A permit applicant is responsible for the cost of complying
155.23 with this section. The reasonable costs of the agency to comply with this section are to be
155.24 borne by permit applicants subject to this section, as required under section 116.07,
155.25 subdivision 4d, paragraph (b).

155.26 Sec. 24. Minnesota Statutes 2022, section 116.07, is amended by adding a subdivision to
155.27 read:

155.28 Subd. 4m. **Nonexpiring state individual permits; public informational meeting.** (a)
155.29 For each facility issued a nonexpiring state individual air quality permit by the agency, the
155.30 agency must hold a separate public informational meeting at regular intervals to allow the
155.31 public to make comments or inquiries regarding any aspect of the permit, including but not
155.32 limited to permit conditions, testing results, the facility's operations, and permit compliance.
155.33 The public informational meeting must be held at a location near the permitted facility and

156.1 convenient to the public. Individuals employed at the facility who are responsible for the
156.2 facility meeting the conditions of the permit and agency officials must be present at the
156.3 public informational meeting. For nonexpiring state individual air quality permits issued or
156.4 reissued after December 31, 2018, a public informational meeting must be held under this
156.5 subdivision no later than five years after the permit is issued or reissued and every five years
156.6 thereafter. For nonexpiring state individual air quality permits issued on or before December
156.7 31, 2018, a public informational meeting must be held under this subdivision no later than
156.8 December 31, 2024, and every five years thereafter.

156.9 (b) For the purposes of this section, "state individual air quality permit" means an air
156.10 quality permit that:

156.11 (1) is issued to an individual facility that is required to obtain a permit under Minnesota
156.12 Rules, part 7007.0250, subparts 2 to 6; and

156.13 (2) is not a general permit issued under Minnesota Rules, part 7007.1100.

156.14 (c) As required under subdivision 4d, the agency's direct and indirect reasonable costs
156.15 of conducting the activities under this subdivision must be recovered through air quality
156.16 permit fees.

156.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

156.18 Sec. 25. Minnesota Statutes 2022, section 116.07, is amended by adding a subdivision to
156.19 read:

156.20 Subd. 4n. **Permit review denial.** If the commissioner determines that a person's request
156.21 for the agency to review an existing permit is not warranted, the commissioner must state
156.22 the reasons for the determination in writing within 15 days of the determination.

156.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

156.24 Sec. 26. Minnesota Statutes 2022, section 116.07, is amended by adding a subdivision to
156.25 read:

156.26 Subd. 4o. **Aboveground storage tanks; fees.** (a) The commissioner must collect permit
156.27 fees for aboveground storage tank facilities in amounts not greater than necessary to cover
156.28 the reasonable costs of developing, reviewing, and acting upon applications for agency
156.29 permits and implementing and enforcing the conditions of the permits. The fee schedule
156.30 must reflect reasonable and routine direct and indirect costs associated with permitting,
156.31 implementation, enforcement, and other activities necessary to operate the aboveground
156.32 storage tank program.

157.1 (b) Each fiscal year, the commissioner must adjust the fees as necessary to maintain an
157.2 annual income that covers the legislative appropriation needed to administer the aboveground
157.3 storage tank program according to paragraph (a). The commissioner must adjust fees
157.4 according to the criteria established under paragraph (c) and as required under paragraph
157.5 (d). Fees established under this subdivision are exempt from section 16A.1285.

157.6 (c) The commissioner must adopt rules that specify criteria for establishing:

157.7 (1) an annual fee from permitted aboveground storage tank facilities; and

157.8 (2) a permit application fee for aboveground storage tank facility permit applications.

157.9 (d) The commissioner must annually increase the fees under this subdivision by the
157.10 percentage, if any, by which the Consumer Price Index for the most recent calendar year
157.11 ending before the beginning of the year the fee is collected exceeds the Consumer Price
157.12 Index for calendar year 2022. For purposes of this paragraph, the Consumer Price Index for
157.13 any calendar year is the average of the Consumer Price Index for all urban consumers
157.14 published by the United States Department of Labor as of the close of the 12-month period
157.15 ending on August 31 of each calendar year. The revision of the Consumer Price Index that
157.16 is most consistent with the Consumer Price Index for calendar year 2022 must be used.

157.17 (e) Fees collected under this subdivision must be deposited in the state treasury and
157.18 credited to the environmental fund and must be used for the purposes specified in paragraph
157.19 (a).

157.20 (f) This paragraph expires when the commissioner adopts the initial rules required under
157.21 paragraph (c). Until the commissioner adopts the initial rules under paragraph (c):

157.22 (1) the annual fee for major aboveground storage tank facilities is equal to the quotient
157.23 of dividing the legislative appropriation under paragraph (b) by the number of major
157.24 aboveground storage tank facilities; and

157.25 (2) there is no permit application fee for aboveground storage tank facilities.

157.26 Sec. 27. Minnesota Statutes 2022, section 116.07, subdivision 6, is amended to read:

157.27 Subd. 6. **Pollution Control Agency; exercise of powers.** In exercising all its powers
157.28 the Pollution Control Agency ~~shall give due consideration to~~ must:

157.29 (1) consider the establishment, maintenance, operation and expansion of business,
157.30 commerce, trade, industry, traffic, and other economic factors and other material matters
157.31 affecting the feasibility and practicability of any proposed action, including, but not limited
157.32 to, the burden on a municipality of any tax which may result therefrom, and ~~shall~~ must take

158.1 or provide for such action as may be reasonable, feasible, and practical under the
158.2 circumstances; and

158.3 (2) to the extent reasonable, feasible, and practical under the circumstances:

158.4 (i) ensure that actions or programs that have a direct, indirect, or cumulative impact on
158.5 environmental justice areas incorporate community-focused practices and procedures in
158.6 agency processes, including communication, outreach, engagement, and education to enhance
158.7 meaningful, timely, and transparent community access;

158.8 (ii) collaborate with other state agencies to identify, develop, and implement means to
158.9 eliminate and reverse environmental and health inequities and disparities;

158.10 (iii) promote the utility and availability of environmental data and analysis for
158.11 environmental justice areas, other agencies, federally recognized Tribal governments, and
158.12 the public;

158.13 (iv) encourage coordination and collaboration with residents of environmental justice
158.14 areas to address environmental and health inequities and disparities; and

158.15 (v) ensure environmental justice values are represented to the agency from a
158.16 commissioner-appointed environmental justice advisory committee that is composed of
158.17 diverse members and that is developed and operated in a manner open to the public and in
158.18 accordance with the duties described in the bylaws and charter adopted and maintained by
158.19 the commissioner.

158.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

158.21 Sec. 28. Minnesota Statutes 2022, section 116.07, is amended by adding a subdivision to
158.22 read:

158.23 **Subd. 7f. Abandoned manure storage areas.** At least annually, the commissioner must
158.24 compile a list of abandoned manure storage areas in the state. A list compiled under this
158.25 subdivision is not a feedlot inventory for purposes of subdivision 7b. For purposes of this
158.26 subdivision, "abandoned manure storage areas" means solid and liquid manure storage areas
158.27 that have been previously registered with the state as a feedlot with a manure storage area
158.28 and have:

158.29 (1) permanently ceased operation and are subject to, but not in compliance with, the
158.30 closure requirements established by the commissioner in rule for feedlots and manure storage
158.31 areas; or

158.32 (2) been unused for at least three years.

159.1 Sec. 29. **[116.076] ENVIRONMENTAL JUSTICE AREAS; BOUNDARIES; MAPS.**

159.2 (a) No later than December 1, 2023, the commissioner must determine the boundaries
159.3 of all environmental justice areas in Minnesota. The determination of the geographic
159.4 boundaries of an environmental justice area may be appealed by filing a petition that contains
159.5 evidence to support amending the commissioner's determination. The petition must be
159.6 signed by at least 50 residents of census tracts within or adjacent to the environmental justice
159.7 area, as determined by the commissioner. The commissioner may, after reviewing the
159.8 petition, amend the boundaries of an environmental justice area.

159.9 (b) The commissioner must post updated maps of each environmental justice area in the
159.10 state on the agency website.

159.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

159.12 Sec. 30. **[116.196] GREEN INFRASTRUCTURE GRANT PROGRAM.**

159.13 Subdivision 1. **Establishment of program.** The commissioner must establish a green
159.14 infrastructure grant program to provide grants for green infrastructure projects.

159.15 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
159.16 meanings given.

159.17 (b) "Commissioner" means the commissioner of the Pollution Control Agency.

159.18 (c) "Green infrastructure" has the meaning given in United States Code, title 33, section
159.19 1362, as amended through December 31, 2019, and also includes trails, bridges, roads, and
159.20 recreational amenities designed to mitigate stormwater impacts.

159.21 (d) "Political subdivision" means a county, home rule charter or statutory city, town, or
159.22 other political subdivision of the state.

159.23 (e) "Project" means a green infrastructure project or stormwater infrastructure project
159.24 to be owned and administered by a political subdivision.

159.25 (f) "Stormwater infrastructure" means a project that does one or more of the following:

159.26 (1) increases stormwater capacity or stormwater storage;

159.27 (2) addresses environmental damage caused by weather extremes;

159.28 (3) prevents localized flooding;

159.29 (4) creates stormwater systems that can manage flows from heavy rains;

159.30 (5) addresses public safety concerns caused by undersized stormwater systems; or

160.1 (6) ensures continuation of critical services during severe weather.

160.2 Subd. 3. **Eligibility.** A political subdivision is eligible to apply for and receive a grant
160.3 under this section.

160.4 Subd. 4. **Application.** An application by a political subdivision for a grant under this
160.5 section must be made at the time and in the form and manner prescribed by the commissioner.

160.6 Subd. 5. **Eligible project.** A grant may be used to acquire land or an interest in land,
160.7 predesign, design, renovate, construct, furnish, and equip a project.

160.8 Subd. 6. **Grants.** To be eligible for a grant under this section, a political subdivision
160.9 must timely submit an application to the commissioner and pass a resolution in support of
160.10 the project. The commissioner may give priority to a political subdivision that provides a
160.11 local match of funds for the project.

160.12 Sec. 31. **[116.943] PRODUCTS CONTAINING PFAS.**

160.13 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
160.14 the meanings given.

160.15 (b) "Adult mattress" means a mattress other than a crib mattress or toddler mattress.

160.16 (c) "Air care product" means a chemically formulated consumer product labeled to
160.17 indicate that the purpose of the product is to enhance or condition the indoor environment
160.18 by eliminating odors or freshening the air.

160.19 (d) "Automotive maintenance product" means a chemically formulated consumer product
160.20 labeled to indicate that the purpose of the product is to maintain the appearance of a motor
160.21 vehicle, including products for washing, waxing, polishing, cleaning, or treating the exterior
160.22 or interior surfaces of motor vehicles. Automotive maintenance product does not include
160.23 automotive paint or paint repair products.

160.24 (e) "Carpet or rug" means a fabric marketed or intended for use as a floor covering.

160.25 (f) "Cleaning product" means a finished product used primarily for domestic, commercial,
160.26 or institutional cleaning purposes, including but not limited to an air care product, an
160.27 automotive maintenance product, a general cleaning product, or a polish or floor maintenance
160.28 product.

160.29 (g) "Commissioner" means the commissioner of the Pollution Control Agency.

161.1 (h) "Cookware" means durable houseware items used to prepare, dispense, or store food,
161.2 foodstuffs, or beverages. Cookware includes but is not limited to pots, pans, skillets, grills,
161.3 baking sheets, baking molds, trays, bowls, and cooking utensils.

161.4 (i) "Cosmetic" means articles, excluding soap:

161.5 (1) intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise
161.6 applied to the human body or any part thereof for the purpose of cleansing, beautifying,
161.7 promoting attractiveness, or altering the appearance; and

161.8 (2) intended for use as a component of any such article.

161.9 (j) "Currently unavoidable use" means a use of PFAS that the commissioner has
161.10 determined by rule under this section to be essential for health, safety, or the functioning
161.11 of society and for which alternatives are not reasonably available.

161.12 (k) "Fabric treatment" means a substance applied to fabric to give the fabric one or more
161.13 characteristics, including but not limited to stain resistance or water resistance.

161.14 (l) "Intentionally added" means PFAS deliberately added during the manufacture of a
161.15 product where the continued presence of PFAS is desired in the final product or one of the
161.16 product's components to perform a specific function.

161.17 (m) "Juvenile product" means a product designed or marketed for use by infants and
161.18 children under 12 years of age:

161.19 (1) including but not limited to a baby or toddler foam pillow; bassinet; bedside sleeper;
161.20 booster seat; changing pad; child restraint system for use in motor vehicles and aircraft;
161.21 co-sleeper; crib mattress; highchair; highchair pad; infant bouncer; infant carrier; infant
161.22 seat; infant sleep positioner; infant swing; infant travel bed; infant walker; nap cot; nursing
161.23 pad; nursing pillow; play mat; playpen; play yard; polyurethane foam mat, pad, or pillow;
161.24 portable foam nap mat; portable infant sleeper; portable hook-on chair; soft-sided portable
161.25 crib; stroller; and toddler mattress; and

161.26 (2) not including a children's electronic product such as a personal computer, audio and
161.27 video equipment, calculator, wireless phone, game console, handheld device incorporating
161.28 a video screen, or any associated peripheral such as a mouse, keyboard, power supply unit,
161.29 or power cord; a medical device; or an adult mattress.

161.30 (n) "Manufacturer" means the person that creates or produces a product or whose brand
161.31 name is affixed to the product. In the case of a product imported into the United States,
161.32 manufacturer includes the importer or first domestic distributor of the product if the person

162.1 that manufactured or assembled the product or whose brand name is affixed to the product
162.2 does not have a presence in the United States.

162.3 (o) "Medical device" has the meaning given "device" under United States Code, title
162.4 21, section 321, subsection (h).

162.5 (p) "Perfluoroalkyl and polyfluoroalkyl substances" or "PFAS" means a class of
162.6 fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

162.7 (q) "Product" means an item manufactured, assembled, packaged, or otherwise prepared
162.8 for sale to consumers, including but not limited to its product components, sold or distributed
162.9 for personal, residential, commercial, or industrial use, including for use in making other
162.10 products.

162.11 (r) "Product component" means an identifiable component of a product, regardless of
162.12 whether the manufacturer of the product is the manufacturer of the component.

162.13 (s) "Ski wax" means a lubricant applied to the bottom of snow runners, including but
162.14 not limited to skis and snowboards, to improve their grip or glide properties. Ski wax includes
162.15 related tuning products.

162.16 (t) "Textile" means an item made in whole or part from a natural or synthetic fiber, yarn,
162.17 or fabric. Textile includes but is not limited to leather, cotton, silk, jute, hemp, wool, viscose,
162.18 nylon, and polyester.

162.19 (u) "Textile furnishings" means textile goods of a type customarily used in households
162.20 and businesses, including but not limited to draperies, floor coverings, furnishings, bedding,
162.21 towels, and tablecloths.

162.22 (v) "Upholstered furniture" means an article of furniture that is designed to be used for
162.23 sitting, resting, or reclining and that is wholly or partly stuffed or filled with any filling
162.24 material.

162.25 Subd. 2. **Information required.** (a) On or before January 1, 2026, a manufacturer of a
162.26 product sold, offered for sale, or distributed in the state that contains intentionally added
162.27 PFAS must submit to the commissioner information that includes:

162.28 (1) a brief description of the product, including a universal product code (UPC), stock
162.29 keeping unit (SKU), or other numeric code assigned to the product;

162.30 (2) the purpose for which PFAS are used in the product, including in any product
162.31 components;

163.1 (3) the amount of each PFAS, identified by its chemical abstracts service registry number,
163.2 in the product, reported as an exact quantity determined using commercially available
163.3 analytical methods or as falling within a range approved for reporting purposes by the
163.4 commissioner;

163.5 (4) the name and address of the manufacturer and the name, address, and phone number
163.6 of a contact person for the manufacturer; and

163.7 (5) any additional information requested by the commissioner as necessary to implement
163.8 the requirements of this section.

163.9 (b) With the approval of the commissioner, a manufacturer may supply the information
163.10 required in paragraph (a) for a category or type of product rather than for each individual
163.11 product.

163.12 (c) A manufacturer must submit the information required under this subdivision whenever
163.13 a new product is sold, offered for sale, or distributed in the state and update and revise the
163.14 information whenever there is significant change in the information or when requested to
163.15 do so by the commissioner.

163.16 (d) A person may not sell, offer for sale, or distribute for sale in the state a product
163.17 containing intentionally added PFAS if the manufacturer has failed to provide the information
163.18 required under this subdivision and the person has received notification under subdivision
163.19 4.

163.20 Subd. 3. **Information requirement waivers; extensions.** (a) The commissioner may
163.21 waive all or part of the information requirement under subdivision 2 if the commissioner
163.22 determines that substantially equivalent information is already publicly available.

163.23 (b) The commissioner may enter into an agreement with one or more other states or
163.24 political subdivisions of a state to collect information and may accept information to a shared
163.25 system as meeting the information requirement under subdivision 2.

163.26 (c) The commissioner may extend the deadline for submission by a manufacturer of the
163.27 information required under subdivision 2 if the commissioner determines that more time is
163.28 needed by the manufacturer to comply with the submission requirement.

163.29 (d) The commissioner may grant a waiver under this subdivision to a manufacturer or
163.30 a group of manufacturers for multiple products or a product category.

163.31 Subd. 4. **Testing required and certificate of compliance.** (a) If the commissioner has
163.32 reason to believe that a product contains intentionally added PFAS and the product is being
163.33 offered for sale in the state, the commissioner may direct the manufacturer of the product

164.1 to, within 30 days, provide the commissioner with testing results that demonstrate the amount
164.2 of each of the PFAS, identified by its chemical abstracts service registry number, in the
164.3 product, reported as an exact quantity determined using commercially available analytical
164.4 methods or as falling within a range approved for reporting purposes by the commissioner.

164.5 (b) If testing demonstrates that the product does not contain intentionally added PFAS,
164.6 the manufacturer must provide the commissioner a certificate attesting that the product does
164.7 not contain intentionally added PFAS, including testing results and any other relevant
164.8 information.

164.9 (c) If testing demonstrates that the product contains intentionally added PFAS, the
164.10 manufacturer must provide the commissioner with the testing results and the information
164.11 required under subdivision 2.

164.12 (d) A manufacturer must notify persons who sell or offer for sale a product prohibited
164.13 under subdivision 2 or 5 that the sale of that product is prohibited in this state and provide
164.14 the commissioner with a list of the names and addresses of those notified.

164.15 (e) The commissioner may notify persons who sell or offer for sale a product prohibited
164.16 under subdivision 2 or 5 that the sale of that product is prohibited in this state.

164.17 Subd. 5. **Prohibitions.** (a) Beginning January 1, 2025, a person may not sell, offer for
164.18 sale, or distribute for sale in this state the following products if the product contains
164.19 intentionally added PFAS:

164.20 (1) carpets or rugs;

164.21 (2) cleaning products;

164.22 (3) cookware;

164.23 (4) cosmetics;

164.24 (5) dental floss;

164.25 (6) fabric treatments;

164.26 (7) juvenile products;

164.27 (8) menstruation products;

164.28 (9) textile furnishings;

164.29 (10) ski wax; or

164.30 (11) upholstered furniture.

165.1 (b) The commissioner may by rule identify products by category or use that may not be
165.2 sold, offered for sale, or distributed for sale in this state if they contain intentionally added
165.3 PFAS and designate effective dates. Effective dates must begin no earlier than January 1,
165.4 2025, and no later than January 2, 2032. The commissioner must prioritize the prohibition
165.5 of the sale of product categories that, in the commissioner's judgment, are most likely to
165.6 contaminate or harm the state's environment and natural resources if they contain intentionally
165.7 added PFAS. The commissioner may exempt products by rule when the use of PFAS is a
165.8 currently unavoidable use as determined by the commissioner.

165.9 (c) Beginning January 1, 2032, a person may not sell, offer for sale, or distribute for sale
165.10 in this state any product that contains intentionally added PFAS, unless the commissioner
165.11 has determined by rule that the use of PFAS in the product is a currently unavoidable use.
165.12 The commissioner may specify specific products or product categories for which the
165.13 commissioner has determined the use of PFAS is a currently unavoidable use.

165.14 Subd. 6. **Fees.** The commissioner may establish by rule a fee payable by a manufacturer
165.15 to the commissioner upon submission of the information required under subdivision 2 to
165.16 cover the agency's reasonable costs to implement this section. Fees collected under this
165.17 subdivision must be deposited in an account in the environmental fund.

165.18 Subd. 7. **Enforcement.** (a) The commissioner may enforce this section under sections
165.19 115.071 and 116.072. The commissioner may coordinate with the commissioners of
165.20 commerce and health in enforcing this section.

165.21 (b) When requested by the commissioner, a person must furnish to the commissioner
165.22 any information that the person may have or may reasonably obtain that is relevant to show
165.23 compliance with this section.

165.24 Subd. 8. **Exemptions.** This section does not apply to:

165.25 (1) a product for which federal law governs the presence of PFAS in the product in a
165.26 manner that preempts state authority;

165.27 (2) a product regulated under section 325F.072 or 325F.075; or

165.28 (3) the sale or resale of a used product.

165.29 Subd. 9. **Rules.** The commissioner may adopt rules necessary to implement this section.
165.30 Section 14.125 does not apply to the commissioner's rulemaking authority under this section.

166.1 Sec. 32. Minnesota Statutes 2022, section 116C.03, subdivision 2a, is amended to read:

166.2 Subd. 2a. **Public members.** The membership terms, compensation, removal, and filling
 166.3 of vacancies of public members of the board shall be as provided in section 15.0575, except
 166.4 that a public member may be compensated at the rate of up to \$125 a day.

166.5 Sec. 33. Minnesota Statutes 2022, section 325E.046, is amended to read:

166.6 **325E.046 STANDARDS FOR LABELING PLASTIC BAGS, FOOD OR**
 166.7 **BEVERAGE PRODUCTS, AND PACKAGING.**

166.8 Subdivision 1. **"Biodegradable" label.** A manufacturer, distributor, or wholesaler may
 166.9 not sell or offer for sale and any other person may not knowingly sell or offer for sale in
 166.10 this state a plastic bag covered product labeled "biodegradable," "degradable,"
 166.11 "decomposable," or any form of those terms, or in any way imply that the bag covered
 166.12 product will chemically decompose into innocuous elements in a reasonably short period
 166.13 of time in a landfill, composting, or other terrestrial environment unless a scientifically
 166.14 based standard for biodegradability is developed and the bags are certified as meeting the
 166.15 standard: break down, fragment, degrade, biodegrade, or decompose in a landfill or other
 166.16 environment, unless an ASTM standard specification is adopted for the term claimed and
 166.17 the product is certified as meeting the specification in compliance with the provisions of
 166.18 subdivision 2a.

166.19 Subd. 2. **"Compostable" label.** (a) A manufacturer, distributor, or wholesaler may not
 166.20 sell or offer for sale and any other person may not knowingly sell or offer for sale in this
 166.21 state a plastic bag covered product labeled "compostable" unless, at the time of sale or offer
 166.22 for sale, the bag covered product:

166.23 (1) meets the ASTM Standard Specification for Compostable Labeling of Plastics
 166.24 Designed to be Aerobically Composted in Municipal or Industrial Facilities (D6400). Each
 166.25 bag must be labeled to reflect that it meets the standard. For purposes of this subdivision,
 166.26 "ASTM" has the meaning given in section 296A.01, subdivision 6, or its successor or the
 166.27 ASTM Standard Specification for Labeling of End Items that Incorporate Plastics and
 166.28 Polymers as Coatings or Additives with Paper and Other Substrates Designed to be
 166.29 Aerobically Composted in Municipal or Industrial Facilities (D6868) or its successor, and
 166.30 the covered product is labeled to reflect that it meets the specification;

166.31 (2) is comprised of only wood without any coatings or additives; or

166.32 (3) is comprised of only paper without any coatings or additives.

167.1 (b) A covered product labeled "compostable" and meeting the criteria under paragraph
167.2 (a) must be clearly and prominently labeled on the product, or on the product's smallest unit
167.3 of sale, to reflect that it is intended for an industrial or commercial compost facility. The
167.4 label required under this paragraph must be in a legible text size and font.

167.5 Subd. 2a. **Certification of products.** Beginning January 1, 2026, a manufacturer,
167.6 distributor, or wholesaler may not sell or offer for sale and any other person may not
167.7 knowingly sell or offer for sale in this state a covered product labeled as "biodegradable"
167.8 or "compostable" unless the covered product is certified as meeting the requirements of
167.9 subdivision 1 or 2, as applicable, by an entity that:

167.10 (1) is a nonprofit corporation;

167.11 (2) as its primary focus of operation, promotes the production, use, and appropriate end
167.12 of life for materials and products that are designed to fully biodegrade in specific biologically
167.13 active environments such as industrial composting; and

167.14 (3) is technically capable of and willing to perform analysis necessary to determine a
167.15 product's compliance with subdivision 1 or 2, as applicable.

167.16 Subd. 3. **Enforcement; civil penalty; injunctive relief.** (a) A ~~manufacturer, distributor,~~
167.17 ~~or wholesaler~~ person who violates ~~subdivision 1 or 2~~ this section is subject to a civil or
167.18 administrative penalty of \$100 for each prepackaged saleable unit sold or offered for sale
167.19 up to a maximum of \$5,000 and may be enjoined from those violations.

167.20 (b) The attorney general may bring an action in the name of the state in a court of
167.21 competent jurisdiction for recovery of civil penalties or for injunctive relief as provided in
167.22 this subdivision. The attorney general may accept an assurance of discontinuance of acts
167.23 in violation of ~~subdivision 1 or 2~~ this section in the manner provided in section 8.31,
167.24 subdivision 2b.

167.25 (c) The commissioner of the Pollution Control Agency may enforce this section under
167.26 sections 115.071 and 116.072. The commissioner may coordinate with the commissioners
167.27 of commerce and health in enforcing this section.

167.28 (d) When requested by the commissioner of the Pollution Control Agency, a person
167.29 selling or offering for sale a covered product labeled as "compostable" must furnish to the
167.30 commissioner any information that the person may have or may reasonably obtain that is
167.31 relevant to show compliance with this section.

167.32 Subd. 4. **Definitions.** For purposes of this section, the following terms have the meanings
167.33 given:

168.1 (1) "ASTM" has the meaning given in section 296A.01, subdivision 6;

168.2 (2) "covered product" means a bag, food or beverage product, or packaging;

168.3 (3) "food or beverage product" means a product that is used to wrap, package, contain,
168.4 serve, store, prepare, or consume a food or beverage, such as plates, bowls, cups, lids, trays,
168.5 straws, utensils, and hinged or lidded containers; and

168.6 (4) "packaging" has the meaning given in section 115A.03, subdivision 22b.

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

168.8 Sec. 34. **[325E.3892] LEAD AND CADMIUM IN CONSUMER PRODUCTS;**

168.9 **PROHIBITION.**

168.10 Subdivision 1. **Definitions.** For purposes of this section, "covered product" means any
168.11 of the following products or product components:

168.12 (1) jewelry;

168.13 (2) toys;

168.14 (3) cosmetics and personal care products;

168.15 (4) puzzles, board games, card games, and similar games;

168.16 (5) play sets and play structures;

168.17 (6) outdoor games;

168.18 (7) school supplies;

168.19 (8) pots and pans;

168.20 (9) cups, bowls, and other food containers;

168.21 (10) craft supplies and jewelry-making supplies;

168.22 (11) chalk, crayons, paints, and other art supplies;

168.23 (12) fidget spinners;

168.24 (13) costumes, costume accessories, and children's and seasonal party supplies;

168.25 (14) keys, key chains, and key rings; and

168.26 (15) clothing, footwear, headwear, and accessories.

168.27 Subd. 2. **Prohibition.** (a) A person must not import, manufacture, sell, hold for sale, or
168.28 distribute or offer for use in this state any covered product containing:

169.1 (1) lead at more than 0.009 percent by total weight (90 parts per million); or

169.2 (2) cadmium at more than 0.0075 percent by total weight (75 parts per million).

169.3 (b) This section does not apply to covered products containing lead or cadmium, or both,
169.4 when regulation is preempted by federal law.

169.5 Subd. 3. **Enforcement.** (a) The commissioners of the Pollution Control Agency,
169.6 commerce, and health may coordinate to enforce this section. The commissioner of the
169.7 Pollution Control Agency or commerce may, with the attorney general, enforce any federal
169.8 restrictions on the sale of products containing lead or cadmium, or both, as allowed under
169.9 federal law. The commissioner of the Pollution Control Agency may enforce this section
169.10 under sections 115.071 and 116.072. The commissioner of commerce may enforce this
169.11 section under sections 45.027, subdivisions 1 to 6; 325F.10 to 325F.12; and 325F.14 to
169.12 325F.16. The attorney general may enforce this section under section 8.31.

169.13 (b) When requested by the commissioner of the Pollution Control Agency, the
169.14 commissioner of commerce, or the attorney general, a person must furnish to the
169.15 commissioner or attorney general any information that the person may have or may
169.16 reasonably obtain that is relevant to show compliance with this section.

169.17 Sec. 35. Minnesota Statutes 2022, section 325F.072, subdivision 1, is amended to read:

169.18 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
169.19 the meanings given.

169.20 (b) "Class B firefighting foam" means foam designed ~~for flammable liquid fires to~~
169.21 prevent or extinguish a fire in flammable liquids, combustible liquids, petroleum greases,
169.22 tars, oils, oil-based paints, solvents, lacquers, alcohols, and flammable gases.

169.23 (c) "PFAS chemicals" or "perfluoroalkyl and polyfluoroalkyl substances" means, ~~for~~
169.24 ~~the purposes of firefighting agents,~~ a class of fluorinated organic chemicals containing at
169.25 least one fully fluorinated carbon atom ~~and designed to be fully functional in class B~~
169.26 ~~firefighting foam formulations.~~

169.27 (d) "Political subdivision" means a county, city, town, or a metropolitan airports
169.28 commission organized and existing under sections 473.601 to 473.679.

169.29 (e) "State agency" means an agency as defined in section 16B.01, subdivision 2.

169.30 (f) "Testing" means calibration testing, conformance testing, and fixed system testing.

170.1 Sec. 36. Minnesota Statutes 2022, section 325F.072, subdivision 3, is amended to read:

170.2 Subd. 3. **Prohibition of testing and training.** (a) ~~Beginning July 1, 2020,~~ No person,
170.3 political subdivision, or state agency shall ~~discharge class B firefighting foam that contains~~
170.4 ~~intentionally added~~ manufacture or knowingly sell, offer for sale, distribute for sale, or
170.5 distribute for use in this state, and no person shall use in this state, class B firefighting foam
170.6 containing PFAS chemicals:

170.7 (1) ~~for testing purposes, unless the testing facility has implemented appropriate~~
170.8 ~~containment, treatment, and disposal measures to prevent releases of foam to the environment;~~
170.9 ~~or~~

170.10 (2) ~~for training purposes, unless otherwise required by law, and with the condition that~~
170.11 ~~the training event has implemented appropriate containment, treatment, and disposal measures~~
170.12 ~~to prevent releases of foam to the environment. For training purposes, class B foam that~~
170.13 ~~contains intentionally added PFAS chemicals shall not be used.~~

170.14 (b) ~~This section does not restrict:~~

170.15 (1) ~~the manufacture, sale, or distribution of class B firefighting foam that contains~~
170.16 ~~intentionally added PFAS chemicals; or~~

170.17 (2) ~~the discharge or other use of class B firefighting foams that contain intentionally~~
170.18 ~~added PFAS chemicals in emergency firefighting or fire prevention operations.~~

170.19 (b) This subdivision does not apply to the manufacture, sale, distribution, or use of class
170.20 B firefighting foam for which the inclusion of PFAS chemicals is required by federal law,
170.21 including but not limited to Code of Federal Regulations, title 14, section 139.317. If a
170.22 federal requirement to include PFAS chemicals in class B firefighting foam is revoked after
170.23 January 1, 2024, class B firefighting foam subject to the revoked requirements is no longer
170.24 exempt under this paragraph effective one year after the day of revocation.

170.25 (c) This subdivision does not apply to the manufacture, sale, distribution, or use of class
170.26 B firefighting foam for purposes of use at an airport, as defined under section 360.013,
170.27 subdivision 39, until the state fire marshal makes a determination that:

170.28 (1) the Federal Aviation Administration has provided policy guidance on the transition
170.29 to fluorine-free firefighting foam;

170.30 (2) a fluorine-free firefighting foam product is included in the Federal Aviation
170.31 Administration's Qualified Product Database; and

171.1 (3) a firefighting foam product included in the database under clause (2) is commercially
171.2 available in quantities sufficient to reliably meet the requirements under Code of Federal
171.3 Regulations, title 14, part 139.

171.4 (d) Until the state fire marshal makes a determination under paragraph (c), the operator
171.5 of an airport using class B firefighting foam containing PFAS chemicals must, on or before
171.6 December 31 each calendar year, submit a report to the state fire marshal regarding the
171.7 status of the airport's conversion to class B firefighting foam products without intentionally
171.8 added PFAS, the disposal of class B firefighting foam products with intentionally added
171.9 PFAS, and an assessment of the factors listed in paragraph (c) as applied to the airport.

171.10 **EFFECTIVE DATE.** This section is effective January 1, 2024.

171.11 Sec. 37. Minnesota Statutes 2022, section 325F.072, is amended by adding a subdivision
171.12 to read:

171.13 Subd. 3a. **Discharge for testing and training.** A person, political subdivision, or state
171.14 agency exempted from the prohibitions under subdivision 3 may not discharge class B
171.15 firefighting foam that contains intentionally added PFAS chemicals for:

171.16 (1) testing purposes, unless the testing facility has implemented appropriate containment,
171.17 treatment, and disposal measures to prevent releases of foam to the environment; or

171.18 (2) training purposes, unless otherwise required by law, and with the condition that the
171.19 training event has implemented appropriate containment, treatment, and disposal measures
171.20 to prevent releases of foam to the environment.

171.21 **EFFECTIVE DATE.** This section is effective January 1, 2024.

171.22 Sec. 38. **TREATED SEED WASTE DISPOSAL RULEMAKING.**

171.23 The commissioner of the Pollution Control Agency, in consultation with the commissioner
171.24 of agriculture and the University of Minnesota, must adopt rules under Minnesota Statutes,
171.25 chapter 14, providing for the safe and lawful disposal of waste treated seed. The rules must
171.26 clearly identify the regulatory jurisdiction of state agencies and local governments with
171.27 regard to such seed. Additional Department of Agriculture staff will not be hired until
171.28 rulemaking is completed.

171.29 Sec. 39. **AIR TOXICS EMISSIONS; RULEMAKING.**

171.30 Subdivision 1. **Definitions.** For the purposes of this section:

171.31 (1) "agency" means the Minnesota Pollution Control Agency;

172.1 (2) "air toxics" has the meaning given in Minnesota Statutes, section 116.062;

172.2 (3) "commissioner" means the commissioner of the Minnesota Pollution Control Agency;

172.3 (4) "continuous emission monitoring system" has the meaning given in Minnesota Rules,
172.4 part 7017.1002, subpart 4;

172.5 (5) "environmental justice area" means one or more census tracts in Minnesota:

172.6 (i) in which, based on the most recent data published by the United States Census Bureau:

172.7 (A) 40 percent or more of the population is nonwhite;

172.8 (B) 35 percent or more of the households have an income at or below 200 percent of the
172.9 federal poverty level; or

172.10 (C) 40 percent or more of the population over the age of five has limited English
172.11 proficiency; or

172.12 (ii) located within Indian Country, as defined in United States Code, title 18, section
172.13 1151;

172.14 (6) "performance test" has the meaning given in Minnesota Rules, part 7017.2005,
172.15 subpart 4; and

172.16 (7) "volatile organic compound" has the meaning given in Minnesota Rules, part
172.17 7005.0100, subpart 45.

172.18 Subd. 2. **Application.** This section applies to facilities that emit air toxics and are located
172.19 in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington.

172.20 Subd. 3. **Rulemaking required.** The commissioner shall adopt rules under Minnesota
172.21 Statutes, chapter 14, to implement and govern regulation of facilities that emit air toxics.
172.22 Notwithstanding Minnesota Statutes, section 14.125, the agency must publish notice of
172.23 intent to adopt rules within 36 months of the effective date of this act, or the authority for
172.24 the rules expires.

172.25 Subd. 4. **Content of rules.** (a) The rules required under subdivision 3 must address, at
172.26 a minimum:

172.27 (1) specific air toxics to be regulated, including, at a minimum, those defined in
172.28 subdivision 1;

172.29 (2) types of facilities to be regulated, including, at a minimum, facilities that have been
172.30 issued an air quality permit by the commissioner, other than an Option B registration permit
172.31 under Minnesota Rules, part 7007.1120, and that:

- 173.1 (i) emit air toxics, whether the emissions are limited in a permit or not; or
173.2 (ii) purchase or use material containing volatile organic compounds;
173.3 (3) performance tests conducted by facilities to measure the volume of air toxics emissions
173.4 and testing methods, procedures, protocols, and frequency;
173.5 (4) required monitoring of air emissions, including using continuous emission monitoring
173.6 systems for certain facilities, and monitoring of production inputs or other production
173.7 parameters;
173.8 (5) requirements for reporting information to the agency to assist the agency in
173.9 determining the amount of the facility's air toxics emissions and the facility's compliance
173.10 with emission limits in the facility's permit;
173.11 (6) record keeping related to air toxics emissions; and
173.12 (7) frequency of facility inspections and inspection activities that provide information
173.13 about air toxics emissions.
- 173.14 (b) In developing the rules, the commissioner must establish testing, monitoring,
173.15 reporting, record-keeping, and inspection requirements for facilities that reflect:
173.16 (1) the different risks to human health and the environment posed by the specific air
173.17 toxics and amounts emitted by a facility, such that facilities posing greater risks are required
173.18 to provide more frequent evidence of permit compliance, including but not limited to
173.19 performance tests, agency inspections, and reporting;
173.20 (2) the facility's record of compliance with air toxics emission limits and other permit
173.21 conditions; and
173.22 (3) any exposure of residents of an environmental justice area to the facility's air toxics
173.23 emissions.
- 173.24 Subd. 5. **Modifying permits.** Within three years after adopting the rules required in
173.25 subdivision 3, the commissioner must amend existing air quality permits, including but not
173.26 limited to federal permits, individual state total facility permits, and capped emission permits,
173.27 as necessary to conform with the rules.
- 173.28 Subd. 6. **Rulemaking cost.** The commissioner must collect the agency's costs to develop
173.29 the rulemaking required under this section and to conduct regulatory activities, including
173.30 but not limited to monitoring, inspection, and data collection and maintenance, required as
173.31 a result of the rulemaking through the annual fee paid by owners or operators of facilities

174.1 required to obtain air quality permits from the agency, as required under Minnesota Statutes,
174.2 section 116.07, subdivision 4d, paragraph (b).

174.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

174.4 Sec. 40. **POSITION ESTABLISHED; POLLUTION CONTROL AGENCY.**

174.5 The commissioner of the Pollution Control Agency must establish a new full-time
174.6 equivalent position of community liaison, funded through air quality permit fees, as specified
174.7 in Minnesota Statutes, section 116.07, subdivision 4d, to conduct the administrative tasks
174.8 necessary to successfully implement the nonexpiring permit public meeting requirements
174.9 under Minnesota Statutes, section 116.07, subdivision 4m, and other regulatory activities
174.10 requiring interaction between the agency and residents in communities exposed to air
174.11 pollutants emitted by facilities permitted by the agency.

174.12 Sec. 41. **COMMUNITY AIR-MONITORING SYSTEMS; PILOT GRANT**
174.13 **PROGRAM.**

174.14 Subdivision 1. **Definitions.** (a) For purposes of this section, the terms in this subdivision
174.15 have the meanings given.

174.16 (b) "Agency" means the Minnesota Pollution Control Agency.

174.17 (c) "Commissioner" means the commissioner of the Minnesota Pollution Control Agency.

174.18 (d) "Community air-monitoring system" means a system of devices monitoring ambient
174.19 air quality at many locations within a small geographic area that is subject to air pollution
174.20 from a variety of stationary and mobile sources in order to obtain frequent measurements
174.21 of pollution levels, to detect differences in exposure to pollution over distances no larger
174.22 than a city block, and to identify areas where pollution levels are inordinately elevated.

174.23 (e) "Environmental justice area" means one or more census tracts in Minnesota:

174.24 (1) in which, based on the most recent data published by the United States Census Bureau:

174.25 (i) 40 percent or more of the population is nonwhite;

174.26 (ii) 35 percent or more of the households have an income at or below 200 percent of the
174.27 federal poverty level; or

174.28 (iii) 40 percent or more of the population over the age of five has limited English
174.29 proficiency; or

174.30 (2) located within Indian Country, as defined in United State Code, title 18, section 1151.

175.1 (f) "Nonprofit organization" means an organization that is exempt from taxation under
175.2 section 501(c)(3) of the Internal Revenue Code.

175.3 Subd. 2. **Establishing program.** A pilot grant program for community air-monitoring
175.4 systems is established in the agency to measure air pollution levels at many locations within
175.5 an environmental justice area in Minneapolis.

175.6 Subd. 3. **Eligible applicants.** Grants under this section may be awarded to applicants
175.7 consisting of a partnership between a nonprofit organization located in or working with
175.8 residents located in an environmental justice area in which the community air-monitoring
175.9 system is to be deployed and an entity that has experience deploying, operating, and
175.10 interpreting data from air-monitoring systems.

175.11 Subd. 4. **Eligible projects.** Grants may be awarded under this section to applicants
175.12 whose proposals:

175.13 (1) use a variety of air-monitoring technologies approved for use by the commissioner,
175.14 including but not limited to stationary monitors, sensor-based handheld devices, and mobile
175.15 devices that can be attached to vehicles or drones to measure air pollution levels;

175.16 (2) obtain data at fixed locations and from handheld monitoring devices that are carried
175.17 by residents of the community on designated walking routes in the targeted community and
175.18 that can provide high-frequency measurements;

175.19 (3) use the monitoring data to generate maps of pollution levels throughout the monitored
175.20 area; and

175.21 (4) provide monitoring data to the agency to help inform:

175.22 (i) agency decisions, including placement of the agency's stationary air monitors and
175.23 the development of programs to reduce air emissions that impact environmental justice
175.24 areas; and

175.25 (ii) decisions by other governmental bodies regarding transportation or land use planning.

175.26 Subd. 5. **Eligible expenditures.** Grants may be used only for:

175.27 (1) planning the configuration and deployment of the community air-monitoring system;

175.28 (2) purchasing and installing air-monitoring devices as part of the community
175.29 air-monitoring system;

175.30 (3) training and paying persons to operate stationary, handheld, and mobile devices to
175.31 measure air pollution;

176.1 (4) developing data and mapping systems to analyze, organize, and present the
176.2 air-monitoring data collected; and

176.3 (5) writing a final report on the project, as required under subdivision 9.

176.4 **Subd. 6. Application and grant award process.** An eligible applicant must submit an
176.5 application to the commissioner on a form prescribed by the commissioner. The
176.6 commissioner must develop administrative procedures governing the application and grant
176.7 award process. The commissioner must act as fiscal agent for the grant program and is
176.8 responsible for receiving and reviewing grant applications and awarding grants under this
176.9 section.

176.10 **Subd. 7. Grant awards; priorities.** In awarding grants under this section, the
176.11 commissioner must give priority to proposed projects that:

176.12 (1) take place in areas with high rates of illness associated with exposure to air pollution,
176.13 including asthma, chronic obstructive pulmonary disease, heart disease, chronic bronchitis,
176.14 and cancer;

176.15 (2) promote public access to and transparency of air-monitoring data developed through
176.16 the project; and

176.17 (3) conduct outreach activities to promote community awareness of and engagement
176.18 with the project.

176.19 **Subd. 8. Report to agency.** No later than 90 days after a project ends, a grantee must
176.20 submit a written report to the commissioner describing the project's findings and results
176.21 and any recommendations for agency actions, programs, or activities to reduce levels of air
176.22 pollution measured by the community air-monitoring system. The grantee must also submit
176.23 to the commissioner all air-monitoring data developed by the project.

176.24 **Subd. 9. Report to legislature.** No later than March 15, 2025, the commissioner must
176.25 submit a report to the chairs and ranking minority members of the legislative committees
176.26 with primary jurisdiction over environment policy and finance on the results of the grant
176.27 program, including:

176.28 (1) any changes in the agency's air-monitoring network that will occur as a result of data
176.29 developed under the program;

176.30 (2) any actions the agency has taken or proposes to take to reduce levels of pollution
176.31 that impact the environmental justice areas that received grants under the program; and

177.1 (3) any recommendations for legislation, including whether the program should be
177.2 extended or expanded.

177.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

177.4 Sec. 42. **PETROLEUM TANK RELEASE CLEANUP; REPORT.**

177.5 The commissioner of the Pollution Control Agency must perform the duties under clauses
177.6 (1) to (5) with respect to the petroleum tank release cleanup program governed by Minnesota
177.7 Statutes, chapter 115C, and must, no later than January 15, 2025, report the results to the
177.8 chairs and ranking minority members of the senate and house of representatives committees
177.9 with primary jurisdiction over environment policy and finance. The report must include any
177.10 recommendations for legislation. The commissioner must:

177.11 (1) explicitly define the conditions that must be present in order for the commissioner
177.12 to classify a site as posing a low potential risk to public health and the environment and
177.13 ensure that all agency staff use the definition in assessing potential risks. In determining
177.14 the conditions that indicate that a site poses a low risk, the commissioner must consider
177.15 relevant site conditions, including but not limited to the nature of groundwater flow, soil
177.16 type, and proximity of features at or near the site that could potentially become contaminated;

177.17 (2) develop guidelines to incorporate consideration of potential future uses of a
177.18 contaminated property into all agency staff decisions regarding site remediation;

177.19 (3) develop scientifically based and measurable technical standards that allow the quality
177.20 of the agency's performance in remediating petroleum-contaminated properties to be
177.21 evaluated and conduct such evaluations periodically;

177.22 (4) in collaboration with the Petroleum Tank Release Compensation Board and the
177.23 commissioner of commerce, examine whether and how to establish technical qualifications
177.24 for consultants hired to remediate petroleum-contaminated properties as a strategy to improve
177.25 the quality of remediation work and how agencies can share information on consultant
177.26 performance; and

177.27 (5) in collaboration with the commissioner of commerce, make consultants who remediate
177.28 petroleum-contaminated sites more accountable for the quality of their work by:

177.29 (i) requiring a thorough evaluation of the past performance of a contractor being
177.30 considered for hire;

177.31 (ii) developing a formal system of measures and procedures by which to evaluate the
177.32 work; and

178.1 (iii) sharing evaluations with the commissioner of commerce and with responsible parties.

178.2 **EFFECTIVE DATE.** This section is effective the day following final enactment.

178.3 Sec. 43. **MANURE STORAGE AREA REPORTS REQUIRED.**

178.4 Subdivision 1. **Reports.** (a) No later than December 15, 2023, the commissioner of the
178.5 Pollution Control Agency must develop a list based on registration data for each county of
178.6 potentially abandoned manure storage areas.

178.7 (b) No later than January 15, 2025, each delegated county must report to the commissioner
178.8 of the Pollution Control Agency a list of abandoned manure storage areas located in the
178.9 county. The report must be submitted by the county feedlot officer.

178.10 (c) No later than January 15, 2025, the Pollution Control Agency regional feedlot staff
178.11 must compile a list of abandoned manure storage areas located in counties under their
178.12 regulatory jurisdiction that do not have delegation agreements with the agency.

178.13 (d) No later than February 15, 2025, the commissioner of the Pollution Control Agency
178.14 must submit a compilation report and list of abandoned manure storage areas to the legislative
178.15 committees with jurisdiction over agriculture and environment. The report must include
178.16 recommendations for remediation. The commissioner must seek advice from the Minnesota
178.17 Association of County Feedlot Officers and livestock associations for recommendations,
178.18 including existing and any proposed options for remediation.

178.19 (e) For purposes of this section, "abandoned manure storage areas" has the meaning
178.20 given in Minnesota Statutes, section 116.07, subdivision 7f.

178.21 (f) Reports and lists required under this section are not feedlot inventories for purposes
178.22 of Minnesota Statutes, section 116.07, subdivision 7b.

178.23 Subd. 2. **Delegated counties.** (a) Except as provided in paragraph (b), during the 2023
178.24 and 2024 delegation years, the commissioner of the Pollution Control Agency must not
178.25 penalize a delegated county for a performance issue or shortcoming attributable to the
178.26 county's reassignment of county feedlot officer resources necessary to comply with the
178.27 additional requirements imposed upon the county under subdivision 1.

178.28 (b) The commissioner may penalize a county during the 2023 or 2024 delegation year
178.29 for a performance issue or shortcoming attributable to the county's reassignment of county
178.30 feedlot officer resources only if the specific penalty is approved by a majority of the board
178.31 of the Minnesota Association of County Feedlot Officers.

179.1 **Sec. 44. PFAS MANUFACTURERS FEE WORK GROUP.**

179.2 The commissioner of the Pollution Control Agency, in cooperation with the
179.3 commissioners of revenue and management and budget, must establish a work group to
179.4 review options for collecting a fee from manufacturers of PFAS in the state. By February
179.5 15, 2024, the commissioner must submit a report to the chairs and ranking minority members
179.6 of the legislative committees and divisions with jurisdiction over environment and natural
179.7 resources with recommendations.

179.8 **Sec. 45. TEMPORARY EXEMPTION FOR TERMINALS AND OIL REFINERIES.**

179.9 Subdivision 1. **Temporary exemption.** Minnesota Statutes, section 325F.072, subdivision
179.10 3, does not apply to the manufacture, sale, distribution, or use of class B firefighting foam
179.11 for the purposes of use at a terminal or oil refinery until January 1, 2026.

179.12 Subd. 2. **Extension; waiver.** (a) A person who operates a terminal or oil refinery may
179.13 apply to the state fire marshal for a waiver to extend the exemption under subdivision 1
179.14 beyond January 1, 2026, as provided in this subdivision.

179.15 (b) The state fire marshal may grant a waiver to extend the exemption under subdivision
179.16 1 for a specific use if the applicant provides all of the following:

179.17 (1) clear and convincing evidence that there is no commercially available replacement
179.18 that does not contain intentionally added PFAS chemicals and that is capable of suppressing
179.19 fire for that specific use;

179.20 (2) information on the amount of firefighting foam containing intentionally added PFAS
179.21 chemicals stored, used, or released on-site on an annual basis;

179.22 (3) a detailed plan, with timelines, for the operator of the terminal or oil refinery to
179.23 transition to firefighting foam that does not contain intentionally added PFAS chemicals
179.24 for that specific use; and

179.25 (4) a plan for meeting the requirements under subdivision 3.

179.26 (c) The state fire marshal must ensure there is an opportunity for public comment during
179.27 the waiver process. The state fire marshal must consider both information provided by the
179.28 applicant and information provided through public comment when making a decision on
179.29 whether to grant a waiver. The term of a waiver must not exceed two years. The state fire
179.30 marshal must not grant a waiver for a specific use if any other terminal or oil refinery is
179.31 known to have transitioned to commercially available class B firefighting foam that does
179.32 not contain intentionally added PFAS chemicals for that specific use. All waivers must

180.1 expire by January 1, 2028. A person that anticipates applying for a waiver for a terminal or
180.2 oil refinery must submit a notice of intent to the state fire marshal by January 1, 2025, in
180.3 order to be considered for a waiver beyond January 1, 2026. The state fire marshal must
180.4 notify the waiver applicant of a decision within six months of the waiver submission date.

180.5 (d) The state fire marshal must provide an applicant for a waiver under this subdivision
180.6 an opportunity to:

180.7 (1) correct deficiencies when applying for a waiver; and

180.8 (2) provide evidence to dispute a determination that another terminal or oil refinery is
180.9 known to have transitioned to commercially available class B firefighting foam that does
180.10 not contain intentionally added PFAS chemicals for that specific use, including evidence
180.11 that the specific use is different.

180.12 Subd. 3. Use requirements. (a) A person that uses class B firefighting foam containing
180.13 intentionally added PFAS chemicals under this section must:

180.14 (1) implement tactics that have been demonstrated to prevent release directly to the
180.15 environment, such as to unsealed ground, soakage pits, waterways, or uncontrolled drains;

180.16 (2) attempt to fully contain all firefighting foams with PFAS on-site using demonstrated
180.17 practices designed to contain all PFAS releases;

180.18 (3) implement containment measures such as bunds and ponds that are controlled, are
180.19 impervious to PFAS chemicals, and do not allow fire water, wastewater, runoff, and other
180.20 wastes to be released to the environment, such as to soils, groundwater, waterways, or
180.21 stormwater; and

180.22 (4) dispose of all fire water, wastewater, runoff, impacted soils, and other wastes in a
180.23 way that prevents releases to the environment.

180.24 (b) A terminal or oil refinery that has received a waiver under this section may provide
180.25 and use class B firefighting foam containing intentionally added PFAS chemicals in the
180.26 form of mutual aid to another terminal or oil refinery at the request of authorities only if
180.27 the other terminal or oil refinery also has a waiver.

180.28 **EFFECTIVE DATE.** This section is effective January 1, 2024.

180.29 Sec. 46. **FIREFIGHTER TURNOUT GEAR; REPORT.**

180.30 (a) The commissioner of the Pollution Control Agency, in cooperation with the
180.31 commissioner of health, must submit a report to the chairs and ranking minority members
180.32 of the legislative committees and divisions with jurisdiction over environment and natural

181.1 resources regarding perfluoroalkyl and polyfluoroalkyl substances (PFAS) in turnout gear
181.2 by January 15, 2024. The report must include:

181.3 (1) current turnout gear requirements and options for eliminating or reducing PFAS in
181.4 turnout gear;

181.5 (2) current turnout gear disposal methods and recommendations for future disposal to
181.6 prevent PFAS contamination; and

181.7 (3) recommendations and protocols for PFAS biomonitoring in firefighters, including
181.8 a process for allowing firefighters to voluntarily register for biomonitoring.

181.9 (b) For the purposes of this section, "turnout gear" is the personal protective equipment
181.10 (PPE) used by firefighters.

181.11 **Sec. 47. PFAS WATER QUALITY STANDARDS.**

181.12 (a) The commissioner of the Pollution Control Agency must adopt rules establishing
181.13 water quality standards for:

181.14 (1) perfluorooctanoic acid (PFOA);

181.15 (2) perfluorooctane sulfonic acid (PFOS);

181.16 (3) perfluorononanoic acid (PFNA);

181.17 (4) hexafluoropropylene oxide dimer acid (HFPO-DA, commonly known as GenX
181.18 chemicals);

181.19 (5) perfluorohexane sulfonic acid (PFHxS); and

181.20 (6) perfluorobutane sulfonic acid (PFBS).

181.21 (b) The commissioner must adopt the rules establishing the water quality standards
181.22 required under this section by July 1, 2026, and Minnesota Statutes, section 14.125, does
181.23 not apply.

181.24 **Sec. 48. HEALTH RISK LIMIT; PERFLUOROOCTANE SULFONATE.**

181.25 By July 1, 2025, the commissioner of health must amend the health risk limit for
181.26 perfluorooctane sulfonate (PFOS) in Minnesota Rules, part 4717.7860, subpart 15, so that
181.27 the health risk limit does not exceed 0.015 parts per billion. In amending the health risk
181.28 limit for PFOS, the commissioner must comply with Minnesota Statutes, section 144.0751,
181.29 requiring a reasonable margin of safety to adequately protect the health of infants, children,
181.30 and adults.

182.1 **Sec. 49. PATH TO ZERO WASTE; REPORT.**

182.2 (a) By July 15, 2025, the commissioner of the Pollution Control Agency must conduct
182.3 a study and prepare a report that includes a pathway to achieve zero waste and submit the
182.4 report to the chairs and ranking minority members of the senate and house of representatives
182.5 committees with jurisdiction over environmental policy and finance and energy policy.

182.6 (b) The commissioner must seek outside technical support from certified zero-waste
182.7 experts to conduct the study and prepare the report. The report must abide by the
182.8 internationally peer-reviewed definition of zero waste and the zero-waste hierarchy as
182.9 codified by the Zero Waste International Alliance, and include:

182.10 (1) an overview of how municipal solid waste is currently managed;

182.11 (2) a summary of infrastructure, programs, and resources needed to reach zero waste
182.12 over a 2021 baseline by 2045 or sooner;

182.13 (3) an analysis that outlines the impact of different strategies to achieve zero waste;

182.14 (4) strategic policy initiatives that will be required to manage waste at the top of the
182.15 zero-waste hierarchy, as the state strives to achieve zero waste;

182.16 (5) a discussion of the feasibility, assumptions, and projected time frame for achieving
182.17 zero waste if proposed policies are implemented and necessary investments are made,
182.18 including the projected need for land disposal capacity based on the estimated growth in
182.19 waste generation and the practicable ability of existing technologies to reduce waste to avoid
182.20 disposal;

182.21 (6) recommendations for reducing the environmental and human health impacts of waste
182.22 disposal during the transition to zero waste, especially across environmental justice areas;

182.23 (7) a life cycle analysis comparing incineration and landfilling ash, direct use of
182.24 landfilling, and zero-waste implementation. This analysis must include, at a minimum, the
182.25 impacts of greenhouse gas emissions; toxic chemical pollutants, including cancer and
182.26 noncancer effects; particulate matter emissions; and smog formation from emissions of
182.27 nitrogen oxides and volatile organic compounds and their impacts on asthma and respiratory
182.28 health. The analysis must present the results so that the global warming and other health
182.29 and environmental impacts can be evaluated side-by-side using the same units, such as a
182.30 monetized social and environmental harm indicator. A separate environmental justice
182.31 analysis must be conducted, analyzing the demographics around any existing and proposed
182.32 waste disposal facilities. Using the best available data, the report must evaluate the costs of
182.33 each option and the impacts on local job support; and

183.1 (8) the role of nonburn alternatives in the destruction of problem materials such as
183.2 invasive species, pharmaceuticals, and perfluoroalkyl and polyfluoroalkyl substances.

183.3 (c) The commissioner must obtain input from counties and cities inside and outside the
183.4 seven-county metropolitan area, recycling and composting facilities, waste haulers,
183.5 environmental organizations, Tribal representatives, and other interested parties in preparing
183.6 the report. The development of the report must include stakeholder input from diverse
183.7 communities located in environmental justice areas that contain a waste facility. The
183.8 commissioner must provide for an open public comment period of at least 60 days on the
183.9 draft report. Written public comments and any commissioner responses must be included
183.10 in the final report.

183.11 **Sec. 50. REPORT REQUIRED; RECYCLING AND REUSING SOLAR**
183.12 **PHOTOVOLTAIC MODULES AND INSTALLATION COMPONENTS.**

183.13 (a) The commissioner of the Pollution Control Agency, in consultation with the
183.14 commissioners of commerce and employment and economic development, must coordinate
183.15 preparation of a report on developing a statewide system to reuse and recycle solar
183.16 photovoltaic modules and installation components in the state.

183.17 (b) The report must include options for a system to collect, reuse, and recycle solar
183.18 photovoltaic modules and installation components at end of life. Any system option included
183.19 in the report must be convenient and accessible throughout the state, recover 100 percent
183.20 of discarded components, and maximize value and materials recovery. Any system option
183.21 developed must include analysis of:

183.22 (1) the reuse and recycling values of solar photovoltaic modules, installation components,
183.23 and recovered materials;

183.24 (2) system infrastructure and technology needs;

183.25 (3) how to maximize in-state employment and economic development;

183.26 (4) net costs for the program; and

183.27 (5) potential benefits and negative impacts of the plan on environmental justice and
183.28 Tribal communities.

183.29 (c) The report must include a survey of solar photovoltaic modules and installation
183.30 components that are currently coming out of service and those projected to come out of
183.31 service in the future in Minnesota. The report must include a description of how solar
183.32 photovoltaic modules and installation components are currently being managed at end of

184.1 life and how they would likely be managed in the future without the proposed reuse and
184.2 recycling system.

184.3 (d) After completing the report, the commissioner must convene a working group to
184.4 advise on developing policy recommendations for a statewide system to manage solar
184.5 photovoltaic modules and installation components. The working group must include, but
184.6 is not limited to:

184.7 (1) the commissioners of commerce and employment and economic development or
184.8 their designees;

184.9 (2) representatives of the solar industry and electric utilities;

184.10 (3) representatives of state, local, and Tribal governments; and

184.11 (4) other relevant stakeholders.

184.12 (e) By January 15, 2025, the commissioner must submit the report and the policy
184.13 recommendations developed under this section to the chairs and ranking minority members
184.14 of the legislative committees and divisions with jurisdiction over environment and natural
184.15 resources policy and finance and energy policy and finance.

184.16 Sec. 51. **REVISOR INSTRUCTION.**

184.17 The revisor of statutes must change the term "master plan" or similar term to "plan"
184.18 wherever the term appears in Minnesota Statutes, sections 473.803 to 473.8441. The revisor
184.19 may make grammatical changes related to the term change.

184.20 Sec. 52. **REPEALER.**

184.21 Minnesota Statutes 2022, sections 115.44, subdivision 9; 116.011; 325E.389; and
184.22 325E.3891, are repealed.

184.23 **ARTICLE 4**

184.24 **NATURAL RESOURCES**

184.25 Section 1. Minnesota Statutes 2022, section 16A.152, subdivision 2, is amended to read:

184.26 Subd. 2. **Additional revenues; priority.** (a) If on the basis of a forecast of general fund
184.27 revenues and expenditures, the commissioner of management and budget determines that
184.28 there will be a positive unrestricted budgetary general fund balance at the close of the
184.29 biennium, the commissioner of management and budget must allocate money to the following
184.30 accounts and purposes in priority order:

185.1 (1) the cash flow account established in subdivision 1 until that account reaches
185.2 \$350,000,000;

185.3 (2) the budget reserve account established in subdivision 1a until that account reaches
185.4 \$2,377,399,000;

185.5 (3) the amount necessary to increase the aid payment schedule for school district aids
185.6 and credits payments in section 127A.45 to not more than 90 percent rounded to the nearest
185.7 tenth of a percent without exceeding the amount available and with any remaining funds
185.8 deposited in the budget reserve;

185.9 (4) the amount necessary to restore all or a portion of the net aid reductions under section
185.10 127A.441 and to reduce the property tax revenue recognition shift under section 123B.75,
185.11 subdivision 5, by the same amount;

185.12 (5) the amount necessary to increase the Minnesota 21st century fund by not more than
185.13 the difference between \$5,000,000 and the sum of the amounts credited and canceled to it
185.14 in the previous 12 months under Laws 2020, chapter 71, article 1, section 11, until the sum
185.15 of all transfers under this section and all amounts credited or canceled under Laws 2020,
185.16 chapter 71, article 1, section 11, equals \$20,000,000; ~~and~~

185.17 (6) the amount necessary to compensate the permanent school fund for lands in the
185.18 Lowland Conifer Carbon Reserve as required under section 88.85, subdivision 9; and

185.19 ~~(6)~~ (7) for a forecast in November only, the amount remaining after the transfer under
185.20 clause (5) must be used to reduce the percentage of accelerated June liability sales tax
185.21 payments required under section 289A.20, subdivision 4, paragraph (b), until the percentage
185.22 equals zero, rounded to the nearest tenth of a percent. By March 15 following the November
185.23 forecast, the commissioner must provide the commissioner of revenue with the percentage
185.24 of accelerated June liability owed based on the reduction required by this clause. By April
185.25 15 each year, the commissioner of revenue must certify the percentage of June liability
185.26 owed by vendors based on the reduction required by this clause.

185.27 (b) The amounts necessary to meet the requirements of this section are appropriated
185.28 from the general fund within two weeks after the forecast is released or, in the case of
185.29 transfers under paragraph (a), clauses (3) and (4), as necessary to meet the appropriations
185.30 schedules otherwise established in statute.

185.31 (c) The commissioner of management and budget shall certify the total dollar amount
185.32 of the reductions under paragraph (a), clauses (3) and (4), to the commissioner of education.
185.33 The commissioner of education shall increase the aid payment percentage and reduce the

186.1 property tax shift percentage by these amounts and apply those reductions to the current
186.2 fiscal year and thereafter.

186.3 Sec. 2. Minnesota Statutes 2022, section 84.02, is amended by adding a subdivision to
186.4 read:

186.5 Subd. 6c. **Restored prairie.** "Restored prairie" means a restoration that uses at least 25
186.6 representative and biologically diverse native prairie plant species and that occurs on land
186.7 that was previously cropped or used as pasture.

186.8 Sec. 3. Minnesota Statutes 2022, section 84.0274, subdivision 6, is amended to read:

186.9 Subd. 6. **State's responsibilities.** When the state proposes to purchase land for natural
186.10 resources purposes, the commissioner of natural resources and, where applicable, the
186.11 commissioner of administration shall have the following responsibilities:

186.12 (1) the responsibility to deal fairly and openly with the landowner in the purchase of
186.13 property;

186.14 (2) the responsibility to refrain from discussing price with the landowner before an
186.15 appraisal has been made. In addition, the same person shall not both appraise and negotiate
186.16 for purchase of a tract of land. This paragraph does not apply to the state when discussing
186.17 with a landowner the trout stream easement payment determined under section 84.0272,
186.18 subdivision 2, the native prairie bank easement payment determined under section 84.96,
186.19 subdivision 5, or the Camp Ripley's Army compatible use buffer easement payment
186.20 determined under section 84.0277, subdivision 2;

186.21 (3) the responsibility to use private fee appraisers to lower the state's acquisition costs
186.22 to the greatest extent practicable; and

186.23 (4) the responsibility to acquire land in as expeditious a manner as possible. No option
186.24 shall be made for a period of greater than two months if no survey is required or for nine
186.25 months if a survey is required, unless the landowner, in writing, expressly requests a longer
186.26 period of time. ~~Provided that, if county board approval of the transaction is required pursuant~~
186.27 ~~to section 97A.145, no time limits shall apply.~~ If the state elects not to purchase property
186.28 upon which it has an option, it shall pay the landowner \$500 after the expiration of the
186.29 option period. If the state elects to purchase the property, unless the landowner elects
186.30 otherwise, payment to the landowner shall be made no later than 90 days following the
186.31 state's election to purchase the property provided that the title is marketable and the owner
186.32 acts expeditiously to complete the transaction.

187.1 Sec. 4. Minnesota Statutes 2022, section 84.0276, is amended to read:

187.2 **84.0276 LAND TRANSFERS BY A FEDERAL AGENCY.**

187.3 Before the commissioner of natural resources accepts agricultural land or a farm
187.4 homestead transferred in fee by a federal agency, the commissioner must consult with the
187.5 Board of Water and Soil Resources for a determination of marginal land, tillable farmland,
187.6 and farm homestead. ~~The commissioner must comply with the acquisition procedure under~~
187.7 ~~section 97A.145, subdivision 2, if the agricultural land or farm homestead was in an~~
187.8 ~~agricultural preserve as provided in section 40A.10.~~

187.9 Sec. 5. Minnesota Statutes 2022, section 84.415, subdivision 3, is amended to read:

187.10 Subd. 3. **Application, form.** The application for license or permit ~~shall be in~~
187.11 ~~quadruplicate, and shall~~ must include ~~with each copy~~ a legal description of the lands or
187.12 waters affected, a metes and bounds description of the required right-of-way, a map showing
187.13 said features, and a detailed design of any structures necessary, or in lieu thereof shall be
187.14 in such other form, and include such other descriptions, maps or designs, as the commissioner
187.15 may require. The commissioner may at any time order such changes or modifications
187.16 respecting construction or maintenance of structures or other conditions of the license or
187.17 permit as the commissioner deems necessary to protect the public health and safety.

187.18 Sec. 6. Minnesota Statutes 2022, section 84.415, subdivision 6, is amended to read:

187.19 Subd. 6. **Supplemental application fee and monitoring fee.** (a) In addition to the
187.20 application fee and utility crossing fees specified in Minnesota Rules, the commissioner of
187.21 natural resources shall assess the applicant for a utility license the following fees:

187.22 (1) a to cover reasonable costs for reviewing an application and preparing a license,
187.23 supplemental application fee of fees as follows:

187.24 (i) \$1,750 for a public water crossing license and a supplemental application fee of
187.25 \$3,000 for a public lands crossing license, to cover reasonable costs for reviewing the
187.26 application and preparing the license for electric power lines, cables, or conduits of 100
187.27 kilovolts or more and for main pipelines for gas, liquids, or solids in suspension;

187.28 (ii) \$1,000 for a public water crossing license and \$1,000 for a public lands crossing
187.29 license for applications to which item (i) does not apply; and

187.30 (iii) for all applications, an additional \$500 for each water crossing or land crossing in
187.31 excess of two crossings; and

188.1 (2) a monitoring fee to cover the projected reasonable costs for monitoring the
188.2 construction of the utility line and preparing special terms and conditions of the license to
188.3 ensure proper construction. The commissioner must give the applicant an estimate of the
188.4 monitoring fee before the applicant submits the fee.

188.5 (b) The applicant shall pay fees under this subdivision to the commissioner of natural
188.6 resources. The commissioner shall not issue the license until the applicant has paid all fees
188.7 in full.

188.8 (c) Upon completion of construction of the improvement for which the license or permit
188.9 was issued, the commissioner shall refund the unobligated balance from the monitoring fee
188.10 revenue. The commissioner shall not return the application fees, even if the application is
188.11 withdrawn or denied.

188.12 ~~(d) If the fees collected under paragraph (a), clause (1), are not sufficient to cover the~~
188.13 ~~costs of reviewing the applications and preparing the licenses, the commissioner shall~~
188.14 ~~improve efficiencies and otherwise reduce department costs and activities to ensure the~~
188.15 ~~revenues raised under paragraph (a), clause (1), are sufficient, and that no other funds are~~
188.16 ~~necessary to carry out the requirements.~~

188.17 (d) For purposes of this subdivision:

188.18 (1) "water crossing" means each location where the proposed utility will cross a public
188.19 water between banks or shores; and

188.20 (2) "land crossing" means each quarter-quarter section or government lot where the
188.21 proposed utility will cross public land.

188.22 Sec. 7. Minnesota Statutes 2022, section 84.415, subdivision 7, is amended to read:

188.23 Subd. 7. **Application fee exemption.** (a) A utility license for crossing public lands or
188.24 public waters is exempt from all application fees specified ~~in this section and~~ in rules adopted
188.25 under this section.

188.26 (b) This subdivision does not apply to electric power lines, cables, or conduits 100
188.27 kilovolts or greater or to main pipelines for gas, liquids, or solids in suspension.

189.1 Sec. 8. Minnesota Statutes 2022, section 84.415, is amended by adding a subdivision to
189.2 read:

189.3 Subd. 9. Fees for renewing license. At the end of the license period, if both parties wish
189.4 to renew a license, the commissioner must assess the applicant for all fees in this section
189.5 as if the renewal is an application for a new license.

189.6 Sec. 9. Minnesota Statutes 2022, section 84.788, subdivision 5, is amended to read:

189.7 Subd. 5. **Report of ownership transfers; fee.** (a) Application for transfer of ownership
189.8 of an off-highway motorcycle registered under this section must be made to the commissioner
189.9 within 15 days of the date of transfer.

189.10 (b) An application for transfer must be executed by the ~~registered~~ current owner and the
189.11 purchaser using a bill of sale that includes the vehicle serial number.

189.12 (c) The purchaser is subject to the penalties imposed by section 84.774 if the purchaser
189.13 fails to apply for transfer of ownership as provided under this subdivision.

189.14 Sec. 10. Minnesota Statutes 2022, section 84.82, subdivision 2, is amended to read:

189.15 Subd. 2. **Application, issuance, issuing fee.** (a) Application for registration or
189.16 reregistration shall be made to the commissioner or an authorized deputy registrar of motor
189.17 vehicles in a format prescribed by the commissioner and shall state the legal name and
189.18 address of every owner of the snowmobile.

189.19 (b) A person who purchases a snowmobile from a retail dealer shall make application
189.20 for registration to the dealer at the point of sale. The dealer shall issue a dealer temporary
189.21 21-day registration permit to each purchaser who applies to the dealer for registration. The
189.22 temporary permit must contain the dealer's identification number and phone number. Each
189.23 retail dealer shall submit completed registration and fees to the deputy registrar at least once
189.24 a week. No fee may be charged by a dealer to a purchaser for providing the temporary
189.25 permit.

189.26 (c) Upon receipt of the application and the appropriate fee, the commissioner or deputy
189.27 registrar shall issue to the applicant, or provide to the dealer, an assigned registration number
189.28 or a commissioner or deputy registrar temporary 21-day permit. The registration number
189.29 must be printed on a registration decal issued by the commissioner or a deputy registrar.
189.30 Once issued, the registration ~~number~~ decal must be affixed to the snowmobile in a clearly
189.31 visible and permanent manner for enforcement purposes ~~as the commissioner of natural~~
189.32 ~~resources shall prescribe~~ according to subdivision 3b. A dealer subject to paragraph (b)

190.1 shall provide the registration materials or temporary permit to the purchaser within the
190.2 temporary 21-day permit period. The registration is not valid unless signed by at least one
190.3 owner.

190.4 (d) Each deputy registrar of motor vehicles acting pursuant to section 168.33 shall also
190.5 be a deputy registrar of snowmobiles. The commissioner of natural resources in agreement
190.6 with the commissioner of public safety may prescribe the accounting and procedural
190.7 requirements necessary to ensure efficient handling of registrations and registration fees.
190.8 Deputy registrars shall strictly comply with these accounting and procedural requirements.

190.9 (e) In addition to other fees prescribed by law, an issuing fee of \$4.50 is charged for
190.10 each snowmobile registration renewal, duplicate or replacement registration card, and
190.11 replacement decal, and an issuing fee of \$7 is charged for each snowmobile registration and
190.12 registration transfer issued by:

190.13 (1) a registrar or a deputy registrar and must be deposited in the manner provided in
190.14 section 168.33, subdivision 2; or

190.15 (2) the commissioner and must be deposited in the state treasury and credited to the
190.16 snowmobile trails and enforcement account in the natural resources fund.

190.17 Sec. 11. Minnesota Statutes 2022, section 84.82, is amended by adding a subdivision to
190.18 read:

190.19 Subd. 3b. Display of registration decal. (a) A person must not operate or transport a
190.20 snowmobile in the state or allow another to operate the person's snowmobile in the state
190.21 unless the snowmobile has its unexpired registration decal affixed to each side of the
190.22 snowmobile and the decals are legible.

190.23 (b) The registration decal must be affixed:

190.24 (1) for snowmobiles made after June 30, 1972, in the areas provided by the manufacturer
190.25 under section 84.821, subdivision 2; and

190.26 (2) for all other snowmobiles, on each side of the cowling on the upper half of the
190.27 snowmobile.

190.28 (c) When any previously affixed registration decal is destroyed or lost, a duplicate must
190.29 be affixed in the same manner as provided in paragraph (b).

191.1 Sec. 12. Minnesota Statutes 2022, section 84.821, subdivision 2, is amended to read:

191.2 Subd. 2. **Area for registration number.** All snowmobiles made after June 30, 1972,
191.3 and sold in Minnesota, shall be designed and made to provide an area on which to affix the
191.4 registration number decal. ~~This area shall be at a location and of dimensions prescribed by~~
191.5 ~~rule of the commissioner.~~ A clear area must be provided on each side of the cowling with
191.6 a minimum size of 3-1/2 square inches and at least 12 inches from the ground when the
191.7 machine is resting on a hard surface.

191.8 Sec. 13. Minnesota Statutes 2022, section 84.84, is amended to read:

191.9 **84.84 TRANSFER OR TERMINATION OF SNOWMOBILE OWNERSHIP.**

191.10 (a) Within 15 days after the transfer of ownership, or any part thereof, other than a
191.11 security interest, or the destruction or abandonment of any snowmobile, written notice of
191.12 the transfer or destruction or abandonment shall be given to the commissioner in such form
191.13 as the commissioner shall prescribe.

191.14 (b) An application for transfer must be executed by the ~~registered~~ current owner and the
191.15 purchaser using a bill of sale that includes the vehicle serial number.

191.16 (c) The purchaser is subject to the penalties imposed by section 84.88 if the purchaser
191.17 fails to apply for transfer of ownership as provided under this subdivision. Every owner or
191.18 part owner of a snowmobile shall, upon failure to give notice of destruction or abandonment,
191.19 be subject to the penalties imposed by section 84.88.

191.20 Sec. 14. Minnesota Statutes 2022, section 84.86, subdivision 1, is amended to read:

191.21 Subdivision 1. **Required rules, fees, and reports.** (a) With a view of achieving maximum
191.22 use of snowmobiles consistent with protection of the environment the commissioner of
191.23 natural resources shall adopt rules in the manner provided by chapter 14, for the following
191.24 purposes:

191.25 (1) registration of snowmobiles ~~and display of registration numbers;~~

191.26 (2) use of snowmobiles insofar as game and fish resources are affected;

191.27 (3) use of snowmobiles on public lands and waters, or on grant-in-aid trails;

191.28 (4) uniform signs to be used by the state, counties, and cities, which are necessary or
191.29 desirable to control, direct, or regulate the operation and use of snowmobiles;

191.30 (5) specifications relating to snowmobile mufflers; and

192.1 (6) a comprehensive snowmobile information and safety education and training program;
192.2 ~~including that includes~~ but is not limited to ~~the preparation and dissemination of preparing~~
192.3 ~~and disseminating~~ snowmobile information and safety advice to the public, ~~the training of~~
192.4 snowmobile operators, and ~~the issuance of~~ issuing snowmobile safety certificates to
192.5 snowmobile operators who successfully complete the snowmobile safety education and
192.6 training course.

192.7 (b) For the purpose of administering ~~such~~ the program under paragraph (a), clause (6),
192.8 and to defray expenses of training and certifying snowmobile operators, the commissioner
192.9 shall collect a fee from each person who receives the youth or adult training. The
192.10 commissioner shall collect a fee, to include a \$1 issuing fee for licensing agents, for issuing
192.11 a duplicate snowmobile safety certificate. The commissioner shall establish both fees in a
192.12 manner that neither significantly overrecovers nor underrecovers costs, including overhead
192.13 costs, involved in providing the services. The fees are not subject to the rulemaking provisions
192.14 of chapter 14, and section 14.386 does not apply. The fees may be established by the
192.15 commissioner notwithstanding section 16A.1283. The fees, except for the issuing fee for
192.16 licensing agents under this subdivision, shall be deposited in the snowmobile trails and
192.17 enforcement account in the natural resources fund and the amount thereof, except for the
192.18 electronic licensing system commission established by the commissioner under section
192.19 84.027, subdivision 15, and issuing fees collected by the commissioner, is appropriated
192.20 annually to the Enforcement Division of the Department of Natural Resources for ~~the~~
192.21 ~~administration of such~~ administering the programs. In addition to the fee established by the
192.22 commissioner, instructors may charge each person any fee paid by the instructor for the
192.23 person's online training course and up to the established fee amount for class materials and
192.24 expenses. The commissioner shall cooperate with private organizations and associations,
192.25 private and public corporations, and local governmental units in furtherance of the program
192.26 established under ~~this~~ paragraph (a), clause (6). School districts may cooperate with the
192.27 commissioner and volunteer instructors to provide space for the classroom portion of the
192.28 training. The commissioner shall consult with the commissioner of public safety in regard
192.29 to training program subject matter and performance testing that leads to the certification of
192.30 snowmobile operators.

192.31 ~~(7)~~ (c) The operator of any snowmobile involved in an accident resulting in injury
192.32 requiring medical attention or hospitalization to or death of any person or total damage to
192.33 an extent of \$500 or more, shall forward a written report of the accident to the commissioner
192.34 on ~~such~~ a form as prescribed by the commissioner ~~shall prescribe~~. If the operator is killed

193.1 or is unable to file a report due to incapacitation, any peace officer investigating the accident
193.2 shall file the accident report within ten business days.

193.3 Sec. 15. Minnesota Statutes 2022, section 84.87, subdivision 1, is amended to read:

193.4 Subdivision 1. **Operation on streets and highways.** (a) No person shall operate a
193.5 snowmobile upon the roadway, shoulder, or inside bank or slope of any trunk, county
193.6 state-aid, or county highway in this state and, in the case of a divided trunk or county
193.7 highway, on the right-of-way between the opposing lanes of traffic, except as provided in
193.8 sections 84.81 to 84.90. No person shall operate a snowmobile within the right-of-way of
193.9 any trunk, county state-aid, or county highway between the hours of one-half hour after
193.10 sunset to one-half hour before sunrise, except on the right-hand side of such right-of-way
193.11 and in the same direction as the highway traffic on the nearest lane of the roadway adjacent
193.12 thereto. No snowmobile shall be operated at any time within the right-of-way of any interstate
193.13 highway or freeway within this state.

193.14 (b) Notwithstanding any provision of paragraph (a) to the contrary:

193.15 (1) under conditions prescribed by the commissioner of transportation, the commissioner
193.16 of transportation may allow two-way operation of snowmobiles on either side of the trunk
193.17 highway right-of-way where the commissioner of transportation determines that two-way
193.18 operation will not endanger users of the trunk highway or riders of the snowmobiles using
193.19 the trail;

193.20 (2) under conditions prescribed by a local road authority as defined in section 160.02,
193.21 subdivision 25, the road authority may allow two-way operation of snowmobiles on either
193.22 side of the right-of-way of a street or highway under the road authority's jurisdiction, where
193.23 the road authority determines that two-way operation will not endanger users of the street
193.24 or highway or riders of the snowmobiles using the trail;

193.25 (3) the commissioner of transportation under clause (1) and the local road authority
193.26 under clause (2) shall notify the commissioner of natural resources and the local law
193.27 enforcement agencies responsible for the streets or highways of the locations of two-way
193.28 snowmobile trails authorized under this paragraph; and

193.29 (4) two-way snowmobile trails authorized under this paragraph shall be posted for
193.30 two-way operation at the authorized locations.

193.31 (c) A snowmobile may make a direct crossing of a street or highway at any hour of the
193.32 day provided:

194.1 (1) the crossing is made at an angle of approximately 90 degrees to the direction of the
194.2 highway and at a place where no obstruction prevents a quick and safe crossing;

194.3 (2) the snowmobile is brought to a complete stop before crossing the shoulder or main
194.4 traveled way of the highway;

194.5 (3) the driver yields the right-of-way to all oncoming traffic which constitutes an
194.6 immediate hazard;

194.7 (4) in crossing a divided highway, the crossing is made only at an intersection of such
194.8 highway with another public street or highway or at a safe location approved by the road
194.9 authority;

194.10 (5) if the crossing is made between the hours of one-half hour after sunset to one-half
194.11 hour before sunrise or in conditions of reduced visibility, only if both front and rear lights
194.12 are on; and

194.13 (6) a snowmobile may be operated upon a bridge, other than a bridge that is part of the
194.14 main traveled lanes of an interstate highway, when required for the purpose of avoiding
194.15 obstructions to travel when no other method of avoidance is possible; provided the
194.16 snowmobile is operated in the extreme right-hand lane, the entrance to the roadway is made
194.17 within 100 feet of the bridge and the crossing is made without undue delay.

194.18 (d) No snowmobile shall be operated upon a public street or highway unless it is equipped
194.19 with at least one headlamp, one tail lamp, each of minimum candlepower as prescribed by
194.20 rules of the commissioner, reflector material of a minimum area of 16 square inches mounted
194.21 on each side forward of the handle bars, and with brakes each of which shall conform to
194.22 standards prescribed by rule of the commissioner pursuant to the authority vested in the
194.23 commissioner by section 84.86, and each of which shall be subject to approval of the
194.24 commissioner of public safety.

194.25 (e) A snowmobile may be operated upon a public street or highway other than as provided
194.26 by paragraph (c) in an emergency during the period of time when and at locations where
194.27 snow upon the roadway renders travel by automobile impractical.

194.28 (f) All provisions of chapters 169 and 169A shall apply to the operation of snowmobiles
194.29 upon streets and highways, except for those relating to required equipment, and except those
194.30 which by their nature have no application. Section 169.09 applies to the operation of
194.31 snowmobiles anywhere in the state or on the ice of any boundary water of the state.

194.32 (g) Any sled, trailer, or other device being towed by a snowmobile must be equipped
194.33 with reflective materials as required by rule of the commissioner.

195.1 Sec. 16. Minnesota Statutes 2022, section 84.90, subdivision 7, is amended to read:

195.2 Subd. 7. **Penalty.** (a) A person violating the provisions of this section is guilty of a
195.3 misdemeanor.

195.4 (b) Notwithstanding section 609.101, subdivision 4, clause (2), the minimum fine for a
195.5 person who operates an off-highway motorcycle, off-road vehicle, all-terrain vehicle, or
195.6 snowmobile in violation of this section must not be less than the amount set forth in section
195.7 84.775.

195.8 Sec. 17. **[84.9735] INSECTICIDES ON STATE LANDS.**

195.9 A person may not use a pesticide containing an insecticide in a wildlife management
195.10 area, state park, state forest, aquatic management area, or scientific and natural area if the
195.11 insecticide is from the neonicotinoid class of insecticides or contains chlorpyrifos.

195.12 Sec. 18. Minnesota Statutes 2022, section 84.992, subdivision 2, is amended to read:

195.13 Subd. 2. **Program.** The commissioner of natural resources shall develop and implement
195.14 a program for the Minnesota Naturalist Corps that supports state parks and trails in providing
195.15 interpretation of the natural and cultural features of state parks and trails in order to enhance
195.16 visitors' awareness, understanding, and appreciation of those features and encourages the
195.17 wise and sustainable use of the environment.

195.18 Sec. 19. Minnesota Statutes 2022, section 84.992, subdivision 5, is amended to read:

195.19 Subd. 5. **Eligibility.** A person is eligible to enroll in the Minnesota Naturalist Corps if
195.20 the person:

195.21 ~~(1) is a permanent resident of the state;~~

195.22 ~~(2) is a participant in an approved college internship program in a field related to natural~~
195.23 ~~resources, cultural history, interpretation, or conservation; and~~

195.24 ~~(3) has completed at least one year of postsecondary education.~~

195.25 Sec. 20. Minnesota Statutes 2022, section 84D.02, subdivision 3, is amended to read:

195.26 Subd. 3. **Management plan.** By December 31, 2023, and every five years thereafter,
195.27 the commissioner shall prepare ~~and maintain~~ a long-term plan, which may include specific
195.28 plans for individual species and actions, for the statewide management of invasive species
195.29 of aquatic plants and wild animals. The plan must address:

- 196.1 (1) coordinated detection and prevention of accidental introductions;
- 196.2 (2) coordinated dissemination of information about invasive species of aquatic plants
196.3 and wild animals among resource management agencies and organizations;
- 196.4 (3) a coordinated public education and awareness campaign;
- 196.5 (4) coordinated control of selected invasive species of aquatic plants and wild animals
196.6 on lands and public waters;
- 196.7 (5) participation by lake associations, local citizen groups, and local units of government
196.8 in the development and implementation of local management efforts;
- 196.9 (6) a reasonable and workable inspection requirement for watercraft and equipment
196.10 including those participating in organized events on the waters of the state;
- 196.11 (7) the closing of points of access to infested waters, if the commissioner determines it
196.12 is necessary, for a total of not more than seven days during the open water season for control
196.13 or eradication purposes;
- 196.14 (8) maintaining public accesses on infested waters to be reasonably free of aquatic
196.15 macrophytes; ~~and~~
- 196.16 (9) notice to travelers of the penalties for violation of laws relating to invasive species
196.17 of aquatic plants and wild animals; and
- 196.18 (10) the impacts of climate change on invasive species management.

196.19 Sec. 21. Minnesota Statutes 2022, section 84D.10, subdivision 3, is amended to read:

196.20 Subd. 3. **Removal and confinement.** (a) A conservation officer or other licensed peace
196.21 officer may order:

196.22 (1) the removal of aquatic macrophytes or prohibited invasive species from water-related
196.23 equipment, including decontamination using hot water or high pressure equipment ~~when~~
196.24 ~~available on site~~, before the water-related equipment is transported or before it is placed
196.25 into waters of the state;

196.26 (2) confinement of the water-related equipment at a mooring, dock, or other location
196.27 until the water-related equipment is removed from the water;

196.28 (3) removal of water-related equipment from waters of the state to remove prohibited
196.29 invasive species if the water has not been listed by the commissioner as being infested with
196.30 that species;

197.1 (4) a prohibition on placing water-related equipment into waters of the state when the
197.2 water-related equipment has aquatic macrophytes or prohibited invasive species attached
197.3 in violation of subdivision 1 or when water has not been drained or the drain plug has not
197.4 been removed in violation of subdivision 4; and

197.5 (5) decontamination of water-related equipment ~~when available on site.~~

197.6 (b) An order for removal of prohibited invasive species under paragraph (a), clause (1),
197.7 or decontamination of water-related equipment under paragraph (a), clause (5), may include
197.8 tagging the water-related equipment and issuing a notice that specifies a time frame for
197.9 completing the removal or decontamination and reinspection of the water-related equipment.

197.10 (c) An inspector who is not a licensed peace officer may issue orders under paragraph
197.11 (a), clauses (1), (3), (4), and (5).

197.12 Sec. 22. Minnesota Statutes 2022, section 84D.15, subdivision 2, is amended to read:

197.13 Subd. 2. **Receipts.** Money received from surcharges on watercraft licenses under section
197.14 86B.415, subdivision 7, civil penalties under section 84D.13, and service provider permits
197.15 under section 84D.108, must be deposited in the invasive species account. Each year, the
197.16 commissioner of management and budget must transfer from the game and fish fund to the
197.17 invasive species account, the annual surcharge collected on nonresident fishing licenses
197.18 under section 97A.475, subdivision 7, paragraph (b). ~~Each fiscal year, the commissioner of~~
197.19 ~~management and budget shall transfer \$375,000 from the water recreation account under~~
197.20 ~~section 86B.706 to the invasive species account.~~

197.21 Sec. 23. Minnesota Statutes 2022, section 85.015, subdivision 10, is amended to read:

197.22 Subd. 10. **Luce Line Trail, Hennepin, McLeod, and Meeker Counties.** (a) The trail
197.23 shall originate at Gleason Lake in Plymouth Village, Hennepin County, ~~and shall follow~~
197.24 ~~the route of the Chicago Northwestern Railroad, and include a connection to Greenleaf Lake~~
197.25 State Recreation Area.

197.26 (b) The trail shall be developed for multiuse wherever feasible. The department shall
197.27 cooperate in maintaining its integrity for modes of use consistent with local ordinances.

197.28 (c) In establishing, developing, maintaining, and operating the trail, the commissioner
197.29 shall cooperate with local units of government and private individuals and groups. Before
197.30 acquiring any parcel of land for the trail, the commissioner of natural resources shall develop
197.31 a management program for the parcel and conduct a public hearing on the proposed

198.1 management program in the vicinity of the parcel to be acquired. The management program
198.2 of the commissioner shall include but not be limited to the following:

198.3 (1) fencing of portions of the trail where necessary to protect adjoining landowners; and

198.4 (2) ~~the maintenance of~~ maintaining the trail in a ~~litter free~~ litter-free condition to the
198.5 extent practicable.

198.6 (d) The commissioner shall not acquire any of the right-of-way of the Chicago
198.7 Northwestern Railway Company until the abandonment of the line described in this
198.8 subdivision has been approved by the Surface Transportation Board or the former Interstate
198.9 Commerce Commission. Compensation, in addition to the value of the land, shall include
198.10 improvements made by the railroad, including but not limited to, bridges, trestles, public
198.11 road crossings, or any portion thereof, it being the desire of the railroad that such
198.12 improvements be included in the conveyance. The fair market value of the land and
198.13 improvements shall be recommended by two independent appraisers mutually agreed upon
198.14 by the parties. The fair market value thus recommended shall be reviewed by a review
198.15 appraiser agreed to by the parties, and the fair market value thus determined, and supported
198.16 by appraisals, may be the purchase price. The commissioner may exchange lands with
198.17 landowners abutting the right-of-way described in this section to eliminate diagonally shaped
198.18 separate fields.

198.19 Sec. 24. Minnesota Statutes 2022, section 85.052, subdivision 6, is amended to read:

198.20 Subd. 6. **State park reservation system.** (a) The commissioner may, by written order,
198.21 develop reasonable reservation policies for ~~campsites and other~~ using camping, lodging,
198.22 and day-use facilities and for tours, educational programs, seminars, events, and rentals.
198.23 The policies are exempt from the rulemaking provisions under chapter 14, and section
198.24 14.386 does not apply.

198.25 (b) The revenue collected from the state park reservation fee established under subdivision
198.26 5, including interest earned, ~~shall~~ must be deposited in the state park account in the natural
198.27 resources fund and is annually appropriated to the commissioner for the cost of operating
198.28 the state park reservation and point-of-sale system.

198.29 Sec. 25. Minnesota Statutes 2022, section 85.055, subdivision 1, is amended to read:

198.30 Subdivision 1. **Fees.** (a) The fee for state park permits for:

198.31 (1) an annual use of state parks is ~~\$35~~ \$45;

198.32 (2) a second or subsequent vehicle state park permit is ~~\$26~~ \$35;

- 199.1 (3) a state park permit valid for one day is ~~\$7~~ \$10;
- 199.2 (4) a daily vehicle state park permit for groups is ~~\$5~~ \$8;
- 199.3 (5) an annual permit for motorcycles is ~~\$30~~ \$40;
- 199.4 (6) an employee's state park permit is without charge; and
- 199.5 (7) a state park permit for persons with disabilities under section 85.053, subdivision 7,
- 199.6 paragraph (a), clauses (1) to (3), is ~~\$12~~ \$20.

199.7 (b) The fees specified in this subdivision include any sales tax required by state law.

199.8 Sec. 26. Minnesota Statutes 2022, section 86B.005, is amended by adding a subdivision

199.9 to read:

199.10 Subd. 11a. **Other commercial operation.** "Other commercial operation" means use of

199.11 a watercraft for work, rather than recreation, to transport equipment, goods, and materials

199.12 on public waters.

199.13 Sec. 27. **[86B.30] DEFINITIONS.**

199.14 Subdivision 1. **Applicability.** The definitions in this section apply to sections 86B.30

199.15 to 86B.341.

199.16 Subd. 2. **Accompanying operator.** "Accompanying operator" means a person 21 years

199.17 of age or older who:

- 199.18 (1) is in a personal watercraft or other type of motorboat;
- 199.19 (2) is within immediate reach of the controls of the motor; and
- 199.20 (3) possesses a valid operator's permit or is an exempt operator.

199.21 Subd. 3. **Adult operator.** "Adult operator" means a motorboat operator, including a

199.22 personal watercraft operator, who is 12 years of age or older and who was:

- 199.23 (1) effective July 1, 2025, born on or after July 1, 2004;
- 199.24 (2) effective July 1, 2026, born on or after July 1, 2000;
- 199.25 (3) effective July 1, 2027, born on or after July 1, 1996; and
- 199.26 (4) effective July 1, 2028, born on or after July 1, 1987.

199.27 Subd. 4. **Exempt operator.** "Exempt operator" means a motorboat operator, including

199.28 a personal watercraft operator, who is 12 years of age or older and who:

200.1 (1) possesses a valid license to operate a motorboat issued for maritime personnel by
200.2 the United States Coast Guard under Code of Federal Regulations, title 46, part 10, or a
200.3 marine certificate issued by the Canadian government;

200.4 (2) is not a resident of the state, is temporarily using the waters of the state for a period
200.5 not to exceed 60 days, and:

200.6 (i) meets any applicable requirements of the state or country of residency; or

200.7 (ii) possesses a Canadian pleasure craft operator's card;

200.8 (3) is operating a motorboat under a dealer's license according to section 86B.405; or

200.9 (4) is operating a motorboat during an emergency.

200.10 Subd. 5. **Motorboat rental business.** "Motorboat rental business" means a person
200.11 engaged in the business of renting or leasing motorboats, including personal watercraft, for
200.12 a period not exceeding 30 days. Motorboat rental business includes a person's agents and
200.13 employees but does not include a resort business.

200.14 Subd. 6. **Resort business.** "Resort business" means a person engaged in the business of
200.15 providing lodging and recreational services to transient guests and classified as a resort
200.16 under section 273.13, subdivision 22 or 25. A resort business includes a person's agents and
200.17 employees.

200.18 Subd. 7. **Young operator.** "Young operator" means a motorboat operator, including a
200.19 personal watercraft operator, younger than 12 years of age.

200.20 **EFFECTIVE DATE.** This section is effective July 1, 2025.

200.21 Sec. 28. **[86B.302] WATERCRAFT OPERATOR'S PERMIT.**

200.22 Subdivision 1. **Generally.** The commissioner must issue a watercraft operator's permit
200.23 to a person 12 years of age or older who successfully completes a water safety course and
200.24 written test according to section 86B.304, paragraph (a), or who provides proof of completing
200.25 a program subject to a reciprocity agreement or certified by the commissioner as substantially
200.26 similar.

200.27 Subd. 2. **Issuing permit to certain young operators.** The commissioner may issue a
200.28 permit under this section to a person who is at least 11 years of age, but the permit is not
200.29 valid until the person becomes an adult operator.

200.30 Subd. 3. **Personal possession required.** (a) A person who is required to have a watercraft
200.31 operator's permit must have in personal possession:

201.1 (1) a valid watercraft operator's permit;

201.2 (2) a driver's license that has a valid watercraft operator's permit indicator issued under
201.3 section 171.07, subdivision 20; or

201.4 (3) an identification card that has a valid watercraft operator's permit indicator issued
201.5 under section 171.07, subdivision 20.

201.6 (b) A person who is required to have a watercraft operator's permit must display one of
201.7 the documents described in paragraph (a) to a conservation officer or peace officer upon
201.8 request.

201.9 Subd. 4. Using electronic device to display proof of permit. If a person uses an
201.10 electronic device to display a document described in subdivision 3 to a conservation officer
201.11 or peace officer:

201.12 (1) the officer is immune from liability for any damage to the device, unless the officer
201.13 does not exercise due care in handling the device; and

201.14 (2) this does not constitute consent for the officer to access other contents on the device.

201.15 **EFFECTIVE DATE.** This section is effective July 1, 2025.

201.16 Sec. 29. **[86B.303] OPERATING PERSONAL WATERCRAFT AND OTHER**
201.17 **MOTORBOATS.**

201.18 Subdivision 1. **Adult operators.** An adult operator may not operate a motorboat,
201.19 including a personal watercraft, unless:

201.20 (1) the adult operator possesses a valid watercraft operator's permit;

201.21 (2) the adult operator is an exempt operator; or

201.22 (3) an accompanying operator is in the motorboat.

201.23 Subd. 2. **Young operators.** A young operator may not operate a motorboat, including
201.24 a personal watercraft, unless there is an accompanying operator in the boat or in case of an
201.25 emergency.

201.26 Subd. 3. **Accompanying operators.** For purposes of this section and section 169A.20,
201.27 an accompanying operator, as well as the actual operator, is operating and is in physical
201.28 control of a motorboat.

201.29 Subd. 4. **Owners may not allow unlawful use.** An owner or other person in lawful
201.30 control of a motorboat may not allow the motorboat to be operated contrary to this section.

202.1 **EFFECTIVE DATE.** This section is effective July 1, 2025.

202.2 Sec. 30. **[86B.304] WATERCRAFT SAFETY PROGRAM.**

202.3 (a) The commissioner must establish a water safety course and testing program for
202.4 personal watercraft and watercraft operators and must prescribe a written test as part of the
202.5 course. The course must be approved by the National Association of State Boating Law
202.6 Administrators and must be available online. The commissioner may allow designated water
202.7 safety courses administered by third parties to meet the requirements of this paragraph and
202.8 may enter into reciprocity agreements or otherwise certify boat safety education programs
202.9 from other states that are substantially similar to in-state programs. The commissioner must
202.10 establish a working group of interested parties to develop course content and implementation.
202.11 The course must include content on best management practices for mitigating aquatic
202.12 invasive species, reducing conflicts among user groups, and limiting the ecological impacts
202.13 of watercraft.

202.14 (b) The commissioner must create or designate a short boater safety examination to be
202.15 administered by motorboat rental businesses, as required by section 86B.306, subdivision
202.16 3. The examination developed under this paragraph must be one that can be administered
202.17 electronically or on paper, at the option of the motorboat rental business administering the
202.18 examination.

202.19 **EFFECTIVE DATE.** This section is effective July 1, 2025.

202.20 Sec. 31. **[86B.306] MOTORBOAT RENTAL BUSINESSES.**

202.21 Subdivision 1. **Requirements.** A motorboat rental business must not rent or lease a
202.22 motorboat, including a personal watercraft, to any person for operation on waters of this
202.23 state unless the renter or lessee:

202.24 (1) has a valid watercraft operator's permit or is an exempt operator; and

202.25 (2) is 18 years of age or older.

202.26 Subd. 2. **Authorized operators.** A motorboat rental business must list on each motorboat
202.27 rental or lease agreement the name and age of each operator who is authorized to operate
202.28 the motorboat or personal watercraft. The renter or lessee of the motorboat must ensure that
202.29 only listed authorized operators operate the motorboat or personal watercraft.

202.30 Subd. 3. **Summary of boating regulations; examination.** (a) A motorboat rental
202.31 business must provide each authorized operator a summary of the statutes and rules governing

203.1 operation of motorboats and personal watercraft in the state and instructions for safe
 203.2 operation.

203.3 (b) Each authorized operator, other than those holding a valid watercraft operator's permit
 203.4 or an exempt operator, must review the summary provided under this subdivision and must
 203.5 take a short boater safety examination in a form approved by the commissioner before the
 203.6 motorboat or personal watercraft leaves the motorboat rental business premises, unless the
 203.7 authorized operator has taken the examination during the previous 180 days.

203.8 Subd. 4. **Safety equipment for personal watercraft.** A motorboat rental business must
 203.9 provide to all persons who rent a personal watercraft, at no additional cost, a United States
 203.10 Coast Guard (USCG) approved wearable personal flotation device with a USCG label
 203.11 indicating it either is approved for or does not prohibit use with personal watercraft or
 203.12 water-skiing and any other required safety equipment.

203.13 **EFFECTIVE DATE.** This section is effective July 1, 2025.

203.14 Sec. 32. Minnesota Statutes 2022, section 86B.313, subdivision 4, is amended to read:

203.15 Subd. 4. ~~Dealers and rental operations.~~ (a) A dealer of personal watercraft shall
 203.16 distribute a summary of the laws and rules governing the operation of personal watercraft
 203.17 and, upon request, shall provide instruction to a purchaser regarding:

203.18 (1) the laws and rules governing personal watercraft; and

203.19 (2) the safe operation of personal watercraft.

203.20 (b) ~~A person who offers personal watercraft for rent:~~

203.21 ~~(1) shall provide a summary of the laws and rules governing the operation of personal~~
 203.22 ~~watercraft and provide instruction regarding the laws and rules and the safe operation of~~
 203.23 ~~personal watercraft to each person renting a personal watercraft;~~

203.24 ~~(2) shall provide a United States Coast Guard (USCG) approved wearable personal~~
 203.25 ~~flotation device with a USCG label indicating it either is approved for or does not prohibit~~
 203.26 ~~use with personal watercraft or water-skiing and any other required safety equipment to all~~
 203.27 ~~persons who rent a personal watercraft at no additional cost; and~~

203.28 ~~(3) shall require that a watercraft operator's permit from this state or from the operator's~~
 203.29 ~~state of residence be shown each time a personal watercraft is rented to any person younger~~
 203.30 ~~than age 18 and shall record the permit on the form provided by the commissioner.~~

203.31 (e) Each dealer of personal watercraft ~~or person offering personal watercraft for rent~~
 203.32 shall have the person who purchases ~~or rents~~ a personal watercraft sign a form provided by

204.1 the commissioner acknowledging that the purchaser ~~or renter~~ has been provided a copy of
204.2 the laws and rules regarding personal watercraft operation and has read them. The form
204.3 must be retained by the dealer ~~or person offering personal watercraft for rent~~ for a period
204.4 ~~of~~ six months following the date of signature and must be made available for inspection by
204.5 sheriff's deputies or conservation officers during normal business hours.

204.6 **EFFECTIVE DATE.** This section is effective July 1, 2025.

204.7 Sec. 33. Minnesota Statutes 2022, section 86B.415, subdivision 1, is amended to read:

204.8 Subdivision 1. **Watercraft 19 feet or less.** (a) Except as provided in paragraph (b) and
204.9 subdivision 1a, the fee for a watercraft license for watercraft 19 feet or less in length is ~~\$27~~
204.10 \$59.

204.11 (b) The watercraft license fee is:

204.12 (1) for watercraft, other than personal watercraft, 19 feet in length or less that is offered
204.13 for rent or lease, ~~the fee is \$9~~ \$14;

204.14 (2) for a sailboat, 19 feet in length or less, ~~the fee is \$10.50~~ \$23;

204.15 (3) for a watercraft 19 feet in length or less used by a nonprofit corporation for teaching
204.16 boat and water safety, ~~the fee is~~ as provided in subdivision 4;

204.17 (4) for a watercraft owned by a dealer under a dealer's license, ~~the fee is~~ as provided in
204.18 subdivision 5;

204.19 (5) for a personal watercraft, ~~the fee is \$37.50~~ including one offered for rent or lease,
204.20 \$85; and

204.21 (6) for a watercraft less than 17 feet in length, other than a watercraft listed in clauses
204.22 (1) to (5), ~~the fee is \$18~~ \$36.

204.23 Sec. 34. Minnesota Statutes 2022, section 86B.415, subdivision 1a, is amended to read:

204.24 Subd. 1a. **Canoes, kayaks, sailboards, paddleboards, paddleboats, or rowing**
204.25 **shells.** The fee for a watercraft license for a canoe, kayak, sailboard, paddleboard, paddleboat,
204.26 or rowing shell over ten feet in length is ~~\$10.50~~ \$23.

204.27 Sec. 35. Minnesota Statutes 2022, section 86B.415, subdivision 2, is amended to read:

204.28 Subd. 2. **Watercraft over 19 feet.** Except as provided in subdivisions 1a, 3, 4, and 5,
204.29 the watercraft license fee:

204.30 (1) for a watercraft more than 19 feet but less than 26 feet in length is ~~\$45~~ \$113;

205.1 (2) for a watercraft 26 feet but less than 40 feet in length is ~~\$67.50~~ \$164; and

205.2 (3) for a watercraft 40 feet in length or longer is ~~\$90~~ \$209.

205.3 Sec. 36. Minnesota Statutes 2022, section 86B.415, subdivision 3, is amended to read:

205.4 Subd. 3. **Watercraft over 19 feet for hire commercial use.** The license fee for a
205.5 watercraft ~~more than 19 feet in length for hire with an operator~~ used primarily for charter
205.6 fishing, commercial fishing, commercial passenger carrying, or other commercial operation
205.7 is ~~\$75~~ \$164 each.

205.8 Sec. 37. Minnesota Statutes 2022, section 86B.415, subdivision 4, is amended to read:

205.9 Subd. 4. **Watercraft used by nonprofit corporation for teaching.** The watercraft
205.10 license fee for a watercraft used by a nonprofit organization for teaching boat and water
205.11 safety is ~~\$4.50~~ \$8 each.

205.12 Sec. 38. Minnesota Statutes 2022, section 86B.415, subdivision 5, is amended to read:

205.13 Subd. 5. **Dealer's license.** There is no separate fee for watercraft owned by a dealer
205.14 under a dealer's license. The fee for a dealer's license is ~~\$67.50~~ \$142.

205.15 Sec. 39. Minnesota Statutes 2022, section 86B.415, subdivision 7, is amended to read:

205.16 Subd. 7. **Watercraft surcharge.** A ~~\$10.60~~ \$20 surcharge is placed on each watercraft
205.17 licensed under subdivisions 1 to 5 for control, public awareness, law enforcement, monitoring,
205.18 and research of aquatic invasive species such as zebra mussel, purple loosestrife, and Eurasian
205.19 watermilfoil in public waters and public wetlands.

205.20 Sec. 40. **[88.83] EMERALD ASH BORER RESPONSE.**

205.21 Subdivision 1. Purpose. The legislature finds that an epidemic of an invasive plant pest,
205.22 the emerald ash borer, is occurring in Minnesota, threatening the natural environment, and
205.23 generating large volumes of wood waste from ash trees. Immediate action is therefore
205.24 necessary to provide funding to assist local units of government with treating, removing,
205.25 and replacing ash trees in response to emerald ash borer infestations and managing the
205.26 resulting wood waste and to preserve existing biomass energy infrastructure that is critical
205.27 to support local and regional emerald ash borer response programs.

205.28 Subd. 2. Establishment. The commissioner must establish a program to:

206.1 (1) provide state matching grants to assist communities with treating, removing, and
206.2 replacing ash trees in response to the emerald ash borer epidemic and managing wood waste,
206.3 including the remains of ash trees removed in response to the epidemic; and

206.4 (2) identify and designate existing biomass energy facilities that are critical infrastructure
206.5 for local and regional emerald ash borer response programs.

206.6 Subd. 3. **Eligible applicants.** The commissioner may award grants under this section
206.7 to:

206.8 (1) local units of government, including cities, counties, regional authorities, joint powers
206.9 boards, towns, and parks and recreation boards in cities of the first class that are responding
206.10 or actively preparing to respond to an emerald ash borer infestation; and

206.11 (2) a Minnesota nonprofit corporation that owns a cogeneration facility that serves a St.
206.12 Paul district heating and cooling system.

206.13 Subd. 4. **Eligible expenditures.** Local units of government are eligible for matching
206.14 grants of up to 50 percent of costs incurred to properly manage, transport, process, and
206.15 dispose of wood waste containing ash tree material, including reuse and higher-value
206.16 applications, wood waste storage yards, and costs associated with processing wood waste
206.17 into usable biomass fuel and transporting it to designated biomass energy facilities. A
206.18 Minnesota nonprofit corporation that owns a biomass-fueled combined heat and power plant
206.19 servicing a district heating system is eligible for grants of up to \$20 per ton of processed
206.20 biomass fuel containing wood waste from ash trees processed in response to the emerald
206.21 ash borer epidemic. The commissioner may require the nonprofit corporation to charge a
206.22 fee per ton of ash tree wood waste delivered to the facility.

206.23 Subd. 5. **Reporting.** A nonprofit corporation receiving a grant under this section must
206.24 compile a quarterly report on the volume of wood waste utilized as fuel at the facility using
206.25 the same method used to compile the annual utilization of wood fuel for the Pollution Control
206.26 Agency's annual emission inventory report required under Minnesota Rules, part 7019.3000,
206.27 and must submit the information to the commissioner every three months beginning 120
206.28 days after the nonprofit corporation is eligible to receive grants.

206.29 Sec. 41. **[88.85] LOWLAND CONIFER CARBON RESERVE.**

206.30 Subdivision 1. **Definition.** For the purposes of this section, "lowland conifer stands"
206.31 means treed wetlands that occur on mucky mineral or wet organic soils. Lowland conifer
206.32 stands include black spruce, tamarack, and white cedar cover types, including stagnant
206.33 stands. These cover types include three wetland forest systems:

207.1 (1) wet forest system;

207.2 (2) rich forested peatland system; and

207.3 (3) acid peatland system.

207.4 Subd. 2. **Establishment.** (a) The Lowland Conifer Carbon Reserve is established to
207.5 mitigate climate change and protect ecologically unique areas. It includes all stands in the
207.6 state forest system identified as lowland conifer stands under this section and includes the
207.7 distribution of underlying peatlands associated with or adjoining each stand.

207.8 (b) By January 1, 2024, the commissioner must designate and list the areas included in
207.9 the Lowland Conifer Carbon Reserve and submit a report with the designated list to the
207.10 chairs and ranking minority members of the legislative committees and divisions with
207.11 jurisdiction over environment and natural resources.

207.12 (c) By July 1, 2024, the commissioner must prepare maps locating the areas identified
207.13 under paragraph (b); provide, to the extent possible, legal descriptions of each area; and
207.14 submit the maps and legal descriptions to the chairs and ranking minority members of the
207.15 legislative committees and divisions with jurisdiction over environment and natural resources.

207.16 Subd. 3. **Carbon sequestration; reports.** (a) By January 1, 2025, the commissioner
207.17 must prepare and submit a report to the chairs and ranking minority members of the
207.18 legislative committees and divisions with jurisdiction over environment and natural resources
207.19 with a list of all stands in the Lowland Conifer Carbon Reserve that are 90 years of age or
207.20 older and an estimate of the tons of carbon sequestered in the boles of the trees in these
207.21 stands. The commissioner must update and submit the report to the chairs and ranking
207.22 minority members every five years thereafter.

207.23 (b) By January 1, 2025, the commissioner must prepare and submit a report to the chairs
207.24 and ranking minority members of the legislative committees and divisions with jurisdiction
207.25 over environment and natural resources identifying any bogs and peatlands in the Lowland
207.26 Conifer Carbon Reserve and an estimate of the tons of carbon sequestered in the peat.

207.27 Subd. 4. **Productive stands; report.** By January 1, 2025, the commissioner must prepare
207.28 and submit a report to the chairs and ranking minority members of the legislative committees
207.29 and divisions with jurisdiction over environment and natural resources with a list and map
207.30 showing all productive stands in the Lowland Conifer Carbon Reserve and identify which
207.31 stands were harvested within the five years preceding establishment of the Lowland Conifer
207.32 Carbon Reserve. By January 15 each year thereafter, the commissioner must update the list
207.33 showing the most recent harvest year and species harvested and submit the list in a report

208.1 to the chairs and ranking minority members of the legislative committees and divisions with
208.2 jurisdiction over environment and natural resources finance and policy.

208.3 Subd. 5. **Timber harvesting restrictions.** (a) The commissioner may issue a timber
208.4 permit to harvest a stand in the Lowland Conifer Carbon Reserve only if:

208.5 (1) the stand is less than 90 years of age; and

208.6 (2) the stand is accessible to heavy logging equipment as determined by the commissioner.

208.7 (b) For stands accessible for only part of the year, trees may be harvested only during
208.8 the times the stand is accessible as determined by the commissioner.

208.9 Subd. 6. **Peat harvesting restrictions.** (a) A person may not harvest peat in the Lowland
208.10 Conifer Carbon Reserve.

208.11 (b) This subdivision does not apply to peat harvested under a permit issued before the
208.12 peat was included in the Lowland Conifer Carbon Reserve.

208.13 Subd. 7. **Management.** To the extent possible, the commissioner must passively manage
208.14 stands in the Lowland Conifer Carbon Reserve. Regeneration of harvested stands in the
208.15 Lowland Conifer Carbon Reserve must be done naturally.

208.16 Subd. 8. **Drained lands.** The commissioner must identify lands in the Lowland Conifer
208.17 Carbon Reserve that were drained for agricultural purposes but forfeited to the state for
208.18 nonpayment of taxes. The commissioner must make reasonable efforts to restore the lands
208.19 to their original hydrological condition, such as blocking or filling active drain pipes, tiles,
208.20 or ditches on the lands.

208.21 Subd. 9. **School trust lands.** The commissioner must compensate the permanent school
208.22 fund for school trust lands in the Lowland Conifer Carbon Reserve. To the extent funding
208.23 is available under section 16A.152, subdivision 2, and other sources, the commissioner must
208.24 extinguish the school trust interest of lands as provided under section 92.83. Payments for
208.25 school trust lands without commercial value must be compensated at an amount equal to
208.26 \$500 per acre. Payments for school trust lands with commercial value must be compensated
208.27 at a rate agreed to by the commissioner and the school trust lands director for each parcel,
208.28 with a parcel comprising a single stand or multiple adjoining stands.

208.29 Subd. 10. **Existing contracts and legislation.** Obligations, including permits, leases,
208.30 and legislative directives, that are in effect before designation of the Lowland Conifer Carbon
208.31 Reserve are not impacted by this section and continue until they expire or are removed.

208.32 Subd. 11. **Sunset.** This section expires December 31, 2099.

209.1 Sec. 42. Minnesota Statutes 2022, section 89A.03, subdivision 5, is amended to read:

209.2 Subd. 5. **Membership regulation.** Terms, compensation, nomination, appointment, and
209.3 removal of council members are governed by section 15.059, except that a council member
209.4 may be compensated at the rate of up to \$125 a day.

209.5 Sec. 43. Minnesota Statutes 2022, section 90.181, subdivision 2, is amended to read:

209.6 Subd. 2. **Deferred payments.** (a) If the amount of the statement is not paid or the payment
209.7 is not postmarked within 30 days of the statement date ~~thereof, it shall bear,~~ the amount
209.8 bears interest at the rate determined pursuant to section 16A.124, except that the purchaser
209.9 ~~shall not be~~ is not required to pay interest that totals \$1 or less. If the amount is not paid
209.10 within 60 days, the commissioner shall place the account in the hands of the commissioner
209.11 of revenue according to chapter 16D, who shall proceed to collect the ~~same~~ amount due.
209.12 When deemed in the best interests of the state, the commissioner shall take possession of
209.13 the timber for which an amount is due wherever it may be found and sell the ~~same~~ timber
209.14 informally or at public auction after giving reasonable notice.

209.15 (b) The proceeds of the sale ~~shall~~ must be applied, first, to the payment of the expenses
209.16 of seizure and sale; and, second, to the payment of the amount due for the timber, with
209.17 interest; ~~and.~~ The surplus, if any, ~~shall belong~~ belongs to the state; ~~and.~~ In case a sufficient
209.18 amount is not realized to pay these amounts in full, the balance ~~shall~~ must be collected by
209.19 the attorney general. ~~Neither~~ Payment of the amount, ~~nor the~~ recovery of judgment ~~therefor~~
209.20 for the amount, nor satisfaction of the judgment, ~~nor the~~ or seizure and sale of timber, ~~shall~~
209.21 does not:

209.22 (1) release the sureties on any security deposit given pursuant to this chapter; ~~or;~~

209.23 (2) preclude the state from afterwards claiming that the timber was cut or removed
209.24 contrary to law and recovering damages for the trespass thereby committed; or

209.25 (3) preclude the state from prosecuting the offender criminally.

209.26 Sec. 44. Minnesota Statutes 2022, section 97A.015, is amended by adding a subdivision
209.27 to read:

209.28 Subd. 32b. **Native swan.** "Native swan" means a trumpeter swan or a tundra swan but
209.29 does not include a mute swan.

210.1 Sec. 45. Minnesota Statutes 2022, section 97A.015, subdivision 51, is amended to read:

210.2 Subd. 51. **Unloaded.** "Unloaded" means, with reference to a firearm, without ammunition
210.3 in the barrels and magazine, if the magazine is in the firearm. A muzzle-loading firearm
210.4 ~~with~~ is unloaded if:

210.5 (1) for a flintlock ignition is unloaded if, it does not have priming powder in a pan. A
210.6 ~~muzzle-loading firearm with;~~

210.7 (2) for a percussion ignition is unloaded if, it does not have a percussion cap on a nipple;

210.8 (3) for an electronic ignition system, the battery is removed and is disconnected from
210.9 the firearm; and

210.10 (4) for an encapsulated powder charge ignition system, the primer and powder charge
210.11 are removed from the firearm.

210.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

210.13 Sec. 46. Minnesota Statutes 2022, section 97A.031, is amended to read:

210.14 **97A.031 WANTON WASTE.**

210.15 (a) Unless expressly allowed, a person may not wantonly waste or destroy a usable part
210.16 of a protected wild animal.

210.17 (b) This section does not apply to common carp.

210.18 Sec. 47. **[97A.096] DESIGNATED SWAN PROTECTION AREAS.**

210.19 Subdivision 1. **Swan protection areas.** The commissioner of natural resources must
210.20 designate waters within the seven-county metropolitan area that provide critical habitat for
210.21 swan nesting, migration, and foraging as swan protection areas.

210.22 Subd. 2. **Public notice and meeting.** (a) Before the commissioner designates or removes
210.23 a designation of a swan protection area, the commissioner must receive public comment
210.24 and hold a public meeting in the county where the largest portion of the affected water is
210.25 located.

210.26 (b) At least 90 days before the public meeting, the commissioner must post notice of
210.27 the proposed designation or removal of a designation at publicly maintained access points
210.28 on the affected water.

210.29 (c) Before the public meeting, the commissioner must publish notice of the meeting in
210.30 a news release issued by the commissioner and in a newspaper of general circulation in the

211.1 area where the proposed swan protection area is located. The notice must be published at
211.2 least once 30 to 60 days before the meeting and at least once seven to 30 days before the
211.3 meeting.

211.4 (d) The notices required in this subdivision must summarize the proposed action, invite
211.5 public comment, and specify a deadline for receiving public comments. The commissioner
211.6 must send each required notice to persons who have registered their names with the
211.7 commissioner for this purpose. The commissioner must consider any public comments
211.8 received in making a final decision.

211.9 (e) Designating swan protection areas or removing designations according to this
211.10 subdivision is not subject to the rulemaking requirements of chapter 14, and section 14.386
211.11 does not apply.

211.12 Subd. 3. **Using lead sinkers.** A person may not use lead sinkers on a water designated
211.13 by the commissioner as a swan protection area under subdivision 1. The commissioner must
211.14 maintain a list of swan protection areas and information on the lead sinker restrictions on
211.15 the department's website and in any summary of fishing regulations required under section
211.16 97A.051.

211.17 Subd. 4. **Report.** By January 15, 2026, the commissioner of natural resources must
211.18 submit a report to the chairs and ranking minority members of the legislative committees
211.19 and divisions with jurisdiction over environment and natural resources on the implementation
211.20 of this section and any recommendations.

211.21 Subd. 5. **Sunset.** This section expires January 1, 2027.

211.22 Sec. 48. Minnesota Statutes 2022, section 97A.126, is amended to read:

211.23 **97A.126 WALK-IN ACCESS PROGRAM.**

211.24 Subdivision 1. **Establishment.** A walk-in access program is established to provide public
211.25 access to wildlife habitat on private land for hunting, bird-watching, nature photography,
211.26 and similar compatible uses, excluding trapping, as provided under this section. The
211.27 commissioner may enter into agreements with other units of government and landowners
211.28 to provide private land hunting access.

211.29 Subd. 2. **Use of enrolled lands.** (a) From September 1 to May 31, a person must have
211.30 a walk-in access ~~hunter~~ validation in possession to hunt, photograph, and watch wildlife on
211.31 private lands, including agricultural lands, that are posted as being enrolled in the walk-in
211.32 access program.

212.1 (b) Hunting, bird-watching, nature photography, and similar compatible uses on private
 212.2 lands that are posted as enrolled in the walk-in access program is allowed from one-half
 212.3 hour before sunrise to one-half hour after sunset.

212.4 (c) ~~Hunter~~ Access on private lands that are posted as enrolled in the walk-in access
 212.5 program is restricted to nonmotorized use, except by ~~hunters~~ persons with disabilities
 212.6 operating motor vehicles on established trails or field roads who possess a valid permit to
 212.7 shoot from a stationary vehicle under section 97B.055, subdivision 3.

212.8 (d) The general provisions for use of wildlife management areas adopted under sections
 212.9 86A.06 and 97A.137, relating to overnight use, alcoholic beverages, use of motorboats,
 212.10 firearms and target shooting, hunting stands, abandonment of trash and property, destruction
 212.11 or removal of property, introduction of plants or animals, and animal trespass, apply to
 212.12 ~~hunters on~~ use of lands enrolled in the walk-in access program.

212.13 (e) Any use of enrolled lands other than ~~hunting according to~~ use authorized under this
 212.14 section is prohibited, including:

212.15 (1) harvesting bait, including minnows, leeches, and other live bait;

212.16 (2) training dogs or using dogs for activities other than hunting; and

212.17 (3) constructing or maintaining any building, dock, fence, billboard, sign, hunting blind,
 212.18 or other structure, unless constructed or maintained by the landowner.

212.19 Subd. 3. **Walk-in-access ~~hunter~~ validation; fee.** The fee for a walk-in-access ~~hunter~~
 212.20 validation is \$3.

212.21 Sec. 49. Minnesota Statutes 2022, section 97A.137, subdivision 3, is amended to read:

212.22 Subd. 3. **Use of motorized vehicles by ~~disabled hunters~~ people with disabilities.** The
 212.23 commissioner may ~~issue~~ provide an accommodation by issuing a special permit, without a
 212.24 fee, authorizing a ~~hunter~~ person with a ~~permanent physical~~ disability to use a ~~snowmobile,~~
 212.25 ~~highway-licensed vehicle, all-terrain vehicle,~~ an other power-driven mobility device, as
 212.26 defined under Code of Federal Regulations, title 28, section 35.104, or a motor boat in
 212.27 wildlife management areas. To qualify for a permit under this subdivision, the ~~disabled~~
 212.28 ~~person must possess:~~ provide credible assurance to the commissioner that the device or
 212.29 motor boat is used because of a disability.

212.30 ~~(1) the required hunting licenses; and~~

212.31 ~~(2) a permit to shoot from a stationary vehicle under section 97B.055, subdivision 3.~~

213.1 Sec. 50. Minnesota Statutes 2022, section 97A.315, subdivision 1, is amended to read:

213.2 Subdivision 1. **Criminal penalties.** (a) Except as provided in paragraph (b), a person
213.3 that violates a provision of section 97B.001, relating to trespass is guilty of a misdemeanor
213.4 except as provided in paragraph (b).

213.5 (b) A person is guilty of a gross misdemeanor if the person:

213.6 (1) knowingly disregards signs prohibiting trespass;

213.7 (2) trespasses after personally being notified by the landowner or lessee not to trespass;

213.8 or

213.9 (3) is convicted of violating this section more than once in a three-year period.

213.10 (c) Notwithstanding section 609.101, subdivision 4, clause (2), for a misdemeanor
213.11 violation, the minimum fine for a person who operates an off-highway motorcycle, off-road
213.12 vehicle, all-terrain vehicle, or snowmobile in violation of this section must not be less than
213.13 the amount set forth in section 84.775.

213.14 Sec. 51. Minnesota Statutes 2022, section 97A.401, subdivision 1, is amended to read:

213.15 Subdivision 1. **Commissioner's authority.** The commissioner may issue special permits
213.16 for the activities in this section. A special permit may be issued in the form of a general
213.17 permit to a governmental subdivision or to the general public to conduct one or more
213.18 activities under subdivisions 2 to & 9.

213.19 Sec. 52. Minnesota Statutes 2022, section 97A.401, is amended by adding a subdivision
213.20 to read:

213.21 Subd. 9. **Taking wild animals with federal incidental take permit.** The commissioner
213.22 must prescribe conditions for and may issue a permit to a person for taking wild animals
213.23 during activities covered under a federal incidental take permit issued under section
213.24 10(a)(1)(B) of the federal Endangered Species Act, including to a landowner for taking wild
213.25 animals during activities covered by a certificate of inclusion issued by the commissioner
213.26 under Code of Federal Regulations, title 50, section 13.25(e).

213.27 Sec. 53. Minnesota Statutes 2022, section 97A.405, subdivision 5, is amended to read:

213.28 Subd. 5. **Resident licenses.** (a) To obtain a resident license, a resident an individual 21
213.29 years of age or older must be a resident and:

214.1 (1) possess a current Minnesota driver's license or a valid application receipt for a driver's
 214.2 license that is at least 60 days past the issuance date;

214.3 (2) possess a current identification card issued by the commissioner of public safety or
 214.4 a valid application receipt for an identification card that is at least 60 days past the issuance
 214.5 date; or

214.6 (3) present evidence showing proof of residency in cases when clause (1) or (2) would
 214.7 violate the Religious Freedom Restoration Act of 1993, Public Law 103-141; or

214.8 (4) possess a Tribal identification card as provided in paragraph (b).

214.9 (b) For purposes of this subdivision, "Tribal identification card" means an unexpired
 214.10 identification card as provided under section 171.072, paragraphs (b) and (c). The Tribal
 214.11 identification card:

214.12 (1) must contain the enrolled Tribal member's Minnesota residence address; and

214.13 (2) may be used to obtain a resident license under paragraph (a) only if the Tribal member
 214.14 does not have a current driver's license or state identification card in any state.

214.15 (c) A person must not have applied for, purchased, or accepted a resident hunting, fishing,
 214.16 or trapping license issued by another state or foreign country within 60 days before applying
 214.17 for a resident license under this section.

214.18 Sec. 54. Minnesota Statutes 2022, section 97A.421, subdivision 3, is amended to read:

214.19 Subd. 3. **Issuance after conviction; big game.** (a) A person may not use a big-game
 214.20 license purchased before conviction, obtain ~~any~~ a big-game license₂, or take big game under
 214.21 a lifetime license, issued under section 97A.473, for three years after the person is convicted
 214.22 of:

214.23 (1) a gross misdemeanor violation under the game and fish laws relating to big game;

214.24 (2) doing an act without a required big-game license; or

214.25 (3) the second violation within three years under the game and fish laws relating to big
 214.26 game.

214.27 (b) A person may not obtain any deer license or take deer under a lifetime license issued
 214.28 under section 97A.473 for one year after the person is convicted of hunting deer with the
 214.29 aid or use of bait under section 97B.328.

215.1 (c) The revocation period under paragraphs (a) and (b) doubles if the conviction is for
215.2 a deer that is a trophy deer scoring higher than 170 using the scoring method established
215.3 for wildlife restitution values adopted under section 97A.345.

215.4 Sec. 55. Minnesota Statutes 2022, section 97A.473, subdivision 2, is amended to read:

215.5 Subd. 2. **Lifetime angling license; fee.** (a) A resident lifetime angling license authorizes
215.6 a person to take fish by angling in the state. The license authorizes those activities authorized
215.7 by the annual resident angling license. The license does not include a trout-and-salmon
215.8 stamp validation, a walleye stamp validation, or other stamps required by law.

215.9 (b) The fees for a resident lifetime angling license are:

215.10 (1) age 3 and under, ~~\$344~~ \$413;

215.11 (2) age 4 to age 15, ~~\$469~~ \$563;

215.12 (3) age 16 to age 50, ~~\$574~~ \$689; and

215.13 (4) age 51 and over, ~~\$379~~ \$455.

215.14 Sec. 56. Minnesota Statutes 2022, section 97A.473, subdivision 2a, is amended to read:

215.15 Subd. 2a. **Lifetime spearing license; fee.** (a) A resident lifetime spearing license
215.16 authorizes a person to take fish by spearing in the state. The license authorizes those activities
215.17 authorized by the annual resident spearing license.

215.18 (b) The fees for a resident lifetime spearing license are:

215.19 (1) age 3 and under, ~~\$90~~ \$108;

215.20 (2) age 4 to age 15, ~~\$124~~ \$149;

215.21 (3) age 16 to age 50, ~~\$117~~ \$141; and

215.22 (4) age 51 and over, ~~\$61~~ \$74.

215.23 Sec. 57. Minnesota Statutes 2022, section 97A.473, subdivision 2b, is amended to read:

215.24 Subd. 2b. **Lifetime angling and spearing license; fee.** (a) A resident lifetime angling
215.25 and spearing license authorizes a person to take fish by angling or spearing in the state. The
215.26 license authorizes those activities authorized by the annual resident angling and spearing
215.27 licenses.

215.28 (b) The fees for a resident lifetime angling and spearing license are:

215.29 (1) age 3 and under, ~~\$432~~ \$519;

216.1 (2) age 4 to age 15, ~~\$579~~ \$695;

216.2 (3) age 16 to age 50, ~~\$678~~ \$814; and

216.3 (4) age 51 and over, ~~\$439~~ \$527.

216.4 Sec. 58. Minnesota Statutes 2022, section 97A.473, subdivision 5, is amended to read:

216.5 **Subd. 5. Lifetime sporting license; fee.** (a) A resident lifetime sporting license authorizes
216.6 a person to take fish by angling and hunt and trap small game, other than wolves, in the
216.7 state. The license authorizes those activities authorized by the annual resident angling and
216.8 resident small-game-hunting licenses and the resident trapping license for fur-bearing
216.9 animals other than wolves. The license does not include a trout-and-salmon stamp validation,
216.10 a turkey stamp validation, a walleye stamp validation, or any other hunting stamps required
216.11 by law.

216.12 (b) The fees for a resident lifetime sporting license are:

216.13 (1) age 3 and under, ~~\$522~~ \$573;

216.14 (2) age 4 to age 15, ~~\$710~~ \$779;

216.15 (3) age 16 to age 50, ~~\$927~~ \$1,017; and

216.16 (4) age 51 and over, ~~\$603~~ \$662.

216.17 Sec. 59. Minnesota Statutes 2022, section 97A.473, subdivision 5a, is amended to read:

216.18 **Subd. 5a. Lifetime sporting with spearing option license; fee.** (a) A resident lifetime
216.19 sporting with spearing option license authorizes a person to take fish by angling or spearing
216.20 and hunt and trap small game, other than wolves, in the state. The license authorizes those
216.21 activities authorized by the annual resident angling, spearing, and resident
216.22 small-game-hunting licenses and the resident trapping license for fur-bearing animals other
216.23 than wolves. The license does not include a trout-and-salmon stamp validation, a turkey
216.24 stamp validation, a walleye stamp validation, or any other hunting stamps required by law.

216.25 (b) The fees for a resident lifetime sporting with spearing option license are:

216.26 (1) age 3 and under, ~~\$612~~ \$676;

216.27 (2) age 4 to age 15, ~~\$833~~ \$921;

216.28 (3) age 16 to age 50, ~~\$1,046~~ \$1,153; and

216.29 (4) age 51 and over, ~~\$666~~ \$733.

217.1 Sec. 60. Minnesota Statutes 2022, section 97A.474, subdivision 2, is amended to read:

217.2 Subd. 2. **Nonresident lifetime angling license; fee.** (a) A nonresident lifetime angling
217.3 license authorizes a person to take fish by angling in the state. The license authorizes those
217.4 activities authorized by the annual nonresident angling license. The license does not include
217.5 a trout-and-salmon stamp validation, a walleye stamp validation, or other stamps required
217.6 by law.

217.7 (b) The fees for a nonresident lifetime angling license are:

217.8 (1) age 3 and under, ~~\$821~~ \$1,068;

217.9 (2) age 4 to age 15, ~~\$1,046~~ \$1,360;

217.10 (3) age 16 to age 50, ~~\$1,191~~ \$1,549; and

217.11 (4) age 51 and over, ~~\$794~~ \$1,033.

217.12 Sec. 61. Minnesota Statutes 2022, section 97A.475, subdivision 6, is amended to read:

217.13 Subd. 6. **Resident fishing.** Fees for the following licenses, to be issued to residents only,
217.14 are:

217.15 (1) for persons age 18 or over to take fish by angling, ~~\$25~~ \$30;

217.16 (2) for persons age 18 or over to take fish by angling, for a combined license for a married
217.17 couple, ~~\$40~~ \$48;

217.18 (3) for persons age 18 or over to take fish by spearing from a dark house, ~~\$6~~ \$8, and the
217.19 person must possess an angling license;

217.20 (4) for persons age 18 or over to take fish by angling for a 24-hour period selected by
217.21 the licensee, ~~\$12~~ \$15;

217.22 (5) for persons age 18 or over to take fish by angling for a consecutive 72-hour period
217.23 selected by the licensee, ~~\$14~~ \$17;

217.24 (6) for persons age 18 or over to take fish by angling for three consecutive years, ~~\$71~~
217.25 \$86; and

217.26 (7) for persons age 16 or over and under age 18 to take fish by angling, ~~\$5~~ \$6.

217.27 Sec. 62. Minnesota Statutes 2022, section 97A.475, subdivision 7, is amended to read:

217.28 Subd. 7. **Nonresident fishing.** (a) Fees for the following licenses, to be issued to
217.29 nonresidents, are:

- 218.1 (1) for persons age 18 or over to take fish by angling, ~~\$46~~ \$62;
- 218.2 (2) for persons age 18 or over to take fish by angling limited to seven consecutive days
218.3 selected by the licensee, ~~\$38~~ \$51;
- 218.4 (3) for persons age 18 or over to take fish by angling for a consecutive 72-hour period
218.5 selected by the licensee, ~~\$31~~ \$42;
- 218.6 (4) for persons age 18 or over to take fish by angling for a combined license for a family
218.7 for one or both parents and dependent children under the age of 16, ~~\$63~~ \$84;
- 218.8 (5) for persons age 18 or over to take fish by angling for a 24-hour period selected by
218.9 the licensee, ~~\$14~~ \$19;
- 218.10 (6) to take fish by angling for a combined license for a married couple, limited to 14
218.11 consecutive days selected by one of the licensees, ~~\$49~~ \$66;
- 218.12 (7) for persons age 18 or over to take fish by spearing from a dark house, ~~\$12~~ \$18, and
218.13 the person must possess an angling license; and
- 218.14 (8) for persons age 16 or over and under age 18 to take fish by angling, ~~\$5~~ \$6.
- 218.15 (b) A \$5 surcharge shall be added to all nonresident fishing licenses, except licenses
218.16 issued under paragraph (a), clauses (5) and (8). An additional commission may not be
218.17 assessed on this surcharge.
- 218.18 Sec. 63. Minnesota Statutes 2022, section 97A.475, subdivision 8, is amended to read:
- 218.19 Subd. 8. **Minnesota sporting; supersports.** (a) The commissioner shall issue Minnesota
218.20 sporting licenses to residents only. The licensee may take fish by angling and small game.
218.21 The fee for the license is:
- 218.22 (1) for an individual, ~~\$34.50~~ \$40.50; and
- 218.23 (2) for a combined license for a married couple to take fish and for one spouse to take
218.24 small game, ~~\$50.50~~ \$61.50.
- 218.25 (b) The commissioner shall issue Minnesota supersports licenses to residents only. The
218.26 licensee may take fish by angling, including trout; small game, including pheasant and
218.27 waterfowl; and deer by firearms or muzzleloader or by archery. The fee for the supersports
218.28 license, including all required stamp validations is:
- 218.29 (1) for an individual age 18 or over, ~~\$93.50~~ \$102.50; and

219.1 (2) for a combined license for a married couple to take fish, including the
219.2 trout-and-salmon stamp validation, and for one spouse to take small game, including pheasant
219.3 and waterfowl, and deer, ~~\$119.50~~ \$137.50.

219.4 (c) Revenue for the stamp endorsements under paragraph (b) shall be deposited according
219.5 to section 97A.075, subdivisions 2, 3, and 4.

219.6 (d) Revenue for the deer license endorsement under paragraph (b) shall be deposited
219.7 according to section 97A.075, subdivision 1.

219.8 Sec. 64. Minnesota Statutes 2022, section 97A.475, subdivision 10, is amended to read:

219.9 Subd. 10. **Trout-and-salmon stamp validation.** The fee for a trout-and-salmon stamp
219.10 validation is ~~\$10~~ \$12.

219.11 Sec. 65. Minnesota Statutes 2022, section 97A.475, subdivision 10a, is amended to read:

219.12 Subd. 10a. **Walleye stamp validation.** A person may agree to purchase a walleye stamp
219.13 validation for ~~\$5~~ \$6.

219.14 Sec. 66. Minnesota Statutes 2022, section 97A.475, subdivision 11, is amended to read:

219.15 Subd. 11. **Fish houses, dark houses, and shelters; residents.** Fees for the following
219.16 licenses are:

219.17 (1) annual for a fish house, dark house, or shelter that is not rented, ~~\$15~~ \$18;

219.18 (2) annual for a fish house, dark house, or shelter that is rented, ~~\$30~~ \$36;

219.19 (3) three-year for a fish house, dark house, or shelter that is not rented, ~~\$42~~ \$51; and

219.20 (4) three-year for a fish house, dark house, or shelter that is rented, ~~\$87~~ \$105.

219.21 Sec. 67. Minnesota Statutes 2022, section 97A.475, subdivision 12, is amended to read:

219.22 Subd. 12. **Fish houses, dark houses, and shelters; nonresident.** Fees for fish house,
219.23 dark house, and shelter licenses for a nonresident are:

219.24 (1) annual, ~~\$37~~ \$49;

219.25 (2) seven consecutive days selected by the licensee, ~~\$21~~ \$28; and

219.26 (3) three-year, ~~\$111~~ \$145.

220.1 Sec. 68. Minnesota Statutes 2022, section 97A.475, subdivision 13, is amended to read:

220.2 Subd. 13. **Netting whitefish and ciscoes for personal consumption.** The fee for a
220.3 license to net whitefish and ciscoes in inland lakes and international waters for personal
220.4 consumption is, for each net, ~~\$10~~ \$12.

220.5 Sec. 69. Minnesota Statutes 2022, section 97A.475, subdivision 41, is amended to read:

220.6 Subd. 41. **Turtle licenses license.** ~~(a) The fee for a turtle seller's license to sell turtles~~
220.7 ~~and to take, transport, buy, and possess turtles for sale is \$250.~~

220.8 ~~(b)~~ The fee for a recreational turtle license to take, transport, and possess turtles for
220.9 personal use is \$25.

220.10 ~~(c) The fee for a turtle seller's apprentice license is \$100.~~

220.11 **EFFECTIVE DATE.** This section is effective January 1, 2024.

220.12 Sec. 70. Minnesota Statutes 2022, section 97B.031, subdivision 1, is amended to read:

220.13 Subdivision 1. **Permissible firearms and ammunition; big game and wolves.** A person
220.14 may take big game and wolves with a firearm only if:

220.15 (1) ~~the~~ any rifle, shotgun, ~~and~~ or handgun used is a caliber of at least .22 inches and ~~with~~
220.16 has centerfire ignition;

220.17 (2) the firearm is loaded only with single projectile ammunition;

220.18 (3) a projectile used is a caliber of at least .22 inches and has a soft point or is an
220.19 expanding bullet type;

220.20 (4) ~~the~~ any muzzleloader used ~~is incapable of being~~ has the projectile loaded only at the
220.21 ~~breech~~ muzzle;

220.22 (5) ~~the~~ any smooth-bore muzzleloader used is a caliber of at least .45 inches; and

220.23 (6) ~~the~~ any rifled muzzleloader used is a caliber of at least .40 inches.

220.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

220.25 Sec. 71. Minnesota Statutes 2022, section 97B.071, is amended to read:

220.26 **97B.071 CLOTHING AND GROUND BLIND REQUIREMENTS; BLAZE**
220.27 **ORANGE OR BLAZE PINK.**

220.28 (a) Except as provided in rules adopted under paragraph ~~(e)~~ (d), a person may not hunt
220.29 or trap during the open season where deer may be taken by firearms under applicable laws

221.1 and ordinances, unless the visible portion of the person's cap and outer clothing above the
221.2 waist, excluding sleeves and gloves, is blaze orange or blaze pink. Blaze orange or blaze
221.3 pink includes a camouflage pattern of at least 50 percent blaze orange or blaze pink within
221.4 each foot square. This section does not apply to migratory-waterfowl hunters on waters of
221.5 this state or in a stationary shooting location or to trappers on waters of this state.

221.6 (b) Except as provided in rules adopted under paragraph ~~(e)~~ (d), and in addition to the
221.7 requirement in paragraph (a), a person may not take small game other than turkey, migratory
221.8 birds, raccoons, and predators, except while trapping, unless a visible portion of at least one
221.9 article of the person's clothing above the waist is blaze orange or blaze pink. This paragraph
221.10 does not apply to a person when in a stationary location while hunting deer by archery or
221.11 when hunting small game by falconry.

221.12 (c) A person in a fabric or synthetic ground blind on public land must have:

221.13 (1) a blaze orange safety covering on the top of the blind that is visible for 360 degrees
221.14 around the blind; or

221.15 (2) at least 144 square inches of blaze orange material on each side of the blind.

221.16 ~~(e)~~ (d) The commissioner may, by rule, prescribe an alternative color in cases where
221.17 paragraph (a) or (b) would violate the Religious Freedom Restoration Act of 1993, Public
221.18 Law 103-141.

221.19 ~~(d)~~ (e) A violation of paragraph (b) ~~shall~~ does not result in a penalty, but is punishable
221.20 only by a safety warning.

221.21 Sec. 72. Minnesota Statutes 2022, section 97B.301, subdivision 6, is amended to read:

221.22 Subd. 6. **Residents or nonresidents under age 18; taking either-sex deer.** A resident
221.23 or nonresident under the age of 18 may take a deer of either sex except in those antlerless
221.24 permit areas and seasons where no antlerless permits are offered. In antlerless permit areas
221.25 where no antlerless permits are offered, the commissioner may provide a limited number
221.26 of youth either sex permits to residents or nonresidents under age 18, under the procedures
221.27 provided in section 97B.305, and may give preference to residents or nonresidents under
221.28 the age of 18 that have not previously been selected. This subdivision does not authorize
221.29 the taking of ~~an antlerless~~ a deer by another member of a party under subdivision 3.

222.1 Sec. 73. Minnesota Statutes 2022, section 97B.516, is amended to read:

222.2 **97B.516 PLAN FOR ELK MANAGEMENT.**

222.3 (a) The commissioner of natural resources must adopt an elk management plan that:

222.4 (1) recognizes the value and uniqueness of elk;

222.5 (2) provides for integrated management of an elk population in harmony with the
222.6 environment; and

222.7 (3) affords optimum recreational opportunities.

222.8 ~~(b) Notwithstanding paragraph (a), the commissioner must not manage an elk herd in~~
222.9 ~~Kittson, Roseau, Marshall, or Beltrami Counties in a manner that would increase the size~~
222.10 ~~of the herd, including adoption or implementation of an elk management plan designed to~~
222.11 ~~increase an elk herd, unless the commissioner of agriculture verifies that crop and fence~~
222.12 ~~damages paid under section 3.7371 and attributed to the herd have not increased for at least~~
222.13 ~~two years.~~

222.14 ~~(c) At least 60 days prior to implementing a plan to increase an elk herd, the~~
222.15 ~~commissioners of natural resources and agriculture must hold a joint public meeting in the~~
222.16 ~~county where the elk herd to be increased is located. At the meeting, the commissioners~~
222.17 ~~must present evidence that crop and fence damages have not increased in the prior two years~~
222.18 ~~and must detail the practices that will be used to reduce elk conflicts with area landowners.~~

222.19 Sec. 74. Minnesota Statutes 2022, section 97B.645, subdivision 9, is amended to read:

222.20 Subd. 9. **No open season.** There ~~shall be~~ is no open season for wolves ~~until after the~~
222.21 ~~wolf is delisted under the federal Endangered Species Act of 1973. After that time, the~~
222.22 ~~commissioner may prescribe open seasons and restrictions for taking wolves but must~~
222.23 ~~provide opportunity for public comment.~~

222.24 Sec. 75. Minnesota Statutes 2022, section 97B.668, is amended to read:

222.25 **97B.668 GAME BIRDS ANIMALS CAUSING DAMAGE.**

222.26 Subdivision 1. Game birds causing damage. Notwithstanding sections 97B.091 and
222.27 97B.805, subdivisions 1 and 2, a person or agent of that person on lands and nonpublic
222.28 waters owned or operated by the person may nonlethally scare, haze, chase, or harass game
222.29 birds that are causing property damage or to protect a disease risk at any time or place that
222.30 a hunting season for the game birds is not open. This section does not apply to public waters
222.31 as defined under section 103G.005, subdivision 15. This section does not apply to migratory

223.1 waterfowl on nests and other federally protected game birds on nests, except ducks and
223.2 geese on nests when a permit is obtained under section 97A.401.

223.3 Subd. 2. **Deer and elk causing damage.** (a) Notwithstanding section 97B.091, a property
223.4 owner, the property owner's immediate family member, or an agent of the property owner
223.5 may nonlethally scare, haze, chase, or harass deer or elk that are causing damage to
223.6 agricultural crops that are propagated under generally accepted agricultural practices.

223.7 (b) Paragraph (a) applies only:

223.8 (1) in the immediate area of the crop damage; and

223.9 (2) during the closed season for taking deer or elk.

223.10 (c) Paragraph (a) does not allow:

223.11 (1) using poisons;

223.12 (2) using dogs;

223.13 (3) conduct that drives a deer or elk to the point of exhaustion;

223.14 (4) activities that require a permit under section 97A.401; or

223.15 (5) conduct that causes the death of or that is likely to cause the death of a deer or elk.

223.16 (d) A property owner or the owner's agent must report the death of a deer or elk to staff
223.17 in the Division of Fish and Wildlife within 24 hours of the death if the death resulted from
223.18 actions taken under paragraph (a).

223.19 **Sec. 76. [97B.673] NONTOXIC SHOT REQUIRED FOR TAKING SMALL GAME**
223.20 **IN CERTAIN AREAS.**

223.21 Subdivision 1. **Nontoxic shot on wildlife management areas in farmland zone.** A
223.22 person may not take small game, rails, or common snipe on any wildlife management area
223.23 within the farmland zone with shot other than:

223.24 (1) steel shot;

223.25 (2) copper-plated, nickel-plated, or zinc-plated steel shot; or

223.26 (3) shot made of other nontoxic material approved by the director of the United States
223.27 Fish and Wildlife Service.

223.28 Subd. 2. **Farmland zone.** For the purposes of this section, the farmland zone is the
223.29 portion of the state that falls south and west of Minnesota Highway 70 westward from the
223.30 Wisconsin border to Minnesota Highway 65 to Minnesota Highway 23 to U.S. Highway

224.1 169 at Milaca to Minnesota Highway 18 at Garrison to Minnesota Highway 210 at Brainerd
224.2 to U.S. Highway 10 at Motley to U.S. Highway 59 at Detroit Lakes northward to the
224.3 Canadian border.

224.4 **EFFECTIVE DATE.** This section is effective July 1, 2024.

224.5 Sec. 77. **[97B.735] SWANS.**

224.6 A person who takes, harasses, destroys, buys, sells, possesses, transports, or ships a
224.7 native swan in violation of the game and fish laws is guilty of a gross misdemeanor.

224.8 Sec. 78. Minnesota Statutes 2022, section 97C.087, subdivision 2, is amended to read:

224.9 Subd. 2. **Application for tag.** Application for special fish management tags must be
224.10 accompanied by a ~~\$5~~ \$6, nonrefundable application fee for each tag. A person may not
224.11 make more than one tag application each calendar year. If a person makes more than one
224.12 application, the person is ineligible for a special fish management tag for that calendar year
224.13 after determination by the commissioner, without a hearing.

224.14 Sec. 79. Minnesota Statutes 2022, section 97C.315, subdivision 1, is amended to read:

224.15 Subdivision 1. **Lines.** An angler may not use more than one line, except that:

224.16 (1) two lines may be used to take fish through the ice; ~~and~~

224.17 (2) the commissioner may, by rule, authorize the use of two lines in areas designated by
224.18 the commissioner in Lake Superior; and

224.19 (3) two lines may be used in the Minnesota River downstream of the Granite Falls Dam
224.20 and in the Mississippi River downstream of St. Anthony Falls.

224.21 Sec. 80. Minnesota Statutes 2022, section 97C.345, subdivision 1, is amended to read:

224.22 Subdivision 1. **When use prohibited.** Except as specifically authorized, a person may
224.23 not take fish with a spear from the third Monday in February to the Friday before the last
224.24 Saturday in April and may not take fish with a fish trap, net, dip net, seine, or other device
224.25 capable of taking fish from the third Monday in February ~~to~~ through April 30.

224.26 Sec. 81. **[97C.348] FELT-SOLED WADERS.**

224.27 A person may not use felt-soled waders in waters of the state. For purposes of this section
224.28 "felt-soled waders" means boots or shoes that have water-absorbing material affixed to the
224.29 soles or bottoms.

225.1 **EFFECTIVE DATE.** This section is effective January 1, 2024.

225.2 Sec. 82. Minnesota Statutes 2022, section 97C.355, is amended by adding a subdivision
225.3 to read:

225.4 **Subd. 9. Placing waste on ice prohibited.** A person using a fish house, dark house, or
225.5 other shelter on the ice of state waters is subject to section 97C.363.

225.6 Sec. 83. **[97C.363] STORING GARBAGE AND OTHER WASTE ON ICE.**

225.7 **Subdivision 1. Prohibition.** A person using a shelter, a motor vehicle, or any other
225.8 conveyance on the ice of state waters may not deposit garbage, rubbish, cigarette filters,
225.9 debris from fireworks, offal, the body of a dead animal, litter, sewage, or any other waste
225.10 outside the shelter, motor vehicle, or conveyance unless the material is:

225.11 (1) placed in a container that is secured to the shelter, motor vehicle, or conveyance;

225.12 and

225.13 (2) not placed directly on the ice or in state waters.

225.14 **Subd. 2. Definition.** For purposes of this section, "sewage" means excrementitious or
225.15 other discharge from the bodies of human beings or animals, together with such other water
225.16 as may be present.

225.17 **Subd. 3. Penalty.** A violation of this section is a petty misdemeanor, and a person who
225.18 violates this section is subject to a civil penalty of \$100 for each violation.

225.19 Sec. 84. Minnesota Statutes 2022, section 97C.371, subdivision 1, is amended to read:

225.20 Subdivision 1. **Species allowed.** Only rough fish, catfish, lake whitefish, cisco (tulibee),
225.21 and northern pike may be taken by spearing.

225.22 Sec. 85. Minnesota Statutes 2022, section 97C.371, subdivision 2, is amended to read:

225.23 Subd. 2. **Dark houses required for certain species.** Catfish, lake whitefish, cisco
225.24 (tulibee), and northern pike may be speared only from dark houses.

225.25 Sec. 86. Minnesota Statutes 2022, section 97C.371, subdivision 4, is amended to read:

225.26 Subd. 4. **Open season.** The open season for spearing through the ice is November 15
225.27 ~~to~~ through the last Sunday in February.

226.1 Sec. 87. Minnesota Statutes 2022, section 97C.395, subdivision 1, is amended to read:

226.2 Subdivision 1. **Dates for certain species.** (a) The open seasons to take fish by angling
226.3 are as follows:

226.4 (1) for walleye, sauger, northern pike, muskellunge, largemouth bass, and smallmouth
226.5 bass, the Saturday two weeks prior to the Saturday of Memorial Day weekend ~~to~~ through
226.6 the last Sunday in February;

226.7 (2) for lake trout, from January 1 ~~to~~ through October 31;

226.8 (3) for the winter season for lake trout, brown trout, brook trout, rainbow trout, and
226.9 splake on all lakes located outside or partially within the Boundary Waters Canoe Area,
226.10 from January 15 ~~to~~ through March 31;

226.11 (4) for the winter season for lake trout, brown trout, brook trout, rainbow trout, and
226.12 splake on all lakes located entirely within the Boundary Waters Canoe Area, from January
226.13 1 ~~to~~ through March 31;

226.14 (5) for brown trout, brook trout, rainbow trout, and splake, between January 1 ~~to~~ through
226.15 October 31 as prescribed by the commissioner by rule except as provided in section 97C.415,
226.16 subdivision 2; and

226.17 (6) for salmon, as prescribed by the commissioner by rule.

226.18 (b) The commissioner shall close the season in areas of the state where fish are spawning
226.19 and closing the season will protect the resource.

226.20 Sec. 88. Minnesota Statutes 2022, section 97C.601, subdivision 1, is amended to read:

226.21 Subdivision 1. **Season.** The open season for frogs is May 16 ~~to~~ through March 31. The
226.22 commissioner may, by rule, establish closed seasons in specified areas.

226.23 Sec. 89. Minnesota Statutes 2022, section 97C.605, subdivision 1, is amended to read:

226.24 Subdivision 1. ~~Resident angling license required~~ **Taking turtles; requirements.** ~~In~~
226.25 ~~addition to any other license required in this section,~~ (a) A person may not take, possess,
226.26 or transport turtles without a resident angling license, ~~except as provided in subdivision 2e~~
226.27 and a recreational turtle license.

226.28 (b) Turtles taken from the wild are for personal use only and may not be resold.

226.29 **EFFECTIVE DATE.** This section is effective January 1, 2024.

227.1 Sec. 90. Minnesota Statutes 2022, section 97C.605, subdivision 2c, is amended to read:

227.2 Subd. 2c. **License exemptions.** (a) A person does not need a turtle seller's license or an
227.3 angling license the licenses specified under subdivision 1:

227.4 ~~(1) when buying turtles for resale at a retail outlet;~~

227.5 (1) when buying turtles from a licensed aquatic farm or licensed private fish hatchery
227.6 for resale at a retail outlet or restaurant;

227.7 (2) when buying a turtle at a retail outlet;

227.8 ~~(3) if the person is a nonresident buying a turtle from a licensed turtle seller for export~~
227.9 ~~out of state. Shipping documents provided by the turtle seller must accompany each shipment~~
227.10 ~~exported out of state by a nonresident. Shipping documents must include: name, address,~~
227.11 ~~city, state, and zip code of the buyer; number of each species of turtle; and name and license~~
227.12 ~~number of the turtle seller; or~~

227.13 ~~(4)~~ (3) to take, possess, and rent or sell up to 25 turtles greater than four inches in length
227.14 for the purpose of providing the turtles to participants at a nonprofit turtle race, if the person
227.15 is a resident under age 18. The person is responsible for the well-being of the turtles; or

227.16 (4) if under 16 years of age when possessing turtles. Notwithstanding any other law to
227.17 the contrary, a person under the age of 16 may possess, without a license, up to three snapping
227.18 or western painted turtles, provided the turtles are possessed for personal use and are within
227.19 the applicable length and width requirements.

227.20 (b) A person with an aquatic farm license with a turtle endorsement or a private fish
227.21 hatchery license with a turtle endorsement may sell, obtain, possess, transport, and propagate
227.22 turtles and turtle eggs without the licenses specified under subdivision 1.

227.23 (c) Turtles possessed under this subdivision may not be released back into the wild.

227.24 **EFFECTIVE DATE.** This section is effective January 1, 2024.

227.25 Sec. 91. Minnesota Statutes 2022, section 97C.605, subdivision 3, is amended to read:

227.26 Subd. 3. **Taking; methods prohibited.** ~~(a)~~ A person may not take turtles by using:

227.27 (1) explosives, drugs, poisons, lime, and other harmful substances;

227.28 (2) traps, ~~except as provided in paragraph (b) and rules adopted under this section;~~

227.29 (3) nets other than anglers' fish landing nets;

227.30 (4) commercial equipment, ~~except as provided in rules adopted under this section;~~

228.1 (5) firearms and ammunition;

228.2 (6) bow and arrow or crossbow; or

228.3 (7) spears, harpoons, or any other implements that impale turtles.

228.4 ~~(b) Until new rules are adopted under this section, a person with a turtle seller's license~~

228.5 ~~may take turtles with a floating turtle trap that:~~

228.6 ~~(1) has one or more openings above the water surface that measure at least ten inches~~

228.7 ~~by four inches; and~~

228.8 ~~(2) has a mesh size of not less than one-half inch, bar measure.~~

228.9 **EFFECTIVE DATE.** This section is effective January 1, 2024.

228.10 Sec. 92. Minnesota Statutes 2022, section 97C.611, is amended to read:

228.11 **97C.611 TURTLE SPECIES; LIMITS.**

228.12 Subdivision 1. **Snapping turtles.** A person may not possess more than three snapping

228.13 turtles of the species *Chelydra serpentina* ~~without a turtle seller's license~~. Until new rules

228.14 are adopted under section 97C.605, a person may not take snapping turtles of a size less

228.15 than ten inches wide including curvature, measured from side to side across the shell at

228.16 midpoint. After new rules are adopted under section 97C.605, a person may only take

228.17 snapping turtles of a size specified in the adopted rules.

228.18 Subd. 2. **Western painted turtles.** (a) A person may not possess more than three Western

228.19 painted turtles of the species *Chrysemys picta* ~~without a turtle seller's license~~. Western

228.20 painted turtles must be between 4 and 5-1/2 inches in shell length.

228.21 (b) This subdivision does not apply to persons acting under section 97C.605, subdivision

228.22 2c, ~~clause (4) paragraph (a)~~.

228.23 Subd. 3. **Spiny softshell.** ~~A person may not possess spiny softshell turtles of the species~~

228.24 *Apalone spinifera* ~~after December 1, 2021, without an aquatic farm or private fish hatchery~~

228.25 ~~license with a turtle endorsement.~~

228.26 Subd. 4. **Other species.** A person may not possess any other species of turtle ~~without~~

228.27 except with an aquatic farm or private fish hatchery license with a turtle endorsement or as

228.28 specified under section 97C.605, subdivision 2c.

228.29 **EFFECTIVE DATE.** This section is effective January 1, 2024.

229.1 Sec. 93. Minnesota Statutes 2022, section 97C.836, is amended to read:

229.2 **97C.836 LAKE SUPERIOR LAKE TROUT; EXPANDED ASSESSMENT**
229.3 **HARVEST.**

229.4 The commissioner shall provide for taking of lake trout by licensed commercial operators
229.5 in Lake Superior management zones MN-3 and MN-2 for expanded assessment and sale.
229.6 The commissioner shall authorize expanded assessment taking and sale of lake trout in Lake
229.7 Superior management zone MN-3 beginning annually in 2007 and zone MN-2 beginning
229.8 annually in 2010. Total assessment taking and sale may not exceed 3,000 lake trout in zone
229.9 MN-3 and 2,000 lake trout in zone MN-2 and may be reduced when necessary to protect
229.10 the lake trout population or to manage the effects of invasive species or fish disease. Taking
229.11 lake trout for expanded assessment and sale shall be allowed from June 1 ~~to~~ through
229.12 September 30, but may end earlier in the respective zones if the quotas are reached. The
229.13 quotas must be reassessed at the expiration of the current ten-year Fisheries Management
229.14 Plan for the Minnesota Waters of Lake Superior.

229.15 Sec. 94. Minnesota Statutes 2022, section 103G.005, is amended by adding a subdivision
229.16 to read:

229.17 Subd. 9c. **Ecosystem harm.** "Ecosystem harm" means to change the biological
229.18 community and ecology in a manner that results in loss of ecological structure or function.

229.19 Sec. 95. Minnesota Statutes 2022, section 103G.005, is amended by adding a subdivision
229.20 to read:

229.21 Subd. 13b. **Negative impact to surface waters.** "Negative impact to surface waters"
229.22 means a change in hydrology sufficient to cause aquatic ecosystem harm or alter riparian
229.23 uses long term.

229.24 Sec. 96. Minnesota Statutes 2022, section 103G.005, is amended by adding a subdivision
229.25 to read:

229.26 Subd. 15i. **Sustainable diversion limit.** "Sustainable diversion limit" means a maximum
229.27 amount of water that can be removed directly or indirectly from a surface water body in a
229.28 defined geographic area on a monthly or annual basis without causing a negative impact to
229.29 the surface water body.

230.1 **Sec. 97. [103G.134] ORDERS AND INVESTIGATIONS.**

230.2 The commissioner has the following powers and duties when acting pursuant to the
230.3 enforcement provisions of this chapter:

230.4 (1) to adopt, issue, reissue, modify, deny, revoke, enter into, or enforce reasonable orders,
230.5 schedules of compliance, and stipulation agreements;

230.6 (2) to issue notices of violation;

230.7 (3) to require a person holding a permit issued under this chapter or otherwise impacting
230.8 the public waters of the state without a permit issued under this chapter to:

230.9 (i) make reports;

230.10 (ii) install, use, and maintain monitoring equipment or methods;

230.11 (iii) perform tests according to methods, at locations, at intervals, and in a manner as
230.12 the commissioner prescribes; and

230.13 (iv) provide other information as the commissioner may reasonably require; and

230.14 (4) to conduct investigations; issue notices, public and otherwise; and order hearings as
230.15 the commissioner deems necessary or advisable to discharge duties under this chapter,
230.16 including but not limited to issuing permits and authorizing an employee or agent appointed
230.17 by the commissioner to conduct the investigations and other authorities cited in this section.

230.18 **Sec. 98. [103G.146] DUTY OF CANDOR.**

230.19 (a) A person must not knowingly:

230.20 (1) make a false statement of fact or fail to correct a false statement of material fact
230.21 regarding any matter pertaining to this chapter;

230.22 (2) fail to disclose information that the person knows is necessary for the commissioner
230.23 to make an informed decision under this chapter; or

230.24 (3) offer information that the person knows to be false.

230.25 (b) If a person has offered material information to the commissioner and the person
230.26 comes to know the information is false, the person must take reasonable remedial measures
230.27 to provide the accurate information.

231.1 **Sec. 99. [103G.216] REPORTING FISH KILLS IN PUBLIC WATERS.**

231.2 **Subdivision 1. Definition.** For the purposes of this section and section 103G.2165, "fish
231.3 kill" means an incident resulting in the death of 25 or more fish within one linear mile of a
231.4 flowing water or 25 or more fish within a square mile of a nonflowing water, excluding fish
231.5 lawfully taken under the game and fish laws.

231.6 **Subd. 2. Reporting requirement.** A state or county staff person or official who works
231.7 with natural resources or agriculture and who learns of a fish kill in public waters must
231.8 report the location of the fish kill to the Minnesota state duty officer within one hour of
231.9 being notified of a fish kill or within four hours of first observing the fish kill. The Minnesota
231.10 state duty officer must alert the Departments of Natural Resources and Health and the
231.11 Pollution Control Agency of the location of the fish kill within one hour of being notified
231.12 of the fish kill.

231.13 **Sec. 100. [103G.2165] DEVELOPMENT OF FISH KILL RESPONSE PROTOCOL.**

231.14 **Subdivision 1. Development of protocol.** By October 1, 2024, the commissioner of the
231.15 Pollution Control Agency, in consultation with the commissioners of health, natural resources,
231.16 and agriculture, must update the fish kill response guidance by developing a protocol. The
231.17 protocol must consist of steps that state agencies responding to a report of a fish kill under
231.18 section 103G.216 must take to ascertain on the basis of sound scientific evidence the factors
231.19 contributing to the fish kill, as well as a plan to notify the public of potential hazards. The
231.20 protocol must address:

231.21 (1) the number and species of fish and other aquatic creatures to be sampled from the
231.22 body of water in which the fish kill occurred;

231.23 (2) the locations from which samples described in clause (1) should be taken;

231.24 (3) the number and location of water samples to be taken from the body of water in
231.25 which the fish kill occurred as well as tributary streams and private wells with landowner
231.26 consent within a one-half-mile radius;

231.27 (4) the number and location of soil and groundwater samples to be taken to ascertain
231.28 whether contaminants traveled overland or underground to reach the body of water in which
231.29 the fish kill occurred;

231.30 (5) sampling other materials located near the area of the fish kill that should be done,
231.31 including but not limited to vegetation and manure, that may indicate the presence of
231.32 contaminants that may have contributed to the fish kill;

232.1 (6) developing a comprehensive list of contaminants, including degradation products,
232.2 for which the materials sampled in clauses (3) to (5) should be tested;

232.3 (7) the appropriate concentration limits to be used in testing samples for the presence
232.4 of contaminants, allowing for the possibility that the fish kill may have resulted from the
232.5 interaction of two or more contaminants present at concentrations below the level associated
232.6 with toxic effects resulting from exposure to each individual chemical;

232.7 (8) proper handling, storage, and treatment necessary to preserve the integrity of the
232.8 samples described in this subdivision to maximize the information the samples can yield
232.9 regarding the cause of the fish kill;

232.10 (9) the organs and other parts of the fish and other aquatic creatures that should be
232.11 analyzed to maximize the information the samples can yield regarding the cause of the fish
232.12 kill;

232.13 (10) identifying a rapid response team of interagency staff or an independent contractor
232.14 with the necessary data collection equipment that can travel to the site of the fish kill to
232.15 collect samples within 24 to 48 hours of the incident;

232.16 (11) a communications plan with a health-risk assessment to notify potentially impacted
232.17 downstream users of the surface water of the potential hazards and those in the vicinity
232.18 whose public or private water supply from surface water or groundwater may be impacted;
232.19 and

232.20 (12) a process to identify existing rules or regulatory processes that should be reviewed
232.21 and potentially revised in the fish kill investigation and report. Investigation reports for fish
232.22 kills deemed unnatural must identify the probable causes and include state agency
232.23 recommendations for preventing similar incidents in the future.

232.24 Subd. 2. **Implementation.** The commissioner of the Pollution Control Agency must
232.25 submit the protocol to the chairs and ranking minority members of the legislative committees
232.26 and divisions with jurisdiction over environment and natural resources. Once the protocol
232.27 has been submitted, the state agencies must follow the protocol when responding to a fish
232.28 kill.

232.29 Subd. 3. **Updating protocol.** The parties named in subdivision 1 must review and update
232.30 the protocol every five years.

233.1 Sec. 101. Minnesota Statutes 2022, section 103G.271, subdivision 6, is amended to read:

233.2 Subd. 6. **Water-use permit; processing fee.** (a) Except as described in paragraphs (b)
233.3 to (g), a water-use permit processing fee must be prescribed by the commissioner in
233.4 accordance with the schedule of fees in this subdivision for each water-use permit in force
233.5 at any time during the year. Fees collected under this paragraph are credited to the water
233.6 management account in the natural resources fund. The schedule is as follows, with the
233.7 stated fee in each clause applied to the total amount appropriated:

233.8 (1) \$140 for amounts not exceeding 50,000,000 gallons per year;

233.9 (2) \$3.50 per 1,000,000 gallons for amounts greater than 50,000,000 gallons but less
233.10 than 100,000,000 gallons per year;

233.11 (3) \$4 per 1,000,000 gallons for amounts greater than 100,000,000 gallons but less than
233.12 150,000,000 gallons per year;

233.13 (4) \$4.50 per 1,000,000 gallons for amounts greater than 150,000,000 gallons but less
233.14 than 200,000,000 gallons per year;

233.15 (5) \$5 per 1,000,000 gallons for amounts greater than 200,000,000 gallons but less than
233.16 250,000,000 gallons per year;

233.17 (6) \$5.50 per 1,000,000 gallons for amounts greater than 250,000,000 gallons but less
233.18 than 300,000,000 gallons per year;

233.19 (7) \$6 per 1,000,000 gallons for amounts greater than 300,000,000 gallons but less than
233.20 350,000,000 gallons per year;

233.21 (8) \$6.50 per 1,000,000 gallons for amounts greater than 350,000,000 gallons but less
233.22 than 400,000,000 gallons per year;

233.23 (9) \$7 per 1,000,000 gallons for amounts greater than 400,000,000 gallons but less than
233.24 450,000,000 gallons per year;

233.25 (10) \$7.50 per 1,000,000 gallons for amounts greater than 450,000,000 gallons but less
233.26 than 500,000,000 gallons per year; and

233.27 (11) \$8 per 1,000,000 gallons for amounts greater than 500,000,000 gallons per year.

233.28 (b) For once-through cooling systems, a water-use processing fee must be prescribed
233.29 by the commissioner in accordance with the following schedule of fees for each water-use
233.30 permit in force at any time during the year:

233.31 (1) for nonprofit corporations and school districts, \$200 per 1,000,000 gallons; and

- 234.1 (2) for all other users, \$420 per 1,000,000 gallons.
- 234.2 (c) The fee is payable based on the amount of water appropriated during the year and,
234.3 except as provided in paragraph (f), the minimum fee is \$100.
- 234.4 (d) For water-use processing fees other than once-through cooling systems:
- 234.5 (1) the fee for a city of the first class may not exceed \$250,000 per year;
- 234.6 (2) the fee for other entities for any permitted use may not exceed:
- 234.7 (i) \$60,000 per year for an entity holding three or fewer permits;
- 234.8 (ii) \$90,000 per year for an entity holding four or five permits; or
- 234.9 (iii) \$300,000 per year for an entity holding more than five permits;
- 234.10 (3) the fee for agricultural irrigation may not exceed \$750 per year;
- 234.11 (4) the fee for a municipality that furnishes electric service and cogenerates steam for
234.12 home heating may not exceed \$10,000 for its permit for water use related to the cogeneration
234.13 of electricity and steam;
- 234.14 (5) the fee for a facility that temporarily diverts a water of the state from its natural
234.15 channel to produce hydroelectric or hydromechanical power may not exceed \$5,000 per
234.16 year. A permit for such a facility does not count toward the number of permits held by an
234.17 entity as described in this paragraph; and
- 234.18 (6) no fee is required for a project involving the appropriation of surface water to prevent
234.19 flood damage or to remove flood waters during a period of flooding, as determined by the
234.20 commissioner.
- 234.21 (e) Failure to pay the fee is sufficient cause for revoking a permit. A penalty of ten
234.22 percent per month calculated from the original due date must be imposed on the unpaid
234.23 balance of fees remaining 30 days after the sending of a second notice of fees due. A fee
234.24 may not be imposed on an agency, as defined in section 16B.01, subdivision 2, or federal
234.25 governmental agency holding a water appropriation permit.
- 234.26 (f) The minimum water-use processing fee for a permit issued for irrigation of agricultural
234.27 land is \$20 for years in which:
- 234.28 (1) there is no appropriation of water under the permit; or
- 234.29 (2) the permit is suspended for more than seven consecutive days between May 1 and
234.30 October 1.

235.1 (g) The commissioner shall waive the water-use permit fee for installations and projects
235.2 that use stormwater runoff or where public entities are diverting water to treat a water quality
235.3 issue and returning the water to its source without using the water for any other purpose,
235.4 unless the commissioner determines that the proposed use adversely affects surface water
235.5 or groundwater.

235.6 (h) A surcharge of ~~\$30~~ \$50 per million gallons in addition to the fee prescribed in
235.7 paragraph (a) shall be applied to the volume of water used in each of the months of May,
235.8 June, July, and August, and September that exceeds the volume of water used in January
235.9 for municipal water use, irrigation of golf courses, and landscape irrigation. The surcharge
235.10 for municipalities with more than one permit shall be determined based on the total
235.11 appropriations from all permits that supply a common distribution system.

235.12 Sec. 102. Minnesota Statutes 2022, section 103G.287, subdivision 2, is amended to read:

235.13 Subd. 2. **Relationship to surface water resources.** Groundwater appropriations ~~that~~
235.14 ~~will have negative impacts to surface waters are subject to applicable provisions in section~~
235.15 ~~103G.285~~ may be authorized only if they avoid known negative impacts to surface waters.
235.16 If the commissioner determines that groundwater appropriations are having a negative
235.17 impact to surface waters, the commissioner may use a sustainable diversion limit or other
235.18 relevant method, tools, or information to implement measures so that groundwater
235.19 appropriations do not negatively impact the surface waters.

235.20 Sec. 103. Minnesota Statutes 2022, section 103G.287, subdivision 3, is amended to read:

235.21 Subd. 3. **Protecting groundwater supplies.** The commissioner may establish water
235.22 appropriation limits to protect groundwater resources. When establishing water appropriation
235.23 limits to protect groundwater resources, the commissioner must consider the sustainability
235.24 of the groundwater resource, including the current and projected water levels, cumulative
235.25 withdrawal rates from the resource on a monthly or annual basis, water quality, whether
235.26 the use protects ecosystems, and the ability of future generations to meet their own needs.
235.27 The commissioner may consult with the commissioners of health, agriculture, and the
235.28 Pollution Control Agency and other state entities when determining the impacts on water
235.29 quality and quantity.

235.30 Sec. 104. Minnesota Statutes 2022, section 103G.299, subdivision 1, is amended to read:

235.31 Subdivision 1. **Authority to issue administrative penalty orders.** (a) As provided in
235.32 paragraph (b), the commissioner may issue an order requiring violations to be corrected

236.1 and administratively assessing monetary penalties for violations of sections 103G.271 and
236.2 103G.275, and any rules adopted under those sections.

236.3 (b) An order under this section may be issued to a person for water appropriation activities
236.4 without a required permit or for violating the terms of a required permit.

236.5 (c) The order must be issued as provided in this section and in accordance with the plan
236.6 prepared under subdivision 12.

236.7 Sec. 105. Minnesota Statutes 2022, section 103G.299, subdivision 2, is amended to read:

236.8 Subd. 2. **Amount of penalty; considerations.** (a) The commissioner may issue orders
236.9 assessing administrative penalties ~~based on potential for harm and deviation from compliance.~~
236.10 ~~For a violation that presents:~~ up to \$40,000.

236.11 ~~(1) a minor potential for harm and deviation from compliance, the penalty will be no~~
236.12 ~~more than \$1,000;~~

236.13 ~~(2) a moderate potential for harm and deviation from compliance, the penalty will be~~
236.14 ~~no more than \$10,000; and~~

236.15 ~~(3) a severe potential for harm and deviation from compliance, the penalty will be no~~
236.16 ~~more than \$20,000.~~

236.17 (b) In determining the amount of a penalty the commissioner may consider:

236.18 (1) the gravity of the violation, including potential for, or real, damage to the public
236.19 interest or natural resources of the state;

236.20 (2) the history of past violations;

236.21 (3) the number of violations;

236.22 (4) the economic benefit gained by the person by allowing or committing the violation
236.23 based on data from local or state bureaus or educational institutions; and

236.24 (5) other factors as justice may require, if the commissioner specifically identifies the
236.25 additional factors in the commissioner's order.

236.26 (c) For a violation after an initial violation, including a continuation of the initial violation,
236.27 the commissioner must, in determining the amount of a penalty, consider the factors in
236.28 paragraph (b) and the:

236.29 (1) similarity of the most recent previous violation and the violation to be penalized;

236.30 (2) time elapsed since the last violation;

237.1 (3) number of previous violations; and

237.2 (4) response of the person to the most recent previous violation identified.

237.3 Sec. 106. Minnesota Statutes 2022, section 103G.299, subdivision 5, is amended to read:

237.4 Subd. 5. **Penalty.** (a) Except as provided in paragraph (b), if the commissioner determines
237.5 that the violation has been corrected or appropriate steps have been taken to correct the
237.6 action, the penalty must be forgiven. Unless the person requests review of the order under
237.7 subdivision 6 or 7 before the penalty is due, the penalty in the order is due and payable:

237.8 (1) on the 31st day after the order was received, if the person subject to the order fails
237.9 to provide information to the commissioner showing that the violation has been corrected
237.10 or that appropriate steps have been taken toward correcting the violation; or

237.11 (2) on the 20th day after the person receives the commissioner's determination under
237.12 subdivision 4, paragraph (c), if the person subject to the order has provided information to
237.13 the commissioner that the commissioner determines is not sufficient to show that the violation
237.14 has been corrected or that appropriate steps have been taken toward correcting the violation.

237.15 (b) For repeated or serious violations, the commissioner may issue an order with a penalty
237.16 that is not forgiven after the corrective action is taken. The penalty is due ~~by~~ 31 days after
237.17 the order ~~was~~ is received, unless review of the order under subdivision 6 or 7 ~~has been~~ is
237.18 sought.

237.19 (c) Interest at the rate established in section 549.09 begins to accrue on penalties under
237.20 this subdivision on the 31st day after the order with the penalty ~~was~~ is received.

237.21 Sec. 107. Minnesota Statutes 2022, section 103G.299, subdivision 10, is amended to read:

237.22 Subd. 10. **Cumulative remedy.** The authority of the commissioner to issue a corrective
237.23 order assessing penalties is in addition to other remedies available under statutory or common
237.24 law, ~~except that the state may not seek civil penalties under any other provision of law for~~
237.25 ~~the violations covered by the administrative penalty order.~~ The payment of a penalty does
237.26 not preclude the use of other enforcement provisions, ~~under which penalties are not assessed,~~
237.27 in connection with the violation for which the penalty was assessed.

237.28 Sec. 108. [103G.2991] PENALTIES; ENFORCEMENT.

237.29 Subdivision 1. Civil penalties. (a) The commissioner, according to section 103G.134,
237.30 may issue a notice to a person who violates:

237.31 (1) this chapter;

- 238.1 (2) a permit issued under this chapter or a term or condition of a permit issued under
238.2 this chapter;
- 238.3 (3) a duty under this chapter to permit an inspection, entry, or monitoring activity or a
238.4 duty under this chapter to carry out an inspection or monitoring activity;
- 238.5 (4) a rule adopted under this chapter;
- 238.6 (5) a stipulation agreement, variance, or schedule of compliance entered into under this
238.7 chapter; or
- 238.8 (6) an order issued by the commissioner under this chapter.
- 238.9 (b) A person issued a notice forfeits and must pay to the state a penalty, in an amount
238.10 to be determined by the district court, of not more than \$10,000 per day of violation.
- 238.11 (c) In the discretion of the district court, a defendant under this section may be required
238.12 to:
- 238.13 (1) forfeit and pay to the state a sum that adequately compensates the state for the
238.14 reasonable value of restoration, monitoring, and other expenses directly resulting from the
238.15 unauthorized use of or damage to natural resources of the state; and
- 238.16 (2) forfeit and pay to the state an additional sum to constitute just compensation for any
238.17 damage, loss, or destruction of the state's natural resources and for other actual damages to
238.18 the state caused by an unauthorized use of natural resources of the state.
- 238.19 (d) As a defense to damages assessed under paragraph (c), a defendant may prove that
238.20 the violation was caused solely by:
- 238.21 (1) an act of God;
- 238.22 (2) an act of war;
- 238.23 (3) negligence on the part of the state;
- 238.24 (4) an act or failure to act that constitutes sabotage or vandalism; or
- 238.25 (5) any combination of clauses (1) to (4).
- 238.26 (e) The civil penalties and damages provided for in this subdivision may be recovered
238.27 by a civil action brought by the attorney general in the name of the state in Ramsey County
238.28 District Court. Civil penalties and damages provided for in this subdivision may be resolved
238.29 by the commissioner through a negotiated stipulation agreement according to the authority
238.30 granted to the commissioner in section 103G.134.

239.1 Subd. 2. **Enforcement.** This chapter and rules, standards, orders, stipulation agreements,
239.2 schedules of compliance, and permits adopted or issued by the commissioner under this
239.3 chapter or any other law for preventing, controlling, or abating damage to natural resources
239.4 may be enforced by one or more of the following:

239.5 (1) criminal prosecution;

239.6 (2) action to recover civil penalties;

239.7 (3) injunction;

239.8 (4) action to compel performance; or

239.9 (5) other appropriate action according to this chapter.

239.10 Subd. 3. **Injunctions.** A violation of this chapter or rules, standards, orders, stipulation
239.11 agreements, variances, schedules of compliance, and permits adopted or issued under this
239.12 chapter constitutes a public nuisance and may be enjoined as provided by law in an action,
239.13 in the name of the state, brought by the attorney general.

239.14 Subd. 4. **Actions to compel performance.** (a) In an action to compel performance of
239.15 an order issued by the commissioner for any purpose related to preventing, controlling, or
239.16 abating damage to natural resources under this chapter, the court may require a defendant
239.17 adjudged responsible to do and perform any and all acts set forth in the commissioner's
239.18 order and all things within the defendant's power that are reasonably necessary to accomplish
239.19 the purposes of the order.

239.20 (b) If a municipality or its governing or managing body or any of its officers is a
239.21 defendant, the court may require the municipality to exercise its powers, without regard to
239.22 any limitation of a requirement for an election or referendum imposed thereon by law and
239.23 without restricting the powers of the commissioner, to do any or all of the following, without
239.24 limiting the generality hereof:

239.25 (1) levy taxes or special assessments;

239.26 (2) prescribe service or use charges;

239.27 (3) borrow money;

239.28 (4) issue bonds;

239.29 (5) employ assistance;

239.30 (6) acquire real or personal property;

239.31 (7) let contracts;

240.1 (8) otherwise provide for doing work or constructing, installing, maintaining, or operating
240.2 facilities; and

240.3 (9) do all acts and things reasonably necessary to accomplish the purposes of the
240.4 commissioner's order.

240.5 (c) The court must grant a municipality under paragraph (b) the opportunity to determine
240.6 the appropriate financial alternatives to be used to comply with the court-imposed
240.7 requirements.

240.8 (d) An action brought under this subdivision must be venued in Ramsey County District
240.9 Court.

240.10 Sec. 109. Minnesota Statutes 2022, section 103G.301, subdivision 2, is amended to read:

240.11 **Subd. 2. Permit application and notification fees.** (a) A fee to defray the costs of
240.12 receiving, recording, and processing must be paid for a permit application authorized under
240.13 this chapter, except for a general permit application, for each request to amend or transfer
240.14 an existing permit, and for a notification to request authorization to conduct a project under
240.15 a general permit. Fees established under this subdivision, unless specified in paragraph (c),
240.16 must comply with section 16A.1285.

240.17 (b) Proposed projects that require water in excess of 100 million gallons per year must
240.18 be assessed fees to recover the costs incurred to evaluate the project and the costs incurred
240.19 for environmental review. Fees collected under this paragraph must be credited to an account
240.20 in the natural resources fund and are appropriated to the commissioner.

240.21 (c) The fee to apply for a permit to appropriate water, in addition to any fee under
240.22 paragraph (b), is \$150. The application fee for a permit to construct or repair a dam that is
240.23 subject to a dam safety inspection, to work in public waters, or to divert waters for mining
240.24 must be at least ~~\$300~~ \$1,200, but not more than ~~\$3,000~~ \$12,000. The fee for a notification
240.25 to request authorization to conduct a project under a general permit is ~~\$100~~ \$400.

240.26 Sec. 110. Minnesota Statutes 2022, section 103G.301, subdivision 6, is amended to read:

240.27 **Subd. 6. Filing application.** An application for a permit must be filed with the
240.28 commissioner ~~and~~. If the proposed activity for which the permit is requested is within a
240.29 municipality, ~~or~~ is within or affects a watershed district or a soil and water conservation
240.30 district, or is within the boundaries of a reservation or Tribal community of a federally
240.31 recognized Indian Tribe in Minnesota, a copy of the application with maps, plans, and
240.32 specifications must be served on the mayor of the municipality, the secretary of the board

241.1 of managers of the watershed district, ~~and~~ the secretary of the board of supervisors of the
241.2 soil and water conservation district, or the Tribal chair of the federally recognized Indian
241.3 Tribe, as applicable. For purposes of this section, "federally recognized Indian Tribe" means
241.4 the Minnesota Tribal governments listed in section 10.65, subdivision 2.

241.5 Sec. 111. Minnesota Statutes 2022, section 103G.301, subdivision 7, is amended to read:

241.6 Subd. 7. **Recommendation of local units of government and federally recognized**

241.7 **Indian Tribes.** (a) If the proposed activity for which the permit is requested is within a
241.8 municipality, or is within or affects a watershed district or a soil and water conservation
241.9 district, the commissioner may obtain a written recommendation of the managers of the
241.10 district and the board of supervisors of the soil and water conservation district or the mayor
241.11 of the municipality before issuing or denying the permit.

241.12 (b) The managers, supervisors, or mayor must file a recommendation within 30 days
241.13 after receiving of a copy of the application for permit.

241.14 (c) If the proposed activity for which the permit is requested is within the boundaries of
241.15 a reservation or Tribal community of a federally recognized Indian Tribe in Minnesota, the
241.16 federally recognized Indian Tribe may:

241.17 (1) submit recommendations to the commissioner within 30 days of receiving the
241.18 application; or

241.19 (2) request Tribal consultation according to section 10.65 within 30 days of receiving
241.20 the application.

241.21 (d) If Tribal consultation is requested under paragraph (c), clause (2), a permit application
241.22 is not complete until after the consultation occurs or 90 days after the request for consultation
241.23 is made, whichever is sooner.

241.24 Sec. 112. Minnesota Statutes 2022, section 168.1295, subdivision 1, is amended to read:

241.25 Subdivision 1. **General requirements and procedures.** (a) The commissioner shall
241.26 issue state parks and trails plates to an applicant who:

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

241.29 (2) pays a fee in the amount specified for special plates under section 168.12, subdivision
241.30 5;

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

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

242.2 (5) contributes a minimum of ~~\$60~~ \$70 annually to the state parks and trails donation
242.3 account established in section 85.056; and

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

242.6 (b) The state parks and trails plate application must indicate that the contribution specified
242.7 under paragraph (a), clause (5), is a minimum contribution to receive the plate and that the
242.8 applicant may make an additional contribution to the account.

242.9 (c) State parks and trails plates may be personalized according to section 168.12,
242.10 subdivision 2a.

242.11 Sec. 113. Minnesota Statutes 2022, section 171.07, is amended by adding a subdivision
242.12 to read:

242.13 Subd. 20. Watercraft operator's permit. (a) The department must maintain in its
242.14 records information transmitted electronically from the commissioner of natural resources
242.15 identifying each person to whom the commissioner has issued a watercraft operator's permit.
242.16 The records transmitted from the Department of Natural Resources must contain the full
242.17 name and date of birth as required for the driver's license or identification card. Records
242.18 that are not matched to a driver's license or identification card record may be deleted after
242.19 seven years.

242.20 (b) After receiving information under paragraph (a) that a person has received a watercraft
242.21 operator's permit, the department must include on all drivers' licenses or Minnesota
242.22 identification cards subsequently issued to the person a graphic or written indication that
242.23 the person has received the permit.

242.24 (c) If a person who has received a watercraft operator's permit applies for a driver's
242.25 license or Minnesota identification card before that information has been transmitted to the
242.26 department, the department may accept a copy of the certificate as proof of its issuance and
242.27 must then follow the procedures in paragraph (b).

242.28 **EFFECTIVE DATE.** This section is effective July 1, 2025.

243.1 Sec. 114. Minnesota Statutes 2022, section 297A.94, is amended to read:

243.2 **297A.94 DEPOSIT OF REVENUES.**

243.3 (a) Except as provided in this section, the commissioner shall deposit the revenues,
243.4 including interest and penalties, derived from the taxes imposed by this chapter in the state
243.5 treasury and credit them to the general fund.

243.6 (b) The commissioner shall deposit taxes in the Minnesota agricultural and economic
243.7 account in the special revenue fund if:

243.8 (1) the taxes are derived from sales and use of property and services purchased for the
243.9 construction and operation of an agricultural resource project; and

243.10 (2) the purchase was made on or after the date on which a conditional commitment was
243.11 made for a loan guaranty for the project under section 41A.04, subdivision 3.

243.12 The commissioner of management and budget shall certify to the commissioner the date on
243.13 which the project received the conditional commitment. The amount deposited in the loan
243.14 guaranty account must be reduced by any refunds and by the costs incurred by the Department
243.15 of Revenue to administer and enforce the assessment and collection of the taxes.

243.16 (c) The commissioner shall deposit the revenues, including interest and penalties, derived
243.17 from the taxes imposed on sales and purchases included in section 297A.61, subdivision 3,
243.18 paragraph (g), clauses (1) and (4), in the state treasury, and credit them as follows:

243.19 (1) first to the general obligation special tax bond debt service account in each fiscal
243.20 year the amount required by section 16A.661, subdivision 3, paragraph (b); and

243.21 (2) after the requirements of clause (1) have been met, the balance to the general fund.

243.22 (d) Beginning with sales taxes remitted after July 1, 2017, the commissioner shall deposit
243.23 in the state treasury the revenues collected under section 297A.64, subdivision 1, including
243.24 interest and penalties and minus refunds, and credit them to the highway user tax distribution
243.25 fund.

243.26 (e) The commissioner shall deposit the revenues, including interest and penalties,
243.27 collected under section 297A.64, subdivision 5, in the state treasury and credit them to the
243.28 general fund. By July 15 of each year the commissioner shall transfer to the highway user
243.29 tax distribution fund an amount equal to the excess fees collected under section 297A.64,
243.30 subdivision 5, for the previous calendar year.

243.31 (f) Beginning with sales taxes remitted after July 1, 2017, in conjunction with the deposit
243.32 of revenues under paragraph (d), the commissioner shall deposit into the state treasury and

244.1 credit to the highway user tax distribution fund an amount equal to the estimated revenues
244.2 derived from the tax rate imposed under section 297A.62, subdivision 1, on the lease or
244.3 rental for not more than 28 days of rental motor vehicles subject to section 297A.64. The
244.4 commissioner shall estimate the amount of sales tax revenue deposited under this paragraph
244.5 based on the amount of revenue deposited under paragraph (d).

244.6 (g) The commissioner shall deposit an amount of the remittances monthly into the state
244.7 treasury and credit them to the highway user tax distribution fund as a portion of the estimated
244.8 amount of taxes collected from the sale and purchase of motor vehicle repair and replacement
244.9 parts in that month. The monthly deposit amount is \$12,137,000. For purposes of this
244.10 paragraph, "motor vehicle" has the meaning given in section 297B.01, subdivision 11, and
244.11 "motor vehicle repair and replacement parts" includes (i) all parts, tires, accessories, and
244.12 equipment incorporated into or affixed to the motor vehicle as part of the motor vehicle
244.13 maintenance and repair, and (ii) paint, oil, and other fluids that remain on or in the motor
244.14 vehicle as part of the motor vehicle maintenance or repair. For purposes of this paragraph,
244.15 "tire" means any tire of the type used on highway vehicles, if wholly or partially made of
244.16 rubber and if marked according to federal regulations for highway use.

244.17 (h) ~~72.43~~ 78.06 percent of the revenues, including interest and penalties, transmitted to
244.18 the commissioner under section 297A.65, must be deposited by the commissioner in the
244.19 state treasury as follows:

244.20 (1) 50 percent of the receipts must be deposited in the heritage enhancement account in
244.21 the game and fish fund, and may be spent only on activities that improve, enhance, or protect
244.22 fish and wildlife resources, including conservation, restoration, and enhancement of land,
244.23 water, and other natural resources of the state;

244.24 (2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
244.25 be spent only for state parks and trails;

244.26 (3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
244.27 be spent only on metropolitan park and trail grants;

244.28 (4) three percent of the receipts must be deposited in the natural resources fund, and
244.29 may be spent only on local trail grants; and

244.30 (5) two percent of the receipts must be deposited in the natural resources fund, and may
244.31 be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory,
244.32 and the Duluth Zoo.

245.1 (i) The revenue dedicated under paragraph (h) may not be used as a substitute for
245.2 traditional sources of funding for the purposes specified, but the dedicated revenue shall
245.3 supplement traditional sources of funding for those purposes. Land acquired with money
245.4 deposited in the game and fish fund under paragraph (h) must be open to public hunting
245.5 and fishing during the open season, except that in aquatic management areas or on lands
245.6 where angling easements have been acquired, fishing may be prohibited during certain times
245.7 of the year and hunting may be prohibited. At least 87 percent of the money deposited in
245.8 the game and fish fund for improvement, enhancement, or protection of fish and wildlife
245.9 resources under paragraph (h) must be allocated for field operations.

245.10 (j) The commissioner must deposit the revenues, including interest and penalties minus
245.11 any refunds, derived from the sale of items regulated under section 624.20, subdivision 1,
245.12 that may be sold to persons 18 years old or older and that are not prohibited from use by
245.13 the general public under section 624.21, in the state treasury and credit:

245.14 (1) 25 percent to the volunteer fire assistance grant account established under section
245.15 88.068;

245.16 (2) 25 percent to the fire safety account established under section 297I.06, subdivision
245.17 3; and

245.18 (3) the remainder to the general fund.

245.19 For purposes of this paragraph, the percentage of total sales and use tax revenue derived
245.20 from the sale of items regulated under section 624.20, subdivision 1, that are allowed to be
245.21 sold to persons 18 years old or older and are not prohibited from use by the general public
245.22 under section 624.21, is a set percentage of the total sales and use tax revenues collected in
245.23 the state, with the percentage determined under Laws 2017, First Special Session chapter
245.24 1, article 3, section 39.

245.25 (k) The revenues deposited under paragraphs (a) to (j) do not include the revenues,
245.26 including interest and penalties, generated by the sales tax imposed under section 297A.62,
245.27 subdivision 1a, which must be deposited as provided under the Minnesota Constitution,
245.28 article XI, section 15.

245.29 Sec. 115. **HOUSTON OHV TRAIL; REPORT.**

245.30 By January 15, 2024, the commissioner of natural resources must submit a report to the
245.31 chairs and ranking minority members of the legislative committees and divisions with
245.32 jurisdiction over environment and natural resources providing a brief history of the efforts

246.1 to establish an off-highway vehicle trail in Houston County, the current status, and next
246.2 steps.

246.3 **Sec. 116. STATE PARK LICENSE PLATE DESIGN CONTEST.**

246.4 The commissioner of natural resources must hold a license plate design contest to design
246.5 a new state park license plate available under Minnesota Statutes, section 168.1295,
246.6 subdivision 1.

246.7 **Sec. 117. UPPER SIOUX AGENCY STATE PARK; LAND TRANSFER.**

246.8 (a) The commissioner of natural resources must convey for no consideration all
246.9 state-owned land within the boundaries of Upper Sioux Agency State Park to the Upper
246.10 Sioux Community.

246.11 (b) Upon approval by the Minnesota Historical Society's Executive Council, the
246.12 Minnesota Historical Society may convey for no consideration state-owned land and real
246.13 property in the Upper Sioux Agency Historic Site, as defined in Minnesota Statutes, section
246.14 138.662, subdivision 33, to the Upper Sioux Community. In cooperation with the
246.15 commissioner of natural resources, the Minnesota Historical Society must identify any
246.16 funding restrictions or other legal barriers to conveying the land.

246.17 (c) By January 15, 2024, the commissioner, in cooperation with the Minnesota Historical
246.18 Society, must submit a report to the chairs and ranking minority members of the legislative
246.19 committees with jurisdiction over environment and natural resources that identifies all
246.20 barriers to conveying land within Upper Sioux Agency State Park and recommendations
246.21 for addressing those barriers, including any legislation needed to eliminate those barriers.

246.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

246.23 **Sec. 118. REQUIRED RULEMAKING.**

246.24 Subdivision 1. **Snowmobile registration.** (a) The commissioner of natural resources
246.25 must amend Minnesota Rules as follows:

246.26 (1) part 6100.5000, subpart 1, by striking the last sentence and inserting "The registration
246.27 number remains the same if renewed by July 1 following the expiration date."; and

246.28 (2) part 6100.5700, subpart 1, item C, by striking the reference to registration numbers.

246.29 (b) The commissioner may use the good-cause exemption under Minnesota Statutes,
246.30 section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota

247.1 Statutes, section 14.386, does not apply except as provided under Minnesota Statutes, section
247.2 14.388.

247.3 Subd. 2. **Walk-in access program.** The commissioner of natural resources must amend
247.4 Minnesota Rules, part 6230.0250, subpart 10, item A, subitem (2), to replace the word
247.5 "hunter" with "person." The commissioner may use the good cause exempt rulemaking
247.6 procedure under Minnesota Statutes, section 14.388, subdivision 1, clause (3), and Minnesota
247.7 Statutes, section 14.386, does not apply.

247.8 Sec. 119. **REGISTRATION DECAL FORMAT TRANSITION.**

247.9 Separately displaying registration numbers is not required when a larger-format
247.10 registration decal as provided under Minnesota Statutes, section 84.82, subdivision 2, is
247.11 displayed according to Minnesota Statutes, section 84.82, subdivision 3b. Snowmobiles
247.12 displaying valid but older, smaller-format registration decals must display the separate
247.13 registration numbers. Persons may obtain duplicate registration decals in the new, larger
247.14 format, when available, without being required to display the separate registration numbers.

247.15 Sec. 120. **REPORT ON OPTIONS FOR FUNDING ADDITIONAL LAW**
247.16 **ENFORCEMENT ON ICE OF STATE WATERS.**

247.17 By January 1, 2024, the commissioner of natural resources must report to the chairs and
247.18 ranking minority members of the legislative committees and divisions with jurisdiction over
247.19 environment and natural resources on options for funding additional enforcement of state
247.20 laws on the ice of state waters. The commissioner must work with the Minnesota Sheriffs'
247.21 Association and other stakeholders in generating the report, which must include options
247.22 and recommendations related to potential funding sources, funding levels, and allocation
247.23 of funding between the various enforcement agencies.

247.24 Sec. 121. **ENFORCEMENT OFFICER BARGAINING UNITS; REPORT.**

247.25 By September 1, 2023, the commissioner of natural resources must submit a report to
247.26 the chairs and ranking minority members of the legislative committees and divisions with
247.27 jurisdiction over environment and natural resources that provides a status update on the
247.28 collective bargaining agreement for law enforcement supervisors in response to Laws 2022,
247.29 chapter 80, section 3.

248.1 Sec. 122. **REPORT ON FERAL PIGS AND MINK.**

248.2 By February 15, 2024, the commissioner of natural resources, in cooperation with the
248.3 Board of Animal Health and the commissioners of agriculture and health, must submit a
248.4 report to the chairs and ranking minority members of the legislative committees with
248.5 jurisdiction over agriculture and environment and natural resources that:

248.6 (1) identifies the responsibilities of the Board of Animal Health and the commissioners
248.7 of natural resources, health, and agriculture for managing feral pigs and mink;

248.8 (2) identifies any need to clarify or modify responsibilities for feral pig and mink
248.9 management; and

248.10 (3) includes policy recommendations for managing feral pigs and mink to further prevent
248.11 negative impacts on the environment and human health.

248.12 Sec. 123. **TURTLE SELLER'S LICENSES; TRANSFER AND RENEWAL.**

248.13 The commissioner of natural resources must not renew or transfer a turtle seller's license
248.14 after the effective date of this section.

248.15 **EFFECTIVE DATE.** This section is effective January 1, 2024.

248.16 Sec. 124. **SWAN RESTITUTION VALUES; RULE AMENDMENTS.**

248.17 (a) The commissioner of natural resources must amend Minnesota Rules, part 6133.0030,
248.18 to increase the restitution value of a tundra swan from \$200 to \$1,000 and the restitution
248.19 value of a trumpeter swan from \$1,000 to \$2,500.

248.20 (b) The commissioner of natural resources must amend Minnesota Rules, chapter 6133,
248.21 to double the restitution values for wild game when a person takes, harasses, or destroys
248.22 the wild game with malicious intent.

248.23 (c) The commissioner of natural resources may use the good cause exemption under
248.24 Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt rules under this
248.25 section, and Minnesota Statutes, section 14.386, does not apply except as provided under
248.26 Minnesota Statutes, section 14.388.

248.27 Sec. 125. **NATIVE FISH CONSERVATION; REPORTS.**

248.28 (a) By August 1, 2023, the commissioner of natural resources must submit a written
248.29 update on the progress of identifying necessary protection and conservation measures for
248.30 native fish currently defined as rough fish under Minnesota Statutes, section 97A.015,

249.1 subdivision 43, including buffalo, sucker, sheepshead, bowfin, gar, goldeye, and bullhead
249.2 to the chairs and ranking minority members of the house of representatives and senate
249.3 committees and divisions with jurisdiction over environment and natural resources.

249.4 (b) By December 15, 2023, the commissioner of natural resources must submit a written
249.5 report with recommendations for statutory and rule changes to provide necessary protection
249.6 and conservation measures and research needs for native fish currently designated as rough
249.7 fish to the chairs and ranking minority members of the house of representatives and senate
249.8 committees and divisions with jurisdiction over environment and natural resources. The
249.9 report must include recommendations for amending Minnesota Statutes to separately classify
249.10 fish that are native to Minnesota and that are currently designated as rough fish and invasive
249.11 fish that are currently designated as rough fish. For the purposes of this paragraph, native
249.12 fish include but are not limited to bowfin (*Amia calva*), bigmouth buffalo (*Ictiobus*
249.13 *cyprinellus*), smallmouth buffalo (*Ictiobus bubalus*), burbot (*Lota lota*), longnose gar
249.14 (*Lepisosteus osseus*), shortnose gar (*Lepisosteus platostomus*), goldeye (*Hiodon alosoides*),
249.15 mooneye (*Hiodon tergisus*), and white sucker (*Catostomus commersonii*), and invasive fish
249.16 include but are not limited to bighead carp (*Hypophthalmichthys nobilis*), grass carp
249.17 (*Ctenopharyngodon idella*), and silver carp (*Hypophthalmichthys molitrix*).

249.18 **Sec. 126. STATE TRAILS; REPORT.**

249.19 By January 15, 2024, the commissioner of natural resources must submit a report the
249.20 chairs and ranking minority members of the house of representatives and senate committees
249.21 and divisions with jurisdiction over environment and natural resources on state-authorized
249.22 trails that:

249.23 (1) identifies state trails authorized under Minnesota Statutes;

249.24 (2) identifies state trails that have been built and what is left to build;

249.25 (3) includes recommendations for removing any authorized trails that cannot be built;

249.26 and

249.27 (4) estimates the miles left to complete the authorized trail system.

249.28 **Sec. 127. WATER-USE PERMITS; CITY OF LAKE ELMO.**

249.29 (a) Notwithstanding any other provision of law, the commissioner of natural resources
249.30 may:

249.31 (1) issue permits necessary for the city of Lake Elmo to construct and operate a new
249.32 municipal water supply well; and

250.1 (2) amend existing water-use permits issued to the city of Lake Elmo to increase the
250.2 authorized volume of water that may be appropriated under the permits to a level consistent
250.3 with the amount anticipated to be needed each year according to a water supply plan approved
250.4 by the commissioner under Minnesota Statutes, section 103G.291.

250.5 (b) Notwithstanding paragraph (a), all new and amended water-use permits issued by
250.6 the commissioner to the city of Lake Elmo must contain the same water-use conservation
250.7 and planning measures required by law for municipal wells located wholly or partially
250.8 within the five-mile radius of White Bear Lake.

250.9 (c) This section expires June 30, 2027.

250.10 Sec. 128. **WHITE BEAR LAKE AREA WATER-USE PERMIT MODIFICATION**
250.11 **MORATORIUM.**

250.12 (a) Except as provided under paragraph (b), the commissioner of natural resources may
250.13 not reduce the total maximum amount of groundwater use permitted under a White Bear
250.14 Lake area water-use permit issued or amended before January 1, 2023.

250.15 (b) Notwithstanding paragraph (a), the commissioner of natural resources may reduce
250.16 the authorized amount of groundwater use permitted or impose additional restrictions or
250.17 conditions if necessary to address emergency preparedness or other public health and safety
250.18 issues as determined by the commissioner.

250.19 (c) Except as provided under paragraph (b), this section does not authorize the
250.20 commissioner to reduce or eliminate water-use conservation or planning conditions imposed
250.21 on municipal water appropriation permits for wells located wholly or partially within a
250.22 five-mile radius of White Bear Lake.

250.23 (d) For the purposes of this section, "White Bear Lake area water-use permit" means a
250.24 water-use permit authorizing the use of groundwater from one or more municipal wells
250.25 located wholly or partially within a five-mile radius of White Bear Lake.

250.26 (e) This section expires June 30, 2027.

250.27 Sec. 129. **REVISOR INSTRUCTION.**

250.28 The revisor of statutes must renumber the subdivisions of Minnesota Statutes, section
250.29 103G.005, listed in column A to the references listed in column B. The revisor must make
250.30 necessary cross-reference changes in Minnesota Statutes and Minnesota Rules consistent
250.31 with the renumbering:

	<u>Column A</u>	<u>Column B</u>
251.1		
251.2	<u>subdivision 9b</u>	<u>subdivision 9d</u>
251.3	<u>subdivision 13a</u>	<u>subdivision 13c</u>
251.4	<u>subdivision 15h</u>	<u>subdivision 15j</u>

251.5 Sec. 130. **REPEALER.**

251.6 (a) Minnesota Statutes 2022, sections 84.033, subdivision 3; 84.944, subdivision 3; and
 251.7 97A.145, subdivision 2, are repealed.

251.8 (b) Minnesota Rules, parts 6100.5000, subparts 3, 4, and 5; 6100.5700, subpart 4; and
 251.9 6115.1220, subpart 8, are repealed.

251.10 (c) Minnesota Statutes 2022, sections 86B.101; 86B.305; and 86B.313, subdivisions 2
 251.11 and 3, are repealed.

251.12 (d) Minnesota Rules, part 6256.0500, subparts 2, 2a, 2b, 4, 5, 6, 7, and 8, are repealed.

251.13 (e) Minnesota Statutes 2022, section 97C.605, subdivisions 2, 2a, 2b, and 5, are repealed.

251.14 **EFFECTIVE DATE.** Paragraph (c) is effective July 1, 2025, and paragraphs (d) and
 251.15 (e) are effective January 1, 2024.

251.16 **ARTICLE 5**

251.17 **WATER AND SOIL RESOURCES**

251.18 Section 1. Minnesota Statutes 2022, section 103B.101, subdivision 2, is amended to read:

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

251.20 (1) three county commissioners;

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

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

251.23 (4) three citizens who are not employed by, or the appointed or elected officials of, a
 251.24 state governmental office, board, or agency;

251.25 (5) one township officer;

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

251.28 (7) the commissioner of agriculture;

251.29 (8) the commissioner of health;

252.1 (9) the commissioner of natural resources;

252.2 (10) the commissioner of the Pollution Control Agency; and

252.3 (11) the director of the University of Minnesota Extension Service.

252.4 (b) Members in paragraph (a), clauses (1) to (6), must be distributed across the state
252.5 with at least four members but not more than six members from the metropolitan area, as
252.6 defined by section 473.121, subdivision 2.

252.7 (c) Members in paragraph (a), clauses (1) to (6), are appointed by the governor. In making
252.8 the appointments, the governor may consider persons recommended by the Association of
252.9 Minnesota Counties, the Minnesota Association of Townships, the League of Minnesota
252.10 Cities, the Minnesota Association of Soil and Water Conservation Districts, and the
252.11 Minnesota Association of Watershed Districts. The list submitted by an association must
252.12 contain at least three nominees for each position to be filled.

252.13 (d) The membership terms, compensation, removal of members and filling of vacancies
252.14 on the board for members in paragraph (a), clauses (1) to (6), are as provided in section
252.15 15.0575, except that a member may be compensated at the rate of up to \$125 a day.

252.16 Sec. 2. Minnesota Statutes 2022, section 103B.101, subdivision 9, is amended to read:

252.17 Subd. 9. **Powers and duties.** (a) In addition to the powers and duties prescribed
252.18 elsewhere, the board shall:

252.19 (1) coordinate the water and soil resources planning and implementation activities of
252.20 counties, soil and water conservation districts, watershed districts, watershed management
252.21 organizations, and any other local units of government through its various authorities for
252.22 approval of local plans, administration of state grants, contracts and easements, and by other
252.23 means as may be appropriate;

252.24 (2) facilitate communication and coordination among state agencies in cooperation with
252.25 the Environmental Quality Board, and between state and local units of government, in order
252.26 to make the expertise and resources of state agencies involved in water and soil resources
252.27 management available to the local units of government to the greatest extent possible;

252.28 (3) coordinate state and local interests with respect to the study in southwestern Minnesota
252.29 under United States Code, title 16, section 1009;

252.30 (4) develop information and education programs designed to increase awareness of local
252.31 water and soil resources problems and awareness of opportunities for local government
252.32 involvement in preventing or solving them;

253.1 (5) provide a forum for the discussion of local issues and opportunities relating to water
253.2 and soil resources management;

253.3 (6) adopt an annual budget and work program that integrate the various functions and
253.4 responsibilities assigned to it by law; and

253.5 (7) report to the governor and the legislature by October 15 of each even-numbered year
253.6 with an assessment of board programs and recommendations for any program changes and
253.7 board membership changes necessary to improve state and local efforts in water and soil
253.8 resources management.

253.9 (b) The board may accept grants, gifts, donations, or contributions in money, services,
253.10 materials, or otherwise from the United States, a state agency, or other source to achieve
253.11 an authorized or delegated purpose. The board may enter into a contract or agreement
253.12 necessary or appropriate to accomplish the transfer. The board may conduct or participate
253.13 in local, state, or federal programs or projects that have as one purpose or effect the
253.14 preservation or enhancement of water and soil resources and may enter into and administer
253.15 agreements with local governments or landowners or their designated agents as part of those
253.16 programs or projects. The board may receive and expend money to acquire conservation
253.17 easements, as defined in chapter 84C, on behalf of the state and federal government consistent
253.18 with ~~the~~ Camp Ripley's Army Compatible Use Buffer Project, Sentinel Landscape program,
253.19 or related conservation programs. The board may enter into agreements, including grant
253.20 agreements, with Tribal nations, federal agencies, higher education institutions, local
253.21 governments, and private sector organizations to carry out programs and other responsibilities
253.22 prescribed or allowed by statute.

253.23 (c) Any money received is hereby deposited in an account in a fund other than the general
253.24 fund and appropriated and dedicated for the purpose for which it is granted.

253.25 Sec. 3. Minnesota Statutes 2022, section 103B.101, subdivision 16, is amended to read:

253.26 Subd. 16. ~~Water quality Conservation practices; standardized specifications.~~ (a)
253.27 The board of ~~Water and Soil Resources shall~~ must work with state and federal agencies,
253.28 Tribal Nations, academic institutions, local governments, practitioners, and stakeholders to
253.29 foster mutual understanding and provide recommendations for standardized specifications
253.30 for ~~water quality and soil conservation protection and improvement practices and~~ projects,
253.31 and systems for:

253.32 (1) erosion or sedimentation control;

253.33 (2) improvements to water quality or water quantity;

254.1 (3) habitat restoration and enhancement;

254.2 (4) energy conservation; and

254.3 (5) climate adaptation, resiliency, or mitigation.

254.4 (b) The board may convene working groups or work teams to develop information,
254.5 education, and recommendations.

254.6 Sec. 4. Minnesota Statutes 2022, section 103B.101, is amended by adding a subdivision
254.7 to read:

254.8 Subd. 18. **Guidelines for establishing and enhancing native vegetation.** (a) The board
254.9 must work with state and federal agencies, Tribal Nations, academic institutions, local
254.10 governments, practitioners, and stakeholders to foster mutual understanding and to provide
254.11 recommendations for standardized specifications to establish and enhance native vegetation
254.12 to provide benefits for:

254.13 (1) water quality;

254.14 (2) soil conservation;

254.15 (3) habitat enhancement;

254.16 (4) energy conservation; and

254.17 (5) climate adaptation, resiliency, or mitigation.

254.18 (b) The board may convene working groups or work teams to develop information,
254.19 education, and recommendations.

254.20 Sec. 5. Minnesota Statutes 2022, section 103B.103, is amended to read:

254.21 **103B.103 EASEMENT STEWARDSHIP ACCOUNTS.**

254.22 Subdivision 1. **Accounts established; sources.** (a) The water and soil conservation
254.23 easement stewardship account and the mitigation easement stewardship account are created
254.24 in the special revenue fund. The accounts consist of money credited to the accounts and
254.25 interest and other earnings on money in the accounts. The State Board of Investment must
254.26 manage the accounts to maximize long-term gain.

254.27 (b) Revenue from contributions and money appropriated for any purposes of the account
254.28 as described in subdivision 2 must be deposited in the water and soil conservation easement
254.29 stewardship account. Revenue from contributions, ~~wetland banking~~ wetland banking mitigation fees designated
254.30 for stewardship purposes by the board, easement stewardship payments authorized under

255.1 subdivision 3, and money appropriated for any purposes of the account as described in
255.2 subdivision 2 must be deposited in the mitigation easement stewardship account.

255.3 Subd. 2. **Appropriation; purposes of accounts.** Five percent of the balance on July 1
255.4 each year in the water and soil conservation easement stewardship account and five percent
255.5 of the balance on July 1 each year in the mitigation easement stewardship account are
255.6 annually appropriated to the board and may be spent ~~only~~ to cover the costs of managing
255.7 easements held by the board, including costs associated with:

255.8 (1) repairing or replacing structures;

255.9 (2) monitoring;

255.10 (3) landowner contacts;

255.11 (4) records storage and management;

255.12 (5) processing landowner notices;

255.13 (6) requests for approval or amendments;

255.14 (7) enforcement; and

255.15 (8) legal services associated with easement management activities.

255.16 Subd. 3. **Financial contributions.** The board shall seek a financial contribution to the
255.17 water and soil conservation easement stewardship account for each conservation easement
255.18 acquired by the board. The board shall seek a financial contribution or assess an easement
255.19 stewardship payment to the mitigation easement stewardship account for each wetland
255.20 ~~banking mitigation~~ easement acquired by the board. Unless otherwise provided by law, the
255.21 board shall determine the amount of the contribution or payment, which must be an amount
255.22 calculated to earn sufficient money to meet the costs of managing the easement at a level
255.23 that neither significantly overrecovers nor underrecovers the costs. In determining the
255.24 amount of the financial contribution, the board shall consider:

255.25 (1) the estimated annual staff hours needed to manage the conservation easement, taking
255.26 into consideration factors such as easement type, size, location, and complexity;

255.27 (2) the average hourly wages for the class or classes of state and local employees expected
255.28 to manage the easement;

255.29 (3) the estimated annual travel expenses to manage the easement;

255.30 (4) the estimated annual miscellaneous costs to manage the easement, including supplies
255.31 and equipment, information technology support, and aerial flyovers;

256.1 (5) the estimated annualized costs of legal services, including the cost to enforce the
256.2 easement in the event of a violation;

256.3 (6) the estimated annualized costs for repairing or replacing water control structures;
256.4 and

256.5 ~~(6)~~ (7) the expected rate of return on investments in the account.

256.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

256.7 Sec. 6. **[103B.104] LAWNS TO LEGUMES PROGRAM.**

256.8 (a) The Board of Water and Soil Resources may provide financial and technical assistance
256.9 to plant residential landscapes and community spaces with native vegetation and
256.10 pollinator-friendly forbs and legumes to protect a diversity of pollinators with declining
256.11 populations, providing additional benefits for water management, carbon sequestration, and
256.12 landscape resiliency.

256.13 (b) The board must establish criteria for grants or payments awarded under this section.
256.14 Grants or payments awarded under this section may give priority consideration for proposals
256.15 in areas identified by the United States Fish and Wildlife Service as areas where there is a
256.16 high potential for rusty patched bumble bees and other priority species to be present.

256.17 (c) The board may collaborate with and enter into agreements with federal, state, and
256.18 local agencies; Tribal Nations; and other nonprofit organizations and contractors to implement
256.19 and promote the program.

256.20 Sec. 7. **[103B.105] HABITAT-FRIENDLY UTILITIES PROGRAM.**

256.21 (a) The Board of Water and Soil Resources may provide financial and technical assistance
256.22 to promote the successful establishment of native vegetation as part of utility projects,
256.23 including solar and wind projects, pipelines, and electrical transmission corridors, to:

256.24 (1) ensure the integrity and resiliency of Minnesota landscapes; and

256.25 (2) protect habitat and water resources.

256.26 (b) The board must establish criteria for grants or payments awarded under this section.
256.27 Grants or payments awarded under this section may prioritize proposals in areas identified
256.28 by state and federal agencies and conservation partners for protecting high-priority natural
256.29 resources and wildlife species.

257.1 (c) The board may collaborate with and enter into agreements with federal, state, and
 257.2 local agencies; Tribal Nations; utility companies; nonprofit organizations; and contractors
 257.3 to implement and promote the program.

257.4 **Sec. 8. [103B.106] HABITAT ENHANCEMENT LANDSCAPE PROGRAM.**

257.5 (a) The Board of Water and Soil Resources may provide financial and technical assistance
 257.6 to establish or enhance areas of diverse native vegetation to:

257.7 (1) support declining populations of bees, butterflies, dragonflies, birds, and other wildlife
 257.8 species that are essential for ecosystems and food production across conservation lands,
 257.9 open spaces, and natural areas; and

257.10 (2) provide additional benefits for water management, carbon sequestration, and landscape
 257.11 and climate resiliency.

257.12 (b) The board must establish criteria for grants or payments awarded under this section.
 257.13 Grants or payments awarded under this section may prioritize proposals in areas identified
 257.14 by state and federal agencies and conservation partners as high priority for protecting
 257.15 endangered or threatened pollinator and other species.

257.16 (c) The board may collaborate with and enter into agreements with federal, state, and
 257.17 local agencies; Tribal Nations; nonprofit organizations; and contractors to implement and
 257.18 promote the program.

257.19 Sec. 9. Minnesota Statutes 2022, section 103C.501, subdivision 1, is amended to read:

257.20 Subdivision 1. ~~Cost-share~~ **Program authorization.** The state board may allocate
 257.21 available funds to districts ~~to share the cost of systems or~~ for practices, projects, and systems
 257.22 for:

257.23 (1) erosion or sedimentation control or;

257.24 (2) improvements to water quality improvement that are designed to protect and improve
 257.25 soil and water resources; or water quantity;

257.26 (3) habitat enhancement;

257.27 (4) plant biodiversity;

257.28 (5) energy conservation; or

257.29 (6) climate adaptation, resiliency, or mitigation.

258.1 Sec. 10. Minnesota Statutes 2022, section 103C.501, subdivision 4, is amended to read:

258.2 Subd. 4. **Cost-sharing Use of funds.** ~~(a) The state board shall allocate cost-sharing funds~~
 258.3 ~~to areas with high-priority erosion, sedimentation, or water quality problems or water quantity~~
 258.4 ~~problems due to altered hydrology. The areas must be selected based on priorities established~~
 258.5 ~~by the state board.~~

258.6 ~~(b) The allocated funds must be used for:~~

258.7 (1) for conservation practices for high-priority problems activities, including technical
 258.8 and financial assistance, identified in the comprehensive and annual work plans of the
 258.9 districts, for the technical assistance portion of the grant funds state-approved plans that are
 258.10 related to water and natural resources and established under chapters 103B, 103C, 103D,
 258.11 103F, 103G, and 114D;

258.12 (2) to leverage federal or other nonstate funds; or

258.13 (3) to address high-priority needs identified in local water management plans or
 258.14 comprehensive watershed management plans by the district based on public input.

258.15 Sec. 11. Minnesota Statutes 2022, section 103C.501, subdivision 5, is amended to read:

258.16 Subd. 5. **Contracts by districts.** ~~(a) A district board may contract on a cost-share basis~~
 258.17 ~~to furnish financial aid to~~ provide technical and financial assistance to a land occupier or
 258.18 to a state or federal agency for permanent systems practices and projects for:

258.19 (1) erosion or sedimentation control or;

258.20 (2) improvements to water quality or water quantity improvements that are consistent
 258.21 with the district's comprehensive and annual work plans;

258.22 (3) habitat enhancement;

258.23 (4) plant biodiversity;

258.24 (5) energy conservation; or

258.25 (6) climate adaptation, resiliency, or mitigation.

258.26 ~~(b) A district board, with approval from the state board and,~~ consistent with state board
 258.27 rules and policies, may contract on a cost-share basis to furnish financial aid to a land
 258.28 occupier for to provide technical and financial assistance for structural and nonstructural
 258.29 land management practices that are part of a planned erosion control or water quality
 258.30 improvement plan and projects.

259.1 ~~(e) The duration of the contract must, at a minimum, be the time required to complete~~
 259.2 ~~the planned systems. A contract must specify that the land occupier is liable for monetary~~
 259.3 ~~damages and penalties in an amount up to 150 percent of the financial assistance received~~
 259.4 ~~from the district, for failure to complete the systems or practices in a timely manner or~~
 259.5 ~~maintain the systems or practices as specified in the contract.~~

259.6 ~~(d) A contract may provide for cooperation or funding with federal agencies. A land~~
 259.7 ~~occupier or state agency may provide the cost-sharing portion of the contract through services~~
 259.8 ~~in kind.~~

259.9 ~~(e) (c)~~ The state board or the district board may not furnish any financial aid assistance
 259.10 for practices designed only to increase land productivity.

259.11 ~~(f) (d)~~ When a district board determines that long-term maintenance of a system or
 259.12 practice is desirable, the district or the state board may require that maintenance be made
 259.13 a covenant upon the land for the effective life of the practice. A covenant under this
 259.14 subdivision shall be construed in the same manner as a conservation restriction under section
 259.15 84.65.

259.16 Sec. 12. Minnesota Statutes 2022, section 103C.501, subdivision 6, is amended to read:

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

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

259.20 (2) standards and guidelines for ~~cost-sharing~~ implementing the conservation contracts;
 259.21 program.

259.22 ~~(3) the scope and content of district comprehensive plans, plan amendments, and annual~~
 259.23 ~~work plans;~~

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

259.27 ~~(5) the share of the cost of conservation practices to be paid from cost-sharing funds;~~
 259.28 ~~and~~

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

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

260.1 Sec. 13. Minnesota Statutes 2022, section 103C.501, is amended by adding a subdivision
260.2 to read:

260.3 Subd. 7. **Inspections.** The district or the district's delegate must conduct site inspections
260.4 of conservation practices installed to determine if the land occupier is in compliance with
260.5 design, operation, and maintenance specifications.

260.6 Sec. 14. Minnesota Statutes 2022, section 103D.605, subdivision 5, is amended to read:

260.7 Subd. 5. **Establishment order.** After the project hearing, if the managers find that the
260.8 project will be conducive to public health, will promote the general welfare, and ~~is in~~
260.9 ~~compliance~~ complies with the watershed management plan and the provisions of this chapter,
260.10 the ~~board~~ managers must, by order, establish the project. The establishment order must
260.11 include the findings of the managers.

260.12 Sec. 15. [103E.122] DRAINAGE REGISTRY INFORMATION PORTAL.

260.13 (a) By December 31, 2023, the executive director of the Board of Water and Soil
260.14 Resources must establish and permanently maintain a drainage registry information portal
260.15 that includes a publicly searchable electronic database. The portal must allow a drainage
260.16 authority to electronically submit information on:

260.17 (1) a petitioned drainage project; and

260.18 (2) a petition or order for reestablishment of records.

260.19 (b) Within ten days of appointing an engineer for a petitioned drainage project or within
260.20 ten days of a finding that a record is incomplete under section 103E.101, subdivision 4a,
260.21 paragraph (a), a drainage authority must file the following information with the Board of
260.22 Water and Soil Resources through the registry information portal established under paragraph
260.23 (a):

260.24 (1) the name of the drainage authority;

260.25 (2) whether the filing results from a petitioned drainage project or a petition or order for
260.26 reestablishment of records;

260.27 (3) the date that the petition or order was filed;

260.28 (4) information for a local contact that can provide additional information; and

260.29 (5) a copy of the filed petition or order.

261.1 (c) A drainage authority may not take further action on a petitioned drainage project or
261.2 a petition or order for reestablishment of records until the information under paragraph (b)
261.3 is available for public viewing on the registry information portal.

261.4 (d) The registry information portal must allow members of the public to electronically
261.5 search for and retrieve information by the data fields specified in paragraph (b), clauses (1)
261.6 to (5).

261.7 **Sec. 16. [103F.06] SOIL HEALTH PRACTICES PROGRAM.**

261.8 Subdivision 1. **Definitions.** (a) In this section, the following terms have the meanings
261.9 given:

261.10 (1) "board" means the Board of Water and Soil Resources;

261.11 (2) "local units of government" has the meaning given under section 103B.305,
261.12 subdivision 5; and

261.13 (3) "soil health" has the meaning given under section 103C.101, subdivision 10a.

261.14 Subd. 2. **Establishment.** (a) The board must administer a financial and technical support
261.15 program to produce soil health practices that achieve water quality, soil productivity, climate
261.16 change resiliency, or carbon sequestration benefits or reduce pesticide and fertilizer use.

261.17 (b) The program must include but is not limited to no till, field borders, prairie strips,
261.18 cover crops, and other practices sanctioned by the board or the United States Department
261.19 of Agriculture's Natural Resources Conservation Service.

261.20 Subd. 3. **Financial and technical assistance.** (a) The board may provide financial and
261.21 technical support to local units of government, private sector organizations, and farmers to
261.22 establish soil health practices and related practices with climate and water-quality benefits.

261.23 (b) The board must establish practices and costs that are eligible for financial and technical
261.24 support under this section.

261.25 Subd. 4. **Program implementation.** (a) The board may employ staff or enter into external
261.26 agreements to implement this section.

261.27 (b) The board must assist local units of government in achieving the objectives of the
261.28 program, including assessing practice standards and program effectiveness.

261.29 Subd. 5. **Federal aid availability.** The board must regularly review and optimize the
261.30 availability of federal funds and programs to supplement or complement state and other
261.31 efforts consistent with the purposes of this section.

262.1 Subd. 6. Soil health practices. The board, in consultation with the commissioner of
 262.2 agriculture, may cooperate with the United States Department of Agriculture, other federal
 262.3 and state agencies, local governments, and private sector organizations to establish soil
 262.4 health goals for the state that will achieve water quality, soil productivity, climate change
 262.5 resiliency, and carbon sequestration benefits and reduce pesticide and fertilizer use.

262.6 Sec. 17. Minnesota Statutes 2022, section 103F.505, is amended to read:

262.7 **103F.505 PURPOSE AND POLICY.**

262.8 (a) It is the purpose of sections 103F.505 to 103F.531 to restore certain marginal
 262.9 agricultural land and protect environmentally sensitive areas to:

262.10 (1) enhance soil and water quality;

262.11 (2) minimize damage to flood-prone areas;

262.12 (3) sequester carbon, ~~and~~;

262.13 (4) support native plant, fish, and wildlife habitats; and

262.14 (5) establish perennial vegetation.

262.15 (b) It is state policy to encourage ~~the~~:

262.16 (1) restoration of wetlands and riparian lands ~~and promote the retirement~~;

262.17 (2) restoration and protection of marginal, highly erodible land, particularly land adjacent
 262.18 to public waters, drainage systems, wetlands, and locally designated priority waters; and

262.19 (3) protection of environmentally sensitive areas, including wellhead protection areas,
 262.20 grasslands, peatlands, shorelands, karst geology, and forest lands in priority areas.

262.21 Sec. 18. Minnesota Statutes 2022, section 103F.511, is amended by adding a subdivision
 262.22 to read:

262.23 Subd. 5a. Grasslands. "Grasslands" means landscapes that are or were formerly
 262.24 dominated by grasses, that have a low percentage of trees and shrubs, and that provide
 262.25 economic and ecosystem services such as managed grazing, wildlife habitat, carbon
 262.26 sequestration, and water filtration and retention.

263.1 Sec. 19. Minnesota Statutes 2022, section 103F.511, is amended by adding a subdivision
263.2 to read:

263.3 Subd. 8d. **Restored prairie.** "Restored prairie" means a restoration that uses at least 25
263.4 representative and biologically diverse native prairie plant species and that occurs on land
263.5 that was previously cropped or used as pasture.

263.6 Sec. 20. **[103F.519] REINVEST IN MINNESOTA WORKING LANDS PROGRAM.**

263.7 Subdivision 1. **Establishment.** The board may establish and administer a reinvest in
263.8 Minnesota working lands program that is in addition to the program established under
263.9 section 103F.515. Selecting land for the program must be based on the land's potential for:

263.10 (1) protecting or improving water quality;

263.11 (2) reducing erosion;

263.12 (3) improving soil health;

263.13 (4) reducing chemical inputs;

263.14 (5) improving carbon storage; and

263.15 (6) increasing biodiversity and habitat for fish, wildlife, and native plants.

263.16 Subd. 2. **Applicability.** Section 103F.515 applies to this section except as otherwise
263.17 provided in subdivisions 1, 3, and 4.

263.18 Subd. 3. **Nature of property rights acquired.** Notwithstanding section 103F.515,
263.19 subdivision 4, paragraph (a), the board may authorize managed haying and managed livestock
263.20 grazing, perennial or winter annual cover crop production, forest management, or other
263.21 activities that the board determines are consistent with section 103F.505 or appropriation
263.22 conditions or criteria.

263.23 Subd. 4. **Payments for easements.** The board must establish payment rates for acquiring
263.24 easements and for related practices. The board must consider market factors as well as
263.25 easement terms, including length and allowable uses, when establishing rates.

263.26 Sec. 21. Minnesota Statutes 2022, section 103G.2242, subdivision 1, is amended to read:

263.27 Subdivision 1. **Rules.** (a) The board, in consultation with the commissioner, shall adopt
263.28 rules governing the approval of wetland value replacement plans under this section and
263.29 public-waters-work permits affecting public waters wetlands under section 103G.245. These
263.30 rules must address the criteria, procedure, timing, and location of acceptable replacement

264.1 of wetland values and may address the state establishment and administration of a wetland
264.2 banking program for public and private projects, including provisions for an in-lieu fee
264.3 program; mitigating and banking other water and water-related resources; the administrative,
264.4 monitoring, and enforcement procedures to be used; and a procedure for the review and
264.5 appeal of decisions under this section. In the case of peatlands, the replacement plan rules
264.6 must consider the impact on carbon. Any in-lieu fee program established by the board must
264.7 conform with Code of Federal Regulations, title 33, section 332.8, as amended.

264.8 (b) After the adoption of the rules, a replacement plan must be approved by a resolution
264.9 of the governing body of the local government unit, consistent with the provisions of the
264.10 rules or a comprehensive wetland protection and management plan approved under section
264.11 103G.2243.

264.12 (c) If the local government unit fails to apply the rules, or fails to implement a local
264.13 comprehensive wetland protection and management plan established under section
264.14 103G.2243, the government unit is subject to penalty as determined by the board.

264.15 (d) When making a determination under rules adopted pursuant to this subdivision on
264.16 whether a rare natural community will be permanently adversely affected, consideration of
264.17 measures to mitigate any adverse effect on the community must be considered.

264.18 Sec. 22. **REPEALER.**

264.19 (a) Minnesota Statutes 2022, section 103C.501, subdivisions 2 and 3, are repealed.

264.20 (b) Minnesota Rules, parts 8400.0500; 8400.0550; 8400.0600, subparts 4 and 5;
264.21 8400.0900, subparts 1, 2, 4, and 5; 8400.1650; 8400.1700; 8400.1750; 8400.1800; and
264.22 8400.1900, are repealed.

264.23

ARTICLE 6

264.24

FARMED CERVIDAE

264.25 Section 1. Minnesota Statutes 2022, section 13.643, subdivision 6, is amended to read:

264.26 Subd. 6. **Animal premises data.** (a) Except for farmed Cervidae premises location data
264.27 collected and maintained under section 35.155, the following data collected and maintained
264.28 by the Board of Animal Health related to registration and identification of premises and
264.29 animals under chapter 35, are classified as private or nonpublic:

264.30 (1) the names and addresses;

264.31 (2) the location of the premises where animals are kept; and

265.1 (3) the identification number of the premises or the animal.

265.2 (b) Except as provided in section 347.58, subdivision 5, data collected and maintained
265.3 by the Board of Animal Health under sections 347.57 to 347.64 are classified as private or
265.4 nonpublic.

265.5 (c) The Board of Animal Health may disclose data collected under paragraph (a) or (b)
265.6 to any person, agency, or to the public if the board determines that the access will aid in the
265.7 law enforcement process or the protection of public or animal health or safety.

265.8 Sec. 2. Minnesota Statutes 2022, section 17.118, subdivision 2, is amended to read:

265.9 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this
265.10 subdivision have the meanings given them.

265.11 (b) "Livestock" means beef cattle, dairy cattle, swine, poultry, goats, mules, farmed
265.12 Cervidae, Ratitae, bison, sheep, horses, and llamas.

265.13 (c) "Qualifying expenditures" means the amount spent for:

265.14 (1) the acquisition, construction, or improvement of buildings or facilities for the
265.15 production of livestock or livestock products;

265.16 (2) the development of pasture for use by livestock including, but not limited to, the
265.17 acquisition, development, or improvement of:

265.18 (i) lanes used by livestock that connect pastures to a central location;

265.19 (ii) watering systems for livestock on pasture including water lines, booster pumps, and
265.20 well installations;

265.21 (iii) livestock stream crossing stabilization; and

265.22 (iv) fences; or

265.23 (3) the acquisition of equipment for livestock housing, confinement, feeding, and waste
265.24 management including, but not limited to, the following:

265.25 (i) freestall barns;

265.26 (ii) watering facilities;

265.27 (iii) feed storage and handling equipment;

265.28 (iv) milking parlors;

265.29 (v) robotic equipment;

- 266.1 (vi) scales;
- 266.2 (vii) milk storage and cooling facilities;
- 266.3 (viii) bulk tanks;
- 266.4 (ix) computer hardware and software and associated equipment used to monitor the
266.5 productivity and feeding of livestock;
- 266.6 (x) manure pumping and storage facilities;
- 266.7 (xi) swine farrowing facilities;
- 266.8 (xii) swine and cattle finishing barns;
- 266.9 (xiii) calving facilities;
- 266.10 (xiv) digesters;
- 266.11 (xv) equipment used to produce energy;
- 266.12 (xvi) on-farm processing facilities equipment;
- 266.13 (xvii) fences, including but not limited to farmed Cervidae perimeter fences required
266.14 under section 35.155, ~~subdivision 4~~ subdivisions 4 and 4a; and
- 266.15 (xviii) livestock pens and corrals and sorting, restraining, and loading chutes.

266.16 Except for qualifying pasture development expenditures under clause (2), qualifying
266.17 expenditures only include amounts that are allowed to be capitalized and deducted under
266.18 either section 167 or 179 of the Internal Revenue Code in computing federal taxable income.
266.19 Qualifying expenditures do not include an amount paid to refinance existing debt.

266.20 Sec. 3. Minnesota Statutes 2022, section 35.155, subdivision 1, is amended to read:

266.21 Subdivision 1. **Running at large prohibited.** (a) An owner may not allow farmed
266.22 Cervidae to run at large. The owner must make all reasonable efforts to return escaped
266.23 farmed Cervidae to their enclosures as soon as possible. The owner must immediately notify
266.24 the commissioner of natural resources of the escape of farmed Cervidae if the farmed
266.25 Cervidae are not returned or captured by the owner within 24 hours of their escape.

266.26 (b) An owner is liable for expenses of another person in capturing, caring for, and
266.27 returning farmed Cervidae that have left their enclosures if the person capturing the farmed
266.28 Cervidae contacts the owner as soon as possible.

266.29 (c) If an owner is unwilling or unable to capture escaped farmed Cervidae, the
266.30 commissioner of natural resources may destroy the escaped farmed Cervidae. The

267.1 commissioner of natural resources must allow the owner to attempt to capture the escaped
267.2 farmed Cervidae prior to destroying the farmed Cervidae. Farmed Cervidae that are not
267.3 captured by 24 hours after escape may be destroyed.

267.4 (d) A hunter licensed by the commissioner of natural resources under chapter 97A may
267.5 kill and possess escaped farmed Cervidae in a lawful manner and is not liable to the owner
267.6 for the loss of the animal. A licensed hunter who harvests escaped farmed Cervidae under
267.7 this paragraph must immediately notify the commissioner of natural resources.

267.8 (e) Escaped farmed Cervidae killed by a hunter or destroyed by the commissioner of
267.9 natural resources must be tested for chronic wasting disease.

267.10 (f) The owner is responsible for proper disposal, as determined by the board, of farmed
267.11 Cervidae that are killed or destroyed under this subdivision and test positive for chronic
267.12 wasting disease.

267.13 (g) An owner is liable for any additional costs associated with escaped farmed Cervidae
267.14 that are infected with chronic wasting disease. This paragraph may be enforced by the
267.15 attorney general on behalf of any state agency affected.

267.16 **EFFECTIVE DATE.** This section is effective September 1, 2023.

267.17 Sec. 4. Minnesota Statutes 2022, section 35.155, subdivision 4, is amended to read:

267.18 Subd. 4. **Fencing.** Farmed Cervidae must be confined in a manner designed to prevent
267.19 escape. Except as provided in subdivision 4a, all perimeter fences for farmed Cervidae must
267.20 be at least 96 inches in height and be constructed and maintained in a way that prevents the
267.21 escape of farmed Cervidae or, entry into the premises by free-roaming Cervidae, and physical
267.22 contact between farmed Cervidae and free-roaming Cervidae. After July 1, 2019, All new
267.23 fencing installed and all fencing used to repair deficiencies must be high tensile. By
267.24 December 1, 2019, All entry areas for farmed Cervidae enclosure areas must have two
267.25 redundant gates, which must be maintained to prevent the escape of animals through an
267.26 open gate. If a fence deficiency allows entry or exit by farmed or wild Cervidae, the owner
267.27 must repair the deficiency within a reasonable time, as determined by the Board of Animal
267.28 Health, not to exceed 45 14 days. If a fence deficiency is detected during an inspection, the
267.29 facility must be reinspected at least once in the subsequent three months. The farmed
267.30 Cervidae owner must pay a reinspection fee equal to one-half the applicable annual inspection
267.31 fee under subdivision 7a for each reinspection related to a fence violation. If the facility
267.32 experiences more than one escape incident in any six-month period or fails to correct a
267.33 deficiency found during an inspection, the board may revoke the facility's registration and

268.1 order the owner to remove or destroy the animals as directed by the board. If the board
268.2 revokes a facility's registration, the commissioner of natural resources may seize and destroy
268.3 animals at the facility.

268.4 **EFFECTIVE DATE.** This section is effective September 1, 2024.

268.5 Sec. 5. Minnesota Statutes 2022, section 35.155, is amended by adding a subdivision to
268.6 read:

268.7 Subd. 4a. **Fencing; commercial herds.** In addition to the requirements in subdivision
268.8 4, commercially farmed white-tailed deer must be confined by two or more perimeter fences,
268.9 with each perimeter fence at least 120 inches in height.

268.10 **EFFECTIVE DATE.** This section is effective September 1, 2024.

268.11 Sec. 6. Minnesota Statutes 2022, section 35.155, subdivision 10, is amended to read:

268.12 Subd. 10. **Mandatory registration.** (a) A person may not possess live Cervidae in
268.13 Minnesota unless the person is registered with the Board of Animal Health and meets all
268.14 the requirements for farmed Cervidae under this section. Cervidae possessed in violation
268.15 of this subdivision may be seized and destroyed by the commissioner of natural resources.

268.16 (b) A person whose registration is revoked by the board is ineligible for future registration
268.17 under this section unless the board determines that the person has undertaken measures that
268.18 make future escapes extremely unlikely.

268.19 (c) The board must not allow new registrations under this section for possessing
268.20 white-tailed deer. This paragraph does not prohibit a person holding a valid registration
268.21 under this subdivision from selling or transferring the person's registration to a family
268.22 member who resides in this state and is related to the person within the third degree of
268.23 kindred according to the rules of civil law. A valid registration may be sold or transferred
268.24 only once under this paragraph. Before the board approves a sale or transfer under this
268.25 paragraph, the board must verify that the herd is free from chronic wasting disease and the
268.26 person or eligible family member must pay a onetime transfer fee of \$500 to the board.

268.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

268.28 Sec. 7. Minnesota Statutes 2022, section 35.155, subdivision 11, is amended to read:

268.29 Subd. 11. **Mandatory surveillance for chronic wasting disease; depopulation.** (a)
268.30 An inventory for each farmed Cervidae herd must be verified by an accredited veterinarian
268.31 and filed with the Board of Animal Health every 12 months.

269.1 (b) Movement of farmed Cervidae from any premises to another location must be reported
269.2 to the Board of Animal Health within 14 days of the movement on forms approved by the
269.3 Board of Animal Health. A person must not move farmed white-tailed deer from a herd that
269.4 tests positive for chronic wasting disease from any premises to another location.

269.5 (c) All animals from farmed Cervidae herds that are over ~~12~~ six months of age that die
269.6 or are slaughtered must be tested for chronic wasting disease.

269.7 (d) The owner of a premises where chronic wasting disease is detected must:

269.8 (1) allow and cooperate with inspections of the premises as determined by the Board of
269.9 Animal Health and Department of Natural Resources conservation officers and wildlife
269.10 managers;

269.11 ~~(1)~~ (2) depopulate the premises of Cervidae after the federal indemnification process
269.12 has been completed or, if an indemnification application is not submitted, within ~~a reasonable~~
269.13 ~~time determined by the board in consultation with the commissioner of natural resources~~
269.14 30 days;

269.15 ~~(2)~~ (3) maintain the fencing required under ~~subdivision~~ subdivisions 4 and 4a on the
269.16 premises for ~~five~~ ten years after the date of detection; ~~and~~

269.17 ~~(3)~~ (4) post the fencing on the premises with biohazard signs as directed by the board;

269.18 (5) not raise farmed Cervidae on the premises for at least ten years;

269.19 (6) before signing an agreement to sell or transfer the property, disclose in writing to
269.20 the buyer or transferee the date of depopulation and the requirements incumbent upon the
269.21 premises and the buyer or transferee under this paragraph; and

269.22 (7) record with the county recorder or registrar of titles, as appropriate, in the county
269.23 where the premises is located a notice, in the form required by the board, that meets the
269.24 recording requirements of sections 507.093 and 507.24 and includes the nearest address
269.25 and the legal description of the premises, the date of detection, the date of depopulation,
269.26 the landowner requirements under this paragraph, and any other information required by
269.27 the board. The legal description must be the legal description of record with the county
269.28 recorder or registrar of titles and must not otherwise be the real estate tax statement legal
269.29 description of the premises. The notice expires and has no effect ten years after the date of
269.30 detection stated in the notice. The registrar of titles must omit an expired notice from future
269.31 certificates of title.

269.32 (e) An owner of farmed Cervidae that test positive for chronic wasting disease is
269.33 responsible for proper disposal of the animals, as determined by the board.

270.1 Sec. 8. Minnesota Statutes 2022, section 35.155, is amended by adding a subdivision to
270.2 read:

270.3 Subd. 11a. **Liability.** (a) A herd owner is liable in a civil action to a person injured by
270.4 the owner's sale or unlawful disposal of farmed Cervidae infected with or exposed to chronic
270.5 wasting disease. Action may be brought in a county where the farmed Cervidae are sold,
270.6 delivered, or unlawfully disposed.

270.7 (b) A herd owner is liable to the state for costs associated with the owner's unlawful
270.8 disposal of farmed Cervidae infected with or exposed to chronic wasting disease. This
270.9 paragraph may be enforced by the attorney general on behalf of any state agency affected.

270.10 Sec. 9. Minnesota Statutes 2022, section 35.155, subdivision 12, is amended to read:

270.11 Subd. 12. **Importation.** (a) A person must not import live Cervidae or Cervidae semen
270.12 into the state from a herd that is:

270.13 (1) infected with or has been exposed to chronic wasting disease; or

270.14 (2) from a ~~known~~ state or province where chronic wasting disease ~~endemic area, as~~
270.15 ~~determined by the board~~ is present in farmed or wild Cervidae populations.

270.16 (b) A person may import live Cervidae or Cervidae semen into the state only from a
270.17 herd that:

270.18 (1) is not ~~in a known~~ located in a state or province where chronic wasting disease ~~endemic~~
270.19 ~~area, as determined by the board,~~ is present in farmed or wild Cervidae populations; and
270.20 ~~the herd~~

270.21 (2) has been subject to a ~~state or provincial approved~~ state- or provincial-approved
270.22 chronic wasting disease monitoring program for at least three years.

270.23 (c) Cervidae or Cervidae semen imported in violation of this section may be seized and
270.24 destroyed by the commissioner of natural resources.

270.25 (d) This subdivision does not apply to the interstate transfer of animals between two
270.26 facilities accredited by the Association of Zoos and Aquariums.

270.27 (e) Notwithstanding this subdivision, the commissioner of natural resources may issue
270.28 a permit allowing the importation of orphaned wild cervid species that are not susceptible
270.29 to chronic wasting disease from another state to an Association of Zoos and Aquariums
270.30 accredited institution in Minnesota following a joint risk-based assessment conducted by
270.31 the commissioner and the institution.

271.1 Sec. 10. Minnesota Statutes 2022, section 35.156, subdivision 2, is amended to read:

271.2 Subd. 2. **Federal fund account.** (a) Money granted to the state by the federal government
271.3 for purposes of chronic wasting disease must be credited to a separate account in the federal
271.4 fund and, except as provided in paragraph (b), is annually appropriated to the commissioner
271.5 of agriculture for the purposes for which the federal grant was made according to section
271.6 17.03.

271.7 (b) Money granted to the state by the federal government for response to, and remediation
271.8 of, farmed or wild white-tailed deer infected with chronic wasting disease is annually
271.9 appropriated to the commissioner of natural resources according to section 84.085,
271.10 subdivision 1.

271.11 Sec. 11. Minnesota Statutes 2022, section 35.156, is amended by adding a subdivision to
271.12 read:

271.13 Subd. 3. **Consultation required.** The Board of Animal Health and the commissioner
271.14 of natural resources must consult the Minnesota Center for Prion Research and Outreach
271.15 at the University of Minnesota and incorporate peer-reviewed scientific information when
271.16 administering and enforcing section 35.155 and associated rules pertaining to chronic wasting
271.17 disease and farmed Cervidae.

271.18 Sec. 12. Minnesota Statutes 2022, section 35.156, is amended by adding a subdivision to
271.19 read:

271.20 Subd. 4. **Notice required.** The Board of Animal Health must promptly notify affected
271.21 local units of government and Tribal governments when an animal in a farmed Cervidae
271.22 herd tests positive for chronic wasting disease.

271.23 Sec. 13. Minnesota Statutes 2022, section 35.156, is amended by adding a subdivision to
271.24 read:

271.25 Subd. 5. **Annual testing required.** (a) Annually beginning July 1, 2023, the Board of
271.26 Animal Health must have each farmed white-tailed deer possessed by a person registered
271.27 under section 35.155 tested for chronic wasting disease using a real-time quaking-induced
271.28 conversion (RT-QuIC) test offered by a public or private diagnostic laboratory. Live-animal
271.29 testing must consist of an ear biopsy, the collection of which must be managed by the Board
271.30 of Animal Health, with each laboratory reporting RT-QuIC results to both the commissioner
271.31 of natural resources and the Board of Animal Health in the form required by both agencies.

272.1 If a white-tailed deer tests positive, the owner must have the animal tested a second time
272.2 using an RT-QuIC test performed on both a second ear biopsy and a tonsil or rectal biopsy.

272.3 (b) If a farmed white-tailed deer tests positive using an RT-QuIC test performed on both
272.4 a second ear biopsy and a tonsil or rectal biopsy, the owner must have the animal destroyed
272.5 and tested for chronic wasting disease using a postmortem test approved by the Board of
272.6 Animal Health.

272.7 (c) If a farmed white-tailed deer tests positive for chronic wasting disease under paragraph
272.8 (b), the owner must depopulate the premises of farmed Cervidae as required under section
272.9 35.155, subdivision 11.

272.10 **Sec. 14. TRANSFER OF DUTIES; FARMED WHITE-TAILED DEER.**

272.11 (a) Responsibility for administering and enforcing the statutes and rules listed in clauses
272.12 (1) and (2) for farmed white-tailed deer are, except as provided in paragraph (c), transferred
272.13 pursuant to Minnesota Statutes, section 15.039, from the Board of Animal Health to the
272.14 commissioner of natural resources:

272.15 (1) Minnesota Statutes, sections 35.153 to 35.156; and

272.16 (2) Minnesota Rules, parts 1721.0370 to 1721.0420.

272.17 (b) The Board of Animal Health retains responsibility for administering and enforcing
272.18 the statutes and rules listed in paragraph (a), clauses (1) and (2), for all other farmed Cervidae.

272.19 (c) Notwithstanding Minnesota Statutes, section 15.039, subdivision 7, the transfer of
272.20 personnel will not take place.

272.21 **EFFECTIVE DATE.** This section is effective July 1, 2025.

272.22 **Sec. 15. REVISOR INSTRUCTION.**

272.23 The revisor of statutes must recodify the relevant sections in Minnesota Statutes, chapter
272.24 35, and Minnesota Rules, chapter 1721, as necessary to conform with section 14. The revisor
272.25 must also change the responsible agency, remove obsolete language, and make necessary
272.26 cross-reference changes consistent with section 14 and the renumbering.

272.27 **ARTICLE 7**

272.28 **MISCELLANEOUS**

272.29 **Section 1. [3.8865] LEGISLATIVE WATER COMMISSION.**

272.30 Subdivision 1. **Establishment.** The Legislative Water Commission is established.

273.1 Subd. 2. **Membership.** (a) The Legislative Water Commission consists of 12 members
273.2 appointed as follows:

273.3 (1) six members of the senate, including three majority party members appointed by the
273.4 majority leader and three minority party members appointed by the minority leader; and

273.5 (2) six members of the house of representatives, including three majority party members
273.6 appointed by the speaker of the house and three minority party members appointed by the
273.7 minority leader.

273.8 (b) Members serve at the pleasure of the appointing authority and continue to serve until
273.9 their successors are appointed or until a member is no longer a member of the legislative
273.10 body that appointed the member to the commission. Vacancies must be filled in the same
273.11 manner as the original positions. Vacancies occurring on the commission do not affect the
273.12 authority of the remaining members of the Legislative Water Commission to carry out the
273.13 functions of the commission.

273.14 (c) Members must elect a chair, vice-chair, and other officers as determined by the
273.15 commission. The chair may convene meetings as necessary to perform the duties prescribed
273.16 by this section.

273.17 Subd. 3. **Commission staffing.** The Legislative Coordinating Commission must employ
273.18 staff and contract with consultants as necessary to enable the Legislative Water Commission
273.19 to carry out its duties and functions.

273.20 Subd. 4. **Powers and duties.** (a) The Legislative Water Commission must review water
273.21 policy reports and recommendations of the Environmental Quality Board, the Board of
273.22 Water and Soil Resources, the Pollution Control Agency, the Department of Natural
273.23 Resources, and the Metropolitan Council and other water-related reports as may be required
273.24 by law or the legislature.

273.25 (b) The commission may conduct public hearings and otherwise secure data and
273.26 comments.

273.27 (c) The commission must make recommendations as it deems proper to assist the
273.28 legislature in formulating legislation.

273.29 (d) Data or information compiled by the Legislative Water Commission or its
273.30 subcommittees must be made available to the Legislative-Citizen Commission on Minnesota
273.31 Resources, the Clean Water Council, and standing and interim committees of the legislature
273.32 upon request of the chair of the respective commission, council, or committee.

273.33 (e) The commission must coordinate with the Clean Water Council.

274.1 Subd. 5. **Compensation.** Members of the commission may receive per diem and expense
274.2 reimbursement incurred doing the work of the commission in the manner and amount
274.3 prescribed for per diem and expense payments by the senate Committee on Rules and
274.4 Administration and the house of representatives Committee on Rules and Legislative
274.5 Administration.

274.6 Subd. 6. **Expiration.** This section expires July 1, 2028.

274.7 Sec. 2. Minnesota Statutes 2022, section 18B.01, subdivision 31, is amended to read:

274.8 Subd. 31. **Unreasonable adverse effects on the environment.** "Unreasonable adverse
274.9 effects on the environment" means any unreasonable risk to humans or the environment,
274.10 taking into account the economic, social, and environmental costs and benefits of the use
274.11 of any pesticide or seed treated with pesticide.

274.12 Sec. 3. **[18B.075] PESTICIDE-TREATED SEED.**

274.13 A person may not use, store, handle, distribute, or dispose of seed treated with pesticide
274.14 in a manner that:

274.15 (1) endangers humans, food, livestock, fish, or wildlife; or

274.16 (2) will cause unreasonable adverse effects on the environment.

274.17 Sec. 4. Minnesota Statutes 2022, section 18B.09, subdivision 2, is amended to read:

274.18 Subd. 2. **Authority.** (a) Statutory and home rule charter cities may enact an ordinance,
274.19 which may include penalty and enforcement provisions, containing one or both of the
274.20 following:

274.21 (1) the pesticide application warning information contained in subdivision 3, ~~including~~
274.22 ~~their own licensing, penalty, and enforcement provisions; and~~

274.23 (2) the pesticide prohibition contained in subdivision 4.

274.24 (b) Statutory and home rule charter cities may not enact an ordinance ~~that contains more~~
274.25 ~~restrictive pesticide application warning information than is contained in subdivision~~
274.26 ~~subdivisions 3 and 4.~~

275.1 Sec. 5. Minnesota Statutes 2022, section 18B.09, is amended by adding a subdivision to
275.2 read:

275.3 Subd. 4. **Application of certain pesticides prohibited.** (a) A person may not apply or
275.4 use a pollinator-lethal pesticide within the geographic boundaries of a city that has enacted
275.5 an ordinance under subdivision 2 prohibiting such use.

275.6 (b) For purposes of this subdivision, "pollinator-lethal pesticide" means a pesticide that
275.7 has a pollinator protection box on the label or labeling or a pollinator, bee, or honey bee
275.8 precautionary statement in the environmental hazards section of the label or labeling.

275.9 (c) This subdivision does not apply to:

275.10 (1) pet care products used to mitigate fleas, mites, ticks, heartworms, or other animals
275.11 that are harmful to the health of a domesticated animal;

275.12 (2) personal care products used to mitigate lice and bedbugs;

275.13 (3) indoor pest control products used to mitigate insects indoors, including ant bait;

275.14 (4) pesticides as used or applied by the Metropolitan Mosquito Control District for public
275.15 health protection if the pesticide includes vector species on the label;

275.16 (5) wood preservative pesticides used either within a sealed steel cylinder or inside an
275.17 enclosed building at a secure facility by trained technicians and pesticide-treated wood
275.18 products;

275.19 (6) pesticides used or applied to control or eradicate a noxious weed designated by the
275.20 commissioner under section 18.79, subdivision 13; and

275.21 (7) pesticides used or applied on land used for agricultural production and located in an
275.22 area zoned for agricultural use.

275.23 (d) The commissioner must maintain a list of pollinator-lethal pesticides on the
275.24 department's website.

275.25 Sec. 6. Minnesota Statutes 2022, section 21.82, subdivision 3, is amended to read:

275.26 Subd. 3. **Treated seed.** For all named agricultural, vegetable, flower, or wildflower
275.27 seeds which are treated, for which a separate label may be used, the label must contain:

275.28 (1) a word or statement to indicate that the seed has been treated;

275.29 (2) the commonly accepted, coined, chemical, or abbreviated generic chemical name of
275.30 the applied substance;

276.1 (3) the caution statement "Do not use for food, feed, or oil purposes" if the substance in
276.2 the amount present with the seed is harmful to human or other vertebrate animals;

276.3 (4) in the case of mercurials or similarly toxic substances, a poison statement and symbol;

276.4 (5) a word or statement describing the process used when the treatment is not of pesticide
276.5 origin; ~~and~~

276.6 (6) the date beyond which the inoculant is considered ineffective if the seed is treated
276.7 with an inoculant. It must be listed on the label as "inoculant: expires (month and year)" or
276.8 wording that conveys the same meaning; and

276.9 (7) the caution statement, framed in a box and including a bee icon developed by the
276.10 commissioner: "Planting seed treated with a neonicotinoid pesticide may negatively impact
276.11 pollinator health. Please use care when handling and planting this seed" for any corn or
276.12 soybean seed treated with a neonicotinoid pesticide.

276.13 Sec. 7. Minnesota Statutes 2022, section 21.86, subdivision 2, is amended to read:

276.14 Subd. 2. **Miscellaneous violations.** No person may:

276.15 (a) detach, alter, deface, or destroy any label required in sections 21.82 and 21.83, alter
276.16 or substitute seed in a manner that may defeat the purposes of sections 21.82 and 21.83, or
276.17 alter or falsify any seed tests, laboratory reports, records, or other documents to create a
276.18 misleading impression as to kind, variety, history, quality, or origin of the seed;

276.19 (b) hinder or obstruct in any way any authorized person in the performance of duties
276.20 under sections 21.80 to 21.92;

276.21 (c) fail to comply with a "stop sale" order or to move or otherwise handle or dispose of
276.22 any lot of seed held under a stop sale order or attached tags, except with express permission
276.23 of the enforcing officer for the purpose specified;

276.24 (d) use the word "type" in any labeling in connection with the name of any agricultural
276.25 seed variety;

276.26 (e) use the word "trace" as a substitute for any statement which is required;

276.27 (f) plant any agricultural seed which the person knows contains weed seeds or noxious
276.28 weed seeds in excess of the limits for that seed; ~~or~~

276.29 (g) advertise or sell seed containing patented, protected, or proprietary varieties used
276.30 without permission of the patent or certificate holder of the intellectual property associated
276.31 with the variety of seed; or

277.1 (h) use or sell as food, feed, oil, or ethanol feedstock any seed treated with neonicotinoid
277.2 pesticide.

277.3 Sec. 8. **[21.915] PESTICIDE-TREATED SEED USE AND DISPOSAL; CONSUMER**
277.4 **GUIDANCE REQUIRED.**

277.5 (a) The commissioner, in consultation with the commissioner of the Pollution Control
277.6 Agency, must develop and maintain consumer guidance regarding the proper use and disposal
277.7 of seed treated with pesticide.

277.8 (b) A person selling seed treated with pesticide at retail must post in a conspicuous
277.9 location the guidance developed by the commissioner under paragraph (a).

277.10 Sec. 9. Minnesota Statutes 2022, section 85A.01, subdivision 1, is amended to read:

277.11 Subdivision 1. **Creation.** (a) The Minnesota Zoological Garden is established under the
277.12 supervision and control of the Minnesota Zoological Board. The board consists of 30 public
277.13 and private sector members having a background or interest in zoological societies or zoo
277.14 management or an ability to generate community interest in the Minnesota Zoological
277.15 Garden. Fifteen members shall be appointed by the board after consideration of a list supplied
277.16 by board members serving on a nominating committee, and 15 members shall be appointed
277.17 by the governor. One member of the board must be a resident of Dakota County and shall
277.18 be appointed by the governor after consideration of the recommendation of the Dakota
277.19 County Board. Board appointees shall not be subject to the advice and consent of the senate.

277.20 (b) To the extent possible, the board and governor shall appoint members who are
277.21 residents of the various geographic regions of the state. Terms, compensation, and removal
277.22 of members are as provided in section 15.0575, except that a member may be compensated
277.23 at the rate of up to \$125 a day. In making appointments, the governor and board shall utilize
277.24 the appointment process as provided under section 15.0597 and consider, among other
277.25 factors, the ability of members to garner support for the Minnesota Zoological Garden.

277.26 (c) A member of the board may not be an employee of or have a direct or immediate
277.27 family financial interest in a business that provides goods or services to the zoo. A member
277.28 of the board may not be an employee of the zoo.

278.1 Sec. 10. Minnesota Statutes 2022, section 373.475, is amended to read:

278.2 **373.475 COUNTY ENVIRONMENTAL TRUST FUND.**

278.3 (a) Notwithstanding the provisions of chapter 282 and any other law relating to the
278.4 apportionment of proceeds from the sale of tax-forfeited land, and except as otherwise
278.5 provided in this section, a county board must deposit the money received from the sale of
278.6 land under Laws 1998, chapter 389, article 16, section 31, subdivision 3, into an
278.7 environmental trust fund established by the county under this section. The principal from
278.8 the sale of the land may not be expended, and the county board may spend interest earned
278.9 on the principal only for purposes related to the improvement of natural resources. To the
278.10 extent money received from the sale is attributable to tax-forfeited land from another county,
278.11 the money must be deposited in an environmental trust fund established under this section
278.12 by that county board.

278.13 (b) Notwithstanding paragraph (a), St. Louis County may use up to 50 percent of the
278.14 principal in an environmental trust fund established under this section for economic
278.15 development and environmental projects within the county that protect the environment or
278.16 create clean economy jobs and manufacturing.

278.17 Sec. 11. **[473.5491] METROPOLITAN CITIES INFLOW AND INFILTRATION**
278.18 **GRANTS.**

278.19 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
278.20 the meanings given.

278.21 (b) "Affordability criteria" means an inflow and infiltration project service area that is
278.22 located, in whole or in part, in a census tract where at least three of the following apply as
278.23 determined using the most recently published data from the United States Census Bureau
278.24 or United States Centers for Disease Control and Prevention:

278.25 (1) 20 percent or more of the residents have income below the federal poverty thresholds;

278.26 (2) the tract has a United States Centers for Disease Control and Prevention Social
278.27 Vulnerability Index greater than 0.80;

278.28 (3) the upper limit of the lowest quintile of household income is less than the state upper
278.29 limit of the lowest quintile;

278.30 (4) the housing vacancy rate is greater than the state average; or

278.31 (5) the percent of the population receiving Supplemental Nutrition Assistance Program
278.32 (SNAP) benefits is greater than the state average.

279.1 (c) "City" means a statutory or home rule charter city located within the metropolitan
279.2 area.

279.3 Subd. 2. **Grants.** (a) The council shall make grants to cities for capital improvements
279.4 in municipal wastewater collection systems to reduce the amount of inflow and infiltration
279.5 to the council's metropolitan sanitary sewer disposal system.

279.6 (b) A grant under this section may be made in an amount up to 50 percent of the cost to
279.7 mitigate inflow and infiltration in the publicly owned municipal wastewater collection
279.8 system. The council may award a grant up to 100 percent of the cost to mitigate inflow and
279.9 infiltration in the publicly owned municipal wastewater collection system if the project
279.10 meets affordability criteria.

279.11 Subd. 3. **Eligibility.** To be eligible for a grant under this section, a city must be identified
279.12 by the council as a contributor of excessive inflow and infiltration in the metropolitan
279.13 disposal system or have a measured flow rate within 20 percent of its allowable
279.14 council-determined inflow and infiltration limits.

279.15 Subd. 4. **Application.** The council must award grants based on applications from cities
279.16 that identify eligible capital costs and include a timeline for inflow and infiltration mitigation
279.17 construction, pursuant to guidelines established by the council. The council must prioritize
279.18 applications that meet affordability criteria.

279.19 Subd. 5. **Cancellation.** If a grant is awarded to a city and funds are not encumbered for
279.20 the grant within four years after the award date, the grant must be canceled.

279.21 **Sec. 12. [473.5492] COMMUNITY WASTEWATER COSTS; ANNUAL REPORT.**

279.22 By February 15 each year, the council must submit a report to the chairs and ranking
279.23 minority members of the legislative committees and divisions with jurisdiction over capital
279.24 investment and environment and natural resources that provides a summary of the average
279.25 monthly wastewater costs for communities in the metropolitan area for the previous calendar
279.26 year.

279.27 **Sec. 13. 50-YEAR CLEAN WATER PLAN SCOPE OF WORK.**

279.28 (a) The Board of Regents of the University of Minnesota, through the University of
279.29 Minnesota Water Council, is requested to develop a scope of work, timeline, and budget
279.30 for a plan to promote and protect clean water in Minnesota for the next 50 years. The 50-year
279.31 clean water plan must:

280.1 (1) provide a literature-based assessment of the current status and trends regarding the
280.2 quality and quantity of all Minnesota waters, both surface and subsurface;

280.3 (2) identify gaps in the data or understanding and provide recommended action steps to
280.4 address gaps;

280.5 (3) identify existing and potential future threats to Minnesota's waters; and

280.6 (4) propose a road map of scenarios and policy recommendations to allow the state to
280.7 proactively protect, remediate, and conserve clean water for human use and biodiversity
280.8 for the next 50 years.

280.9 (b) The scope of work must outline the steps and resources necessary to develop the
280.10 plan, including but not limited to:

280.11 (1) the data sets that are required and how the University of Minnesota will obtain access;

280.12 (2) the suite of proposed analysis methods;

280.13 (3) the roles and responsibilities of project leaders, key personnel, and stakeholders;

280.14 (4) the project timeline with milestones; and

280.15 (5) a budget with expected costs for tasks and milestones.

280.16 (c) By December 1, 2023, the Board of Regents of the University of Minnesota is
280.17 requested to submit the scope of work to the chairs and ranking minority members of the
280.18 house of representatives and senate committees and divisions with jurisdiction over
280.19 environment and natural resources.

280.20 **ARTICLE 8**

280.21 **GRANTS MANAGEMENT**

280.22 Section 1. **FINANCIAL REVIEW OF NONPROFIT GRANT RECIPIENTS**
280.23 **REQUIRED.**

280.24 Subdivision 1. **Financial review required.** (a) Before awarding a competitive,
280.25 legislatively named, single-source, or sole-source grant to a nonprofit organization under
280.26 this act, the grantor must require the applicant to submit financial information sufficient for
280.27 the grantor to document and assess the applicant's current financial standing and management.
280.28 Items of significant concern must be addressed with the applicant and resolved to the
280.29 satisfaction of the grantor before a grant is awarded. The grantor must document the material
280.30 requested and reviewed; whether the applicant had a significant operating deficit, a deficit
280.31 in unrestricted net assets, or insufficient internal controls; whether and how the applicant

281.1 resolved the grantor's concerns; and the grantor's final decision. This documentation must
281.2 be maintained in the grantor's files.

281.3 (b) At a minimum, the grantor must require each applicant to provide the following
281.4 information:

281.5 (1) the applicant's most recent Form 990, Form 990-EZ, or Form 990-N filed with the
281.6 Internal Revenue Service. If the applicant has not been in existence long enough or is not
281.7 required to file Form 990, Form 990-EZ, or Form 990-N, the applicant must demonstrate
281.8 to the grantor that the applicant is exempt and must instead submit documentation of internal
281.9 controls and the applicant's most recent financial statement prepared in accordance with
281.10 generally accepted accounting principles and approved by the applicant's board of directors
281.11 or trustees or, if there is no such board, by the applicant's managing group;

281.12 (2) evidence of registration and good standing with the secretary of state under Minnesota
281.13 Statutes, chapter 317A, or other applicable law;

281.14 (3) unless exempt under Minnesota Statutes, section 309.515, evidence of registration
281.15 and good standing with the attorney general under Minnesota Statutes, chapter 309; and

281.16 (4) if required under Minnesota Statutes, section 309.53, subdivision 3, the applicant's
281.17 most recent audited financial statement prepared in accordance with generally accepted
281.18 accounting principles.

281.19 Subd. 2. **Authority to postpone or forgo.** Notwithstanding any contrary provision in
281.20 this act, a grantor that identifies an area of significant concern regarding the financial standing
281.21 or management of a legislatively named applicant may postpone or forgo awarding the
281.22 grant.

281.23 Subd. 3. **Authority to award subject to additional assistance and oversight.** A grantor
281.24 that identifies an area of significant concern regarding an applicant's financial standing or
281.25 management may award a grant to the applicant if the grantor provides or the grantee
281.26 otherwise obtains additional technical assistance, as needed, and the grantor imposes
281.27 additional requirements in the grant agreement. Additional requirements may include but
281.28 are not limited to enhanced monitoring, additional reporting, or other reasonable requirements
281.29 imposed by the grantor to protect the interests of the state.

281.30 Subd. 4. **Relation to other law and policy.** The requirements in this section are in
281.31 addition to any other requirements imposed by law; the commissioner of administration
281.32 under Minnesota Statutes, sections 16B.97 and 16B.98; or agency policy.

ARTICLE 9

CLIMATE AND ENERGY FINANCE

Section 1. APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, 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. If an appropriation in this article is enacted more than once in the 2023 legislative session, the appropriation must be given effect only once.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2024</u>	<u>2025</u>

Sec. 2. DEPARTMENT OF COMMERCE

<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>96,855,006</u>	<u>\$</u>	<u>32,790,000</u>
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Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>95,779,000</u>	<u>31,693,000</u>
<u>Petroleum Tank</u>	<u>1,076,000</u>	<u>1,097,000</u>

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

<u>Subd. 2. Energy Resources</u>	<u>95,779,000</u>	<u>31,693,000</u>
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(a) \$4,417,000 each year is to the division of energy resources for operating expenses.

(b) \$150,000 the first year and \$150,000 the second year are to remediate vermiculite insulation from households that are eligible for weatherization assistance under Minnesota's weatherization assistance program state plan under Minnesota Statutes, section 216C.264. Remediation must be done in

283.1 conjunction with federal weatherization
283.2 assistance program services.

283.3 (c) \$1,138,000 the first year is to provide
283.4 financial assistance to state colleges and
283.5 universities to purchase and install solar
283.6 energy generating systems under Minnesota
283.7 Statutes, section 216C.375. This appropriation
283.8 must be expended on schools located outside
283.9 the electric service territory of the public
283.10 utility that is subject to Minnesota Statutes,
283.11 section 116C.779. This is a onetime
283.12 appropriation and is available until June 30,
283.13 2031.

283.14 (d) \$189,000 the first year and \$189,000 the
283.15 second year are for activities associated with
283.16 a utility's implementation of a natural gas
283.17 innovation plan under Minnesota Statutes,
283.18 section 216B.2427.

283.19 (e) \$1,444,000 the first year and \$1,621,000
283.20 the second year are to maintain the current
283.21 level of service delivery in the division of
283.22 energy resources. The base in fiscal year 2026
283.23 and beyond is \$1,621,000.

283.24 (f) \$20,000,000 in the first year is transferred
283.25 to the solar for schools program account
283.26 established under Minnesota Statutes, section
283.27 216C.375, to provide financial assistance to
283.28 schools to purchase and install solar energy
283.29 generating systems under Minnesota Statutes,
283.30 section 216C.375. The appropriations under
283.31 this section must be expended on schools
283.32 located outside the electric service territory of
283.33 the public utility that is subject to Minnesota
283.34 Statutes, section 116C.779. This is a onetime
283.35 appropriation.

284.1 (g) \$6,239,000 the first year and \$1,239,000
284.2 the second year are for transfer to the
284.3 strengthen Minnesota homes program account
284.4 established under Minnesota Statutes, section
284.5 65A.299, subdivision 4. The base in fiscal year
284.6 2026 and beyond is \$1,239,000.

284.7 (h) \$22,461,000 the first year and \$22,672,000
284.8 the second year are for transfer to the state
284.9 supplementary weatherization grants account
284.10 established under Minnesota Statutes, section
284.11 216C.264, to provide grants to community
284.12 action agencies and other agencies that
284.13 weatherize residences to install
284.14 preweatherization measures in residential
284.15 buildings occupied by eligible low-income
284.16 households, as provided under Minnesota
284.17 Statutes, sections 216B.2403, subdivision 5;
284.18 216B.241, subdivision 7; and 216C.264.

284.19 Of the amount appropriated under this
284.20 paragraph:

284.21 (1) up to ten percent may be used to
284.22 supplement utility spending on
284.23 preweatherization measures as part of a
284.24 low-income conservation program; and

284.25 (2) up to ten percent may be used to:

284.26 (i) recruit and train energy auditors and
284.27 installers of weatherization services; and

284.28 (ii) provide financial incentives to contractors
284.29 and workers to install weatherization services.

284.30 The base in fiscal year 2026 is \$720,000 and
284.31 the base in fiscal year 2027 is \$3,000,000.

284.32 (i) \$4,500,000 the first year is to award rebates
284.33 to purchase or lease eligible electric vehicles

285.1 under Minnesota Statutes, section 216C.401.
285.2 Rebates must be awarded under this paragraph
285.3 only to eligible persons located outside the
285.4 retail electric service area of the public utility
285.5 that is subject to Minnesota Statutes, section
285.6 116C.779. This is a onetime appropriation and
285.7 is available until June 30, 2027.

285.8 (j) \$500,000 the first year is to award grants
285.9 under Minnesota Statutes, section 216C.402,
285.10 to automobile dealers seeking certification to
285.11 sell electric vehicles. Grants must only be
285.12 awarded under this paragraph to eligible
285.13 dealers located outside the retail electric
285.14 service area of the public utility that is subject
285.15 to Minnesota Statutes, section 116C.779. This
285.16 is a onetime appropriation and is available
285.17 until June 30, 2025.

285.18 (k) \$164,000 the second year is for activities
285.19 associated with a public utility's filing a
285.20 transportation electrification plan under
285.21 Minnesota Statutes, section 216B.1615. The
285.22 base in fiscal year 2026 and beyond is
285.23 \$164,000.

285.24 (l) \$5,000,000 the first year is for transfer to
285.25 the solar on public buildings grant program
285.26 account established under Minnesota Statutes,
285.27 section 216C.377. The appropriation in this
285.28 paragraph must be used only to provide grants
285.29 to public buildings located outside the electric
285.30 service area of the electric utility subject to
285.31 Minnesota Statutes, section 116C.779. This is
285.32 a onetime appropriation.

285.33 (m) \$2,500,000 the first year is for transfer to
285.34 the residential electric panel upgrade grant
285.35 program account established under Minnesota

286.1 Statutes, section 216C.45, to award electric
286.2 panel upgrade grants and to reimburse the
286.3 reasonable costs incurred by the department
286.4 to administer the program. Grants must be
286.5 awarded under this paragraph only to owners
286.6 of single-family homes or multifamily
286.7 buildings located outside the electric service
286.8 area of the public utility subject to Minnesota
286.9 Statutes, section 116C.779. This is a onetime
286.10 appropriation and is available until June 30,
286.11 2027.

286.12 (n) \$3,000,000 the first year is for grants to
286.13 install on-site energy storage systems, as
286.14 defined in Minnesota Statutes, section
286.15 216B.2422, subdivision 1, paragraph (f), with
286.16 a capacity of 50 kilowatt hours or less and that
286.17 are located outside the electric service area of
286.18 the electric utility subject to Minnesota
286.19 Statutes, section 116C.779. To receive a grant
286.20 under this subdivision, an owner of the energy
286.21 storage system must be operating or have filed
286.22 an application with a utility to interconnect a
286.23 solar energy generating system at the same
286.24 site as the energy storage system. The grant
286.25 amount must be based on the number of
286.26 watt-hours that reflects the duration of the
286.27 energy storage system at the system's rated
286.28 capacity, up to a maximum of \$5,000. This is
286.29 a onetime appropriation and is available until
286.30 June 30, 2027.

286.31 (o) \$164,000 each year is for activities
286.32 required under Minnesota Statutes, sections
286.33 216B.1616 and 216B.1697, to review energy
286.34 storage proposals made by utilities and to

287.1 establish a docket to develop an energy storage
287.2 peak shaving tariff.

287.3 (p) \$3,000,000 the first year is for grants to
287.4 the clean energy resource teams partnerships
287.5 under Minnesota Statutes, section 216C.385,
287.6 subdivision 2, to provide additional capacity
287.7 to perform the duties specified under
287.8 Minnesota Statutes, section 216C.385,
287.9 subdivision 3. This appropriation is onetime
287.10 and is available until June 30, 2029.

287.11 (q) \$2,500,000 the first year and \$1,000,000
287.12 the second year are to implement energy
287.13 benchmarking under Minnesota Statutes,
287.14 section 216C.331. The base in fiscal year 2026
287.15 is \$226,000 and the base in fiscal year 2027
287.16 is \$742,000.

287.17 Of the amount appropriated under this
287.18 paragraph, \$750,000 the first year is to award
287.19 grants to qualifying utilities that are not
287.20 investor-owned utilities to support the
287.21 development of technology for implementing
287.22 energy benchmarking under Minnesota
287.23 Statutes, section 216C.331. This is a onetime
287.24 appropriation.

287.25 (r) \$7,000,000 the first year is for transfer to
287.26 the electric school bus program account
287.27 established under Minnesota Statutes, section
287.28 216C.374, to award grants to school districts,
287.29 and to transportation service providers and
287.30 electric utilities on behalf of school districts,
287.31 to purchase electric school buses and related
287.32 infrastructure. This is a onetime appropriation
287.33 and is available until June 30, 2027. Any
287.34 unencumbered money remaining after that
287.35 date cancels to the general fund.

288.1 (s) \$10,000,000 the first year is for transfer to
288.2 the heat pump rebate program account
288.3 established under Minnesota Statutes, section
288.4 216C.46, to implement the heat pump rebate
288.5 program and to reimburse the reasonable costs
288.6 incurred by the department to administer the
288.7 program. Of this amount:

288.8 (1) up to \$1,400,000 the first year is to
288.9 contract with an energy coordinator under
288.10 Minnesota Statutes, section 216C.46,
288.11 subdivision 5; and

288.12 (2) up to \$1,400,000 the first year is to conduct
288.13 contractor training and support under
288.14 Minnesota Statutes, section 216C.46,
288.15 subdivision 6.

288.16 (t) \$1,000,000 the first year is to award air
288.17 ventilation pilot program grants under
288.18 Minnesota Statutes, section 123B.663, for
288.19 assessments, testing, and equipment upgrades
288.20 in schools, and for the department's costs to
288.21 administer the program. This is a onetime
288.22 appropriation.

288.23 (u) \$77,000 each year is for activities
288.24 associated with appeals of consumer
288.25 complaints to the commission under
288.26 Minnesota Statutes, section 216B.172.

288.27 (v) \$500,000 the first year is for a grant to the
288.28 city of Anoka for feasibility studies and
288.29 design, engineering, and environmental
288.30 analysis related to the repair and
288.31 reconstruction of the Rum River Dam.
288.32 Findings from the feasibility studies must be
288.33 incorporated into the design and engineering
288.34 funded by the appropriation under this

289.1 paragraph. This appropriation is onetime and
 289.2 is available until June 30, 2027.

289.3 The appropriation under this paragraph
 289.4 includes money for the following feasibility
 289.5 studies:

289.6 (1) to assess the feasibility of adding a lock or
 289.7 other means for boats to traverse the dam to
 289.8 navigate between the lower Rum River and
 289.9 upper Rum River;

289.10 (2) to assess the feasibility of constructing the
 289.11 dam in a manner that would facilitate
 289.12 recreational river surfing at the dam site; and

289.13 (3) to assess the feasibility of constructing the
 289.14 dam in a manner to generate hydroelectric
 289.15 power.

289.16 **Subd. 3. Petroleum Tank Release Compensation**
 289.17 **Board**

1,076,000

1,097,000

289.18 This appropriation is from the petroleum tank
 289.19 fund.

289.20 **Sec. 3. PUBLIC UTILITIES COMMISSION** **\$**

10,331,000 **\$**

10,689,000

289.21 (a) \$8,202,000 each year is to the Public
 289.22 Utilities Commission for operating expenses.

289.23 (b) \$112,000 each year is for activities
 289.24 associated with a utility's implementation of
 289.25 a natural gas innovation plan under Minnesota
 289.26 Statutes, section 216B.2427.

289.27 (c) \$96,000 the second year is for activities
 289.28 associated with a public utility's filing a
 289.29 transportation electrification plan under
 289.30 Minnesota Statutes, section 216B.1615. The
 289.31 base in fiscal year 2026 and beyond is
 289.32 \$96,000.

290.1 (d) \$32,000 each year is for activities
 290.2 associated with determining compensation for
 290.3 participants in commission proceedings under
 290.4 Minnesota Statutes, section 216B.631.

290.5 (e) \$236,000 the first year and \$229,000 the
 290.6 second year are for activities associated with
 290.7 appeals of consumer complaints to the
 290.8 commission under Minnesota Statutes, section
 290.9 216B.172.

290.10 (f) \$1,522,000 the first year and \$1,791,000
 290.11 the second year are to maintain the current
 290.12 level of service delivery in the Public Utilities
 290.13 Commission. The base in fiscal year 2026 and
 290.14 beyond is \$1,791,000.

290.15 (g) \$227,000 each year is for activities
 290.16 required under Minnesota Statutes, sections
 290.17 216B.1616 and 216B.1697, to review energy
 290.18 storage proposals made by utilities and to
 290.19 establish a docket to develop an energy storage
 290.20 peak shaving tariff.

290.21 **Sec. 4. POLLUTION CONTROL AGENCY \$ 2,000,000 \$ -0-**

290.22 \$2,000,000 is for transfer to the local climate
 290.23 action grant program account established in
 290.24 the special revenue fund to:

- 290.25 (1) award grants to eligible applicants;
- 290.26 (2) provide technical assistance to applicants;
- 290.27 (3) pay a contractor to provide greenhouse gas
 290.28 emissions data to grantees; and
- 290.29 (4) reimburse the reasonable costs of the
 290.30 agency to administer the program.

290.31 Of this amount, 65 percent is available the first
 290.32 year, of which half is reserved for applicants
 290.33 located outside the counties of Hennepin,

291.1 Ramsey, Anoka, Dakota, Scott, Carver, and
 291.2 Washington. In the second year, any
 291.3 unencumbered first year money and the
 291.4 balance of the appropriation are available to
 291.5 all eligible applicants, and remain available
 291.6 until June 30, 2025. The base in fiscal year
 291.7 2026 is \$0.

291.8 **Sec. 5. HIGHER EDUCATION** **\$ 750,000 \$ -0-**

291.9 Of the amount appropriated in the first year
 291.10 under section 2, subdivision 2, paragraph (q),
 291.11 \$750,000 the first year is for a grant to
 291.12 Building Owners and Managers Association
 291.13 Greater Minneapolis to establish partnerships
 291.14 with three technical colleges and high school
 291.15 career counselors with a goal of increasing the
 291.16 number of building engineers across
 291.17 Minnesota. This is a onetime appropriation
 291.18 and is available until June 30, 2028. The grant
 291.19 recipient must provide a detailed report
 291.20 describing how the grant funds were used to
 291.21 the chairs and ranking minority members of
 291.22 the legislative committees having jurisdiction
 291.23 over higher education by January 15 of each
 291.24 year until 2028. The report must describe the
 291.25 progress made toward the goal of increasing
 291.26 the number of building engineers and
 291.27 strategies used.

291.28 **Sec. 6. CLIMATE INNOVATION FINANCE**
 291.29 **AUTHORITY** **\$ 20,000,000 \$ -0-**

291.30 \$20,000,000 the first year is for transfer to the
 291.31 climate innovation finance authority account
 291.32 for purposes of Minnesota Statutes, section
 291.33 216C.441. This is a onetime appropriation.
 291.34 Of this amount, the commissioner of
 291.35 management and budget may make up to

292.1 \$500,000 available to the commissioner of
 292.2 commerce, at the request of the commissioner
 292.3 of commerce, to conduct necessary start-up
 292.4 activities before the authority has sufficient
 292.5 staff resources to do so.

292.6 **Sec. 7. UNIVERSITY OF MINNESOTA \$ 1,000,000 \$ 1,000,000**

292.7 \$1,000,000 the first year and \$1,000,000 the
 292.8 second year are for a program in the
 292.9 University of Minnesota Extension Service
 292.10 that enhances the capacity of the state's
 292.11 agricultural sector, land and resource
 292.12 managers, and communities to plan for and
 292.13 adapt to weather extremes, including but not
 292.14 limited to droughts and floods. This is a
 292.15 onetime appropriation and is available until
 292.16 June 30, 2030. The base in fiscal year 2026
 292.17 and beyond is \$1,000,000.

292.18 The appropriation under this section must be
 292.19 used to support existing extension service staff
 292.20 members and to hire additional staff members
 292.21 for a program with broad geographic reach
 292.22 throughout the state. The program must:

292.23 (1) identify, develop, implement, and evaluate
 292.24 educational programs that increase the
 292.25 capacity of Minnesota's agricultural sector,
 292.26 land and resource managers, and communities
 292.27 to be prepared for and adapt to projected
 292.28 physical changes in temperature, precipitation,
 292.29 and other weather parameters that affect crops,
 292.30 lands, horticulture, pests, and wildlife in ways
 292.31 that present challenges to the state's
 292.32 agricultural sector and the communities that
 292.33 depend on the agricultural sector; and

293.1 (2) communicate and interpret the latest
 293.2 research on critical weather trends and the
 293.3 scientific basis for critical weather trends to
 293.4 further prepare extension service staff
 293.5 throughout the state to educate and provide
 293.6 technical assistance to the agricultural sector,
 293.7 land and resource managers, and community
 293.8 members at the local level regarding technical
 293.9 information on water resource management,
 293.10 agriculture and forestry, engineering and
 293.11 infrastructure design, and emergency
 293.12 management that is necessary to develop
 293.13 strategies to mitigate the effects of extreme
 293.14 weather change.

293.15 **Sec. 8. DEPARTMENT OF**
 293.16 **ADMINISTRATION** **\$** **1,712,000** **\$** **367,000**

293.17 (a) \$1,022,000 the first year and \$367,000 the
 293.18 second year are for activities regarding
 293.19 environmental analysis of construction
 293.20 materials under Minnesota Statutes, section
 293.21 16B.312. Of the first year amount, \$200,000
 293.22 is to provide grants to assist manufacturers to
 293.23 obtain environmental product declarations for
 293.24 certain materials used in public buildings. Of
 293.25 this amount, up to ten percent may be used by
 293.26 the commissioner of administration to
 293.27 administer this section. This appropriation is
 293.28 available until June 30, 2027.

293.29 (b) \$690,000 the first year is to develop,
 293.30 oversee, and administer the sustainable
 293.31 building guidelines under Minnesota Statutes,
 293.32 section 16B.325, in consultation with the
 293.33 commissioner of commerce and the Center
 293.34 for Sustainable Building Research at the
 293.35 University of Minnesota. The appropriation

294.1 under this paragraph includes money for the
 294.2 commissioner of administration to contract
 294.3 with the Center for Sustainable Building
 294.4 Research at the University of Minnesota to
 294.5 administer the guidelines. This is a onetime
 294.6 appropriation.

294.7 **Sec. 9. DEPARTMENT OF**
 294.8 **TRANSPORTATION**

\$	<u>310,000</u>	\$	<u>-0-</u>
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294.9 \$310,000 the first year is for awarding grants
 294.10 to assist manufacturers to obtain
 294.11 environmental product declarations for certain
 294.12 construction materials used to build roads and
 294.13 other transportation infrastructure under
 294.14 Minnesota Statutes, section 16B.312. Of this
 294.15 amount, up to \$10,000 is for the reasonable
 294.16 costs of the department to administer that
 294.17 section. This appropriation is available until
 294.18 June 30, 2027.

294.19 **ARTICLE 10**

294.20 **RENEWABLE DEVELOPMENT ACCOUNT APPROPRIATIONS**

294.21 Section 1. **RENEWABLE DEVELOPMENT FINANCE.**

294.22 (a) The sums shown in the columns marked "Appropriations" are appropriated to the
 294.23 agencies and for the purposes specified in this article. Notwithstanding Minnesota Statutes,
 294.24 section 116C.779, subdivision 1, paragraph (j), the appropriations are from the renewable
 294.25 development account in the special revenue fund established in Minnesota Statutes, section
 294.26 116C.779, subdivision 1, and are available for the fiscal years indicated for each purpose.
 294.27 The figures "2024" and "2025" used in this article mean that the appropriations listed under
 294.28 them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.
 294.29 "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium"
 294.30 is fiscal years 2024 and 2025.

294.31 (b) If an appropriation in this article is enacted more than once in the 2023 regular or
 294.32 special legislative session, the appropriation must be given effect only once.

294.33 **APPROPRIATIONS**
 294.34 **Available for the Year**

		<u>Ending June 30</u>	
		<u>2024</u>	<u>2025</u>
295.1			
295.2			
295.3	Sec. 2. <u>DEPARTMENT OF COMMERCE</u>	\$ <u>68,114,000</u>	\$ <u>18,829,000</u>
295.4	<u>(a) The amounts that may be spent for each</u>		
295.5	<u>purpose are specified in the following</u>		
295.6	<u>subdivisions.</u>		
295.7	<u>(b) \$100,000 the first year and \$100,000 the</u>		
295.8	<u>second year are to administer the "Made in</u>		
295.9	<u>Minnesota" solar energy production incentive</u>		
295.10	<u>program under Minnesota Statutes, section</u>		
295.11	<u>216C.417. Any unspent amount remaining on</u>		
295.12	<u>June 30, 2025, cancels to the renewable</u>		
295.13	<u>development account.</u>		
295.14	<u>(c) \$1,000,000 the first year and \$400,000 the</u>		
295.15	<u>second year are for grants to the University of</u>		
295.16	<u>St. Thomas Center for Microgrid Research.</u>		
295.17	<u>The base in fiscal year 2026 is \$400,000 and</u>		
295.18	<u>the base in fiscal year 2027 is \$0. These</u>		
295.19	<u>appropriations are available until June 30,</u>		
295.20	<u>2027.</u>		
295.21	<u>The appropriations in this paragraph must be</u>		
295.22	<u>used by the University of St. Thomas Center</u>		
295.23	<u>for Microgrid Research to:</u>		
295.24	<u>(1) increase the center's capacity to provide</u>		
295.25	<u>industry partners opportunities to test</u>		
295.26	<u>near-commercial microgrid products on a real</u>		
295.27	<u>world scale and to multiply opportunities for</u>		
295.28	<u>innovative research;</u>		
295.29	<u>(2) procure advanced equipment and controls</u>		
295.30	<u>to enable the extension of the university's</u>		
295.31	<u>microgrid to additional buildings; and</u>		
295.32	<u>(3) expand (i) hands-on educational</u>		
295.33	<u>opportunities for undergraduate and graduate</u>		
295.34	<u>electrical engineering students to increase</u>		

296.1 understanding of microgrid operations, and
296.2 (ii) partnerships with community colleges.

296.3 (d) \$9,126,000 the first year and \$3,329,000
296.4 the second year are for transfer to the electric
296.5 vehicle rebate program account established
296.6 under Minnesota Statutes, section 216C.401,
296.7 to award rebates to purchase or lease eligible
296.8 electric vehicles. Rebates must be awarded
296.9 under this paragraph only to eligible persons
296.10 located within the retail electric service area
296.11 of the public utility that is subject to
296.12 Minnesota Statutes, section 116C.779. The
296.13 base in fiscal year 2026 is \$0. These
296.14 appropriations are available until June 30,
296.15 2027.

296.16 (e) \$500,000 the first year is to award grants
296.17 under Minnesota Statutes, section 216C.402,
296.18 to automobile dealers seeking certification
296.19 from an electric vehicle manufacturer to sell
296.20 electric vehicles. Grants must only be awarded
296.21 under this paragraph to eligible dealers located
296.22 within the retail electric service area of the
296.23 public utility that is subject to Minnesota
296.24 Statutes, section 116C.779. This is a onetime
296.25 appropriation and is available until June 30,
296.26 2025.

296.27 (f) \$7,000,000 the first year is for transfer to
296.28 the electric school bus program account
296.29 established under Minnesota Statutes, section
296.30 216C.374, to provide grants to (1) accelerate
296.31 the deployment of electric school buses and
296.32 related electric vehicle infrastructure, and (2)
296.33 to pay the commissioner's costs to administer
296.34 Minnesota Statutes, section 216C.374. This is

297.1 a onetime appropriation and is available until
297.2 June 30, 2027.

297.3 (g) \$5,000,000 the first year is for transfer to
297.4 the solar on public buildings grant program
297.5 account established under Minnesota Statutes,
297.6 section 216C.377, to award grants for the
297.7 installation of solar energy generating systems
297.8 on public buildings. The appropriation in this
297.9 paragraph must be used only to award grants
297.10 for solar installations on public buildings
297.11 located within the electric service area of the
297.12 electric utility subject to Minnesota Statutes,
297.13 section 116C.779. This is a onetime
297.14 appropriation and is available until June 30,
297.15 2027.

297.16 (h) \$2,500,000 the first year is to award grants
297.17 for upgrades to residential electric panels
297.18 under Minnesota Statutes, section 216C.45,
297.19 and pay the reasonable costs incurred by the
297.20 department to administer that section.

297.21 Appropriations made under this paragraph
297.22 must be used only for grants to owners of
297.23 residences that are located within the electric
297.24 service area of the public utility that is subject
297.25 to Minnesota Statutes, section 116C.779. This
297.26 is a onetime appropriation and is available
297.27 until June 30, 2025.

297.28 (i) \$3,000,000 the first year is to award grants
297.29 to install energy storage systems under
297.30 Minnesota Statutes, section 216C.378, and to
297.31 pay the reasonable costs incurred by the
297.32 department to administer that section. This is
297.33 a onetime appropriation and is available until
297.34 June 30, 2027.

298.1 (j) \$3,000,000 in fiscal year 2024 is for deposit
298.2 in the Area C contingency account established
298.3 under Minnesota Statutes, section 116C.7793,
298.4 for disbursement to the owner of a solar
298.5 energy generating system installed on land on
298.6 the former Ford Motor Company site in St.
298.7 Paul known as Area C. This appropriation is
298.8 available until five years after the Pollution
298.9 Control Agency issues a corrective action
298.10 determination regarding the remediation of
298.11 Area C. Any unexpended money remaining
298.12 in the account as of that date cancels to the
298.13 renewable development account.

298.14 (k) \$5,000,000 the first year and \$5,000,000
298.15 the second year are for transfer to the
298.16 distributed energy resources system upgrade
298.17 program account established under Minnesota
298.18 Statutes, section 216C.379, to provide grants
298.19 to upgrade the distribution system of the public
298.20 utility that is subject to Minnesota Statutes,
298.21 section 116C.7792, in order to allow for the
298.22 interconnection of distributed energy
298.23 resources. The base in fiscal year 2026 is \$0.

298.24 (l) \$250,000 in fiscal year 2024 is for transfer
298.25 to the distributed energy resources system
298.26 upgrade program account established under
298.27 Minnesota Statutes, section 216C.379, for
298.28 grants to the utility subject to Minnesota
298.29 Statutes, section 116C.779, to implement the
298.30 small interconnection cost-sharing program
298.31 ordered by the Public Utilities Commission
298.32 on December 19, 2022, in docket No.
298.33 E-002/M-18-714, to pay the costs of certain
298.34 distribution upgrades for customers of the
298.35 utility subject to Minnesota Statutes, section

299.1 116C.779, seeking interconnection of
299.2 distributed generation. This is a onetime
299.3 appropriation.

299.4 (m) \$20,000,000 the first year is for transfer
299.5 to the solar for schools program account
299.6 established under Minnesota Statutes, section
299.7 216C.375, to provide financial assistance to
299.8 schools to purchase and install solar energy
299.9 generating systems under Minnesota Statutes,
299.10 section 216C.375. The appropriations under
299.11 this paragraph must be expended on schools
299.12 located within the electric service territory of
299.13 the public utility that is subject to Minnesota
299.14 Statutes, section 116C.779. This is a onetime
299.15 appropriation.

299.16 (n) \$2,500,000 the first year and \$2,500,000
299.17 the second year are for transfer to the state
299.18 supplementary weatherization grants account
299.19 established under Minnesota Statutes, section
299.20 216C.264, to provide grants to community
299.21 action agencies and other agencies that
299.22 weatherize residences to install
299.23 preweatherization measures in residential
299.24 buildings occupied by eligible low-income
299.25 households, as provided under Minnesota
299.26 Statutes, sections 216B.2403, subdivision 5;
299.27 216B.241, subdivision 7; and 216C.264. The
299.28 base in fiscal year 2026 is \$0.

299.29 (o) \$500,000 the first year is for establishment
299.30 of a task force to investigate at first hand the
299.31 labor conditions in facilities located in the
299.32 Republic of Congo and China where critical
299.33 materials are mined for use in electric vehicle
299.34 batteries and solar panels and where solar
299.35 panels are manufactured. The task force shall

300.1 include the commissioners of commerce and
 300.2 labor and industry, or their designees, and
 300.3 additional members, appointed by the
 300.4 commissioner of commerce, representing the
 300.5 Minnesota Public Utilities Commission, Xcel
 300.6 Energy, and the Minnesota Solar Energy
 300.7 Industries Association. The task force must
 300.8 submit a report on its findings to the chairs
 300.9 and ranking minority members of the
 300.10 legislative committees with jurisdiction over
 300.11 energy finance and policy no later than
 300.12 January 15, 2025.

300.13 **Sec. 3. MINNESOTA AMATEUR SPORTS**
 300.14 **COMMISSION**

<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>4,200,000</u>
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300.15 \$4,200,000 the second year is to install solar
 300.16 arrays on an ice rink and a maintenance
 300.17 facility at the National Sports Center in Blaine.
 300.18 This is a onetime appropriation.

300.19 **Sec. 4. DEPARTMENT OF**
 300.20 **ADMINISTRATION**

<u>\$</u>	<u>780,000</u>	<u>\$</u>	<u>92,000</u>
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300.21 \$690,000 the first year is to contract with the
 300.22 Board of Regents of the University of
 300.23 Minnesota for a grant to the Institute on the
 300.24 Environment to conduct research examining
 300.25 how projections of future weather trends may
 300.26 exacerbate conditions, including but not
 300.27 limited to drought, elevated temperatures, and
 300.28 flooding, that:

300.29 (1) can be integrated into the design and
 300.30 evaluation of buildings constructed by the state
 300.31 of Minnesota and local units of government,
 300.32 in order to:

300.33 (i) reduce energy costs by deploying
 300.34 cost-effective energy efficiency measures,
 300.35 innovative construction materials and

301.1 techniques, and renewable energy sources;
 301.2 and
 301.3 (ii) prevent and minimize damage to buildings
 301.4 caused by extreme weather conditions,
 301.5 including but not limited to increased
 301.6 frequency of intense precipitation events and
 301.7 tornadoes, flooding, and elevated
 301.8 temperatures; and
 301.9 (2) may weaken the ability of natural systems
 301.10 to mitigate the conditions to the point where
 301.11 human intervention in the form of building or
 301.12 redesigning the scale and operation of
 301.13 infrastructure is required to address those
 301.14 conditions in order to:
 301.15 (i) maintain and increase the amount and
 301.16 quality of food and wood production;
 301.17 (ii) reduce fire risk on forested land;
 301.18 (iii) maintain and enhance water quality; and
 301.19 (iv) maintain and enhance natural habitats.
 301.20 The contract must provide that no later than
 301.21 February 1, 2025, the director of the Institute
 301.22 on the Environment or the director's designee
 301.23 must submit a written report to the chairs and
 301.24 ranking minority members of the legislative
 301.25 committees with primary jurisdiction over
 301.26 environment policy and capital investment
 301.27 summarizing the findings and
 301.28 recommendations of the research, including
 301.29 any recommendations for policy changes or
 301.30 other legislation. This is a onetime
 301.31 appropriation.

301.32 **Sec. 5. POLLUTION CONTROL AGENCY \$ 2,000,000 \$ -0-**

302.1 \$2,000,000 is for transfer to the local climate
302.2 action grant program account established in
302.3 the special revenue fund to:
302.4 (1) award grants to eligible applicants;
302.5 (2) provide technical assistance to applicants;
302.6 (3) pay a contractor to provide greenhouse gas
302.7 emissions data to grantees; and
302.8 (4) reimburse the reasonable costs of the
302.9 agency to administer the program.
302.10 Of this amount, 65 percent is available the first
302.11 year, of which half is reserved for applicants
302.12 located outside the counties of Hennepin,
302.13 Ramsey, Anoka, Dakota, Scott, Carver, and
302.14 Washington. In the second year, any
302.15 unencumbered first year money and the
302.16 balance of the appropriation are available to
302.17 all eligible applicants, and remains available
302.18 until June 30, 2025. The base in fiscal year
302.19 2026 is \$0.

302.20

ARTICLE 11

302.21

ELECTRIFICATION

302.22 Section 1. Minnesota Statutes 2022, section 16B.58, is amended by adding a subdivision
302.23 to read:

302.24 Subd. 9. **Electric vehicle charging.** A person that charges a privately owned electric
302.25 vehicle at a charging station located within the Capitol Area, as defined in section 15B.02,
302.26 must pay an electric service fee established by the commissioner.

302.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

302.28 Sec. 2. Minnesota Statutes 2022, section 16C.135, subdivision 3, is amended to read:

302.29 Subd. 3. **Vehicle purchases.** (a) Consistent with section 16C.137, subdivision 1, when
302.30 purchasing a motor vehicle for the enterprise fleet or for use by an agency, the commissioner
302.31 or the agency shall purchase a motor vehicle that is capable of being powered by cleaner

303.1 ~~fuels, or a motor vehicle powered by electricity or by a combination of electricity and liquid~~
 303.2 ~~fuel, if the total life-cycle cost of ownership is less than or comparable to that of other~~
 303.3 ~~vehicles and if the vehicle is capable~~ the motor vehicle according to the following vehicle
 303.4 preference order:

303.5 (1) an electric vehicle;

303.6 (2) a hybrid electric vehicle;

303.7 (3) a vehicle capable of being powered by cleaner fuels; and

303.8 (4) a vehicle powered by gasoline or diesel fuel.

303.9 (b) The commissioner may only reject a vehicle that is higher on the vehicle preference
 303.10 order if:

303.11 (1) the vehicle type is incapable of carrying out the purpose for which it is purchased;

303.12 or

303.13 (2) the total life-cycle cost of ownership of a preferred vehicle type is more than ten
 303.14 percent higher than the next vehicle type on the vehicle preference order.

303.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

303.16 Sec. 3. Minnesota Statutes 2022, section 16C.137, subdivision 1, is amended to read:

303.17 Subdivision 1. **Goals and actions.** Each state department must, whenever legally,
 303.18 technically, and economically feasible, subject to the specific needs of the department and
 303.19 responsible management of agency finances:

303.20 (1) ensure that all new on-road vehicles ~~purchased~~, excluding emergency and law
 303.21 enforcement vehicles, are purchased in conformity with the vehicle preference order
 303.22 established in section 16C.135, subdivision 3;

303.23 ~~(i) use "cleaner fuels" as that term is defined in section 16C.135, subdivision 1;~~

303.24 ~~(ii) have fuel efficiency ratings that exceed 30 miles per gallon for city usage or 35 miles~~
 303.25 ~~per gallon for highway usage, including but not limited to hybrid electric cars and~~
 303.26 ~~hydrogen-powered vehicles; or~~

303.27 ~~(iii) are powered solely by electricity;~~

303.28 (2) increase its use of renewable transportation fuels, including ethanol, biodiesel, and
 303.29 hydrogen from agricultural products; and

304.1 (3) increase its use of web-based Internet applications and other electronic information
304.2 technologies to enhance the access to and delivery of government information and services
304.3 to the public, and reduce the reliance on the department's fleet for the delivery of such
304.4 information and services.

304.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

304.6 Sec. 4. Minnesota Statutes 2022, section 168.27, is amended by adding a subdivision to
304.7 read:

304.8 **Subd. 2a. Dealer training; electric vehicles.** (a) A new motor vehicle dealer licensed
304.9 under this chapter that operates under an agreement or franchise from a manufacturer and
304.10 sells electric vehicles must maintain at least one employee who is certified as having
304.11 completed a training course offered by a Minnesota motor vehicle dealership association
304.12 that addresses at least the following elements:

304.13 (1) fundamentals of electric vehicles;

304.14 (2) electric vehicle charging options and costs;

304.15 (3) publicly available electric vehicle incentives;

304.16 (4) projected maintenance and fueling costs for electric vehicles;

304.17 (5) reduced tailpipe emissions, including greenhouse gas emissions, produced by electric
304.18 vehicles;

304.19 (6) the impacts of Minnesota's cold climate on electric vehicle operation; and

304.20 (7) best practices to sell electric vehicles.

304.21 (b) For the purposes of this section, "electric vehicle" has the meaning given in section
304.22 169.011, subdivision 26a, paragraphs (a) and (b), clause (3).

304.23 **EFFECTIVE DATE.** This section is effective January 1, 2024.

304.24 Sec. 5. **[216B.1615] ELECTRIC VEHICLE DEPLOYMENT PROGRAM.**

304.25 **Subdivision 1. Definitions.** (a) For the purposes of this section, the following terms have
304.26 the meanings given.

304.27 (b) "Battery exchange station" means a physical location deploying equipment that
304.28 enables a used electric vehicle battery to be removed and exchanged for a fresh electric
304.29 vehicle battery.

305.1 (c) "Electric drive mine truck" means a truck that carries mined rock from a mine pit
305.2 for crushing operations and whose wheels are powered by electric drive motors.

305.3 (d) "Electric drive mine truck trolley system" means an electric trolley system that helps
305.4 propel an electric drive mine truck out of a mine pit.

305.5 (e) "Electric vehicle" means any device or contrivance that transports persons or property
305.6 and is capable of being powered by an electric motor drawing current from rechargeable
305.7 storage batteries, fuel cells, or other portable sources of electricity. Electric vehicle includes
305.8 but is not limited to:

305.9 (1) an electric vehicle, as defined in section 169.011, subdivision 26a;

305.10 (2) an electric-assisted bicycle, as defined in section 169.011, subdivision 27;

305.11 (3) an off-road vehicle, as defined in section 84.797, subdivision 7;

305.12 (4) a motorboat, as defined in section 86B.005, subdivision 9;

305.13 (5) an aircraft, as defined in section 360.013, subdivision 37; or

305.14 (6) an electric drive mine truck.

305.15 (f) "Electric vehicle charging station" means a physical location deploying equipment
305.16 that:

305.17 (1) transfers electricity to an electric vehicle battery;

305.18 (2) dispenses hydrogen into an electric vehicle powered by a fuel cell;

305.19 (3) exchanges electric vehicle batteries; or

305.20 (4) provides other equipment used to charge or fuel electric vehicles.

305.21 (g) "Electric vehicle infrastructure" means electric vehicle charging stations and any
305.22 associated machinery, equipment, and infrastructure necessary for a public utility to supply
305.23 electricity or hydrogen to an electric vehicle charging station and to support electric vehicle
305.24 operation. Electric vehicle infrastructure includes an electric drive mine truck trolley system.

305.25 (h) "Fuel cell" means a cell that converts the chemical energy of hydrogen directly into
305.26 electricity through electrochemical reactions.

305.27 (i) "Government entity" means the state, a state agency, or a political subdivision, as
305.28 defined in section 13.02, subdivision 11.

305.29 (j) "Public utility" has the meaning given in section 216B.02, subdivision 4.

306.1 Subd. 2. **Transportation electrification plan; contents.** (a) By June 1, 2024, and on a
306.2 schedule determined by the commission thereafter, a public utility must file a transportation
306.3 electrification plan with the commission that is designed to:

306.4 (1) maximize the overall benefits of electric vehicles and other electrified transportation
306.5 while minimizing overall costs; and

306.6 (2) promote the:

306.7 (i) purchase of electric vehicles by the public utility's customers; and

306.8 (ii) deployment of electric vehicle infrastructure in the public utility's service territory.

306.9 (b) A transportation electrification plan may include but is not limited to the following
306.10 elements:

306.11 (1) programs to educate and increase the awareness and benefits of electric vehicles and
306.12 electric vehicle charging equipment among individuals, electric vehicle dealers, single-family
306.13 and multifamily housing developers and property management companies, building owners
306.14 and tenants, vehicle service stations, vehicle fleet owners and managers, and other potential
306.15 users of electric vehicles;

306.16 (2) utility investments and customer incentives the utility provides and offers to support
306.17 transportation electrification across all customer classes, including but not limited to
306.18 investments and customer incentives to facilitate:

306.19 (i) the deployment of: electric vehicles for personal and commercial use; customer- and
306.20 utility-owned electric vehicle charging stations; electric vehicle infrastructure to support
306.21 light-duty, medium-duty, and heavy-duty vehicle electrification; and other electric utility
306.22 infrastructure;

306.23 (ii) widespread access to publicly available electric vehicle charging stations; and

306.24 (iii) the electrification of public transit and vehicle fleets owned or operated by a
306.25 government entity;

306.26 (3) research and demonstration projects to increase access to electricity as a transportation
306.27 fuel, minimize the system costs of electric transportation, and inform future transportation
306.28 electrification plans;

306.29 (4) rate structures or programs that encourage electric vehicle charging that optimizes
306.30 electric grid operation, including time-varying rates and charging optimization programs;

307.1 (5) programs to increase access to the benefits of electricity as a transportation fuel (i)
307.2 for low- or moderate-income customers and communities, and (ii) in neighborhoods most
307.3 affected by transportation-related air emissions; and

307.4 (6) proposals to expedite commission consideration of program adjustments requested
307.5 during the term of an approved transportation electrification plan.

307.6 (c) A transportation electrification plan must include planned upgrades to and investments
307.7 in a utility's distribution system that are necessary to accommodate future growth in
307.8 transportation electrification and support the plan's proposed programs and activities.

307.9 Subd. 3. **Transportation electrification plan; review and implementation.** The
307.10 commission may approve, modify, or reject a transportation electrification plan. When
307.11 reviewing a transportation electrification plan, the commission must consider whether the
307.12 programs, investments, and expenditures as a whole are reasonably expected to:

307.13 (1) improve the operation of the electric grid;

307.14 (2) increase access to the use of electricity as a transportation fuel for all customers,
307.15 including customers in low- or moderate-income communities, rural communities, and
307.16 communities most affected by emissions from the transportation sector;

307.17 (3) increase access to publicly available electric vehicle charging for all types of electric
307.18 vehicles;

307.19 (4) support the electrification of medium-duty and heavy-duty vehicles and associated
307.20 charging infrastructure;

307.21 (5) reduce statewide greenhouse gas emissions, as defined in section 216H.01, and
307.22 emissions of other air pollutants that impair the environment and public health;

307.23 (6) stimulate private capital investment and the creation of skilled jobs;

307.24 (7) educate the public about the benefits of electric vehicles and related infrastructure;
307.25 and

307.26 (8) be transparent and incorporate reasonable public reporting of program activities,
307.27 consistent with existing technology and data capabilities, to inform program design and
307.28 commission policy with respect to electric vehicles.

307.29 Subd. 4. **Cost recovery.** (a) Notwithstanding any other provision of this chapter, the
307.30 commission may approve, with respect to any prudent and reasonable investments made or
307.31 expenses incurred by a public utility to administer and implement an approved transportation
307.32 electrification plan, including expenditures on information technology systems necessary

308.1 to track activities and spending and to administer and implement transportation electrification
308.2 plan programs, and investments made in a public utility's distribution system to support
308.3 transportation electrification:

308.4 (1) a rider or other tariff mechanism to automatically adjust charges annually;

308.5 (2) performance-based incentives; or

308.6 (3) placing the investment, including (i) rebates for electric vehicle infrastructure and
308.7 electric buses, and (ii) other costs reasonably incurred to support transportation electrification,
308.8 in the public utility's rate base and allowing the public utility to earn a rate of return on the
308.9 investment at the level approved by the commission in the public utility's most recent general
308.10 rate case, unless the commission finds a different rate of return is in the public interest.

308.11 (b) Notwithstanding section 216B.16, subdivision 8, paragraph (a), clause (3), the
308.12 commission must approve recovery costs for expenses reasonably incurred by a public
308.13 utility to provide public advertisement as part of a transportation electrification plan approved
308.14 by the commission under subdivision 3.

308.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

308.16 Sec. 6. **[216C.374] ELECTRIC SCHOOL BUS DEPLOYMENT PROGRAM.**

308.17 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
308.18 the meanings given.

308.19 (b) "Battery exchange station" means a physical location deploying equipment that
308.20 enables a used electric vehicle battery to be removed and exchanged for a fully charged
308.21 electric vehicle battery.

308.22 (c) "Electric school bus" means an electric vehicle: (1) designed to carry a driver and
308.23 more than ten passengers; and (2) primarily used to transport preprimary, primary, and
308.24 secondary students.

308.25 (d) "Electric utility" means any utility that provides wholesale or retail electric service
308.26 to customers in Minnesota.

308.27 (e) "Electric vehicle" has the meaning given in section 169.011, subdivision 26a.

308.28 (f) "Electric vehicle charging station" means a physical location deploying equipment
308.29 that provides electricity to charge a battery in an electric vehicle.

308.30 (g) "Electric vehicle infrastructure" means electric vehicle charging stations and any
308.31 associated electric panels, machinery, equipment, and infrastructure necessary for an electric

309.1 utility to supply electricity to an electric vehicle charging station and to support electric
309.2 vehicle operation.

309.3 (h) "Electric vehicle service provider" means an organization that installs, maintains, or
309.4 otherwise services a battery exchange station, electric vehicle infrastructure, or electric
309.5 vehicle charging stations.

309.6 (i) "Eligible applicant" means a school district or an electric utility, electric vehicle
309.7 service provider, or transportation service provider applying for a grant under this section
309.8 on behalf of a school district.

309.9 (j) "Federal vehicle electrification grants" means grants that fund electric school buses
309.10 or electric vehicle infrastructure under the federal Infrastructure Investment and Jobs Act,
309.11 Public Law 117-58, or the Inflation Reduction Act of 2022, Public Law 117-169.

309.12 (k) "Poor air quality" means:

309.13 (1) ambient air levels that air monitoring data reveals approach or exceed state or federal
309.14 air quality standards or chronic health inhalation risk benchmarks for total suspended
309.15 particulates, particulate matter less than ten microns wide (PM-10), particulate matter less
309.16 than 2.5 microns wide (PM-2.5), sulfur dioxide, or nitrogen dioxide; or

309.17 (2) areas in which levels of asthma among children significantly exceed the statewide
309.18 average.

309.19 (l) "Prioritized school district" means:

309.20 (1) a school district listed in the Small Area Income and Poverty Estimates School
309.21 District Estimates as having 7.5 percent or more students living in poverty based on the
309.22 most recent decennial U.S. census;

309.23 (2) a school district identified with locale codes "43-Rural: Remote" and "42-Rural:
309.24 Distant" by the National Center for Education Statistics;

309.25 (3) a school district funded by the Bureau of Indian Affairs; or

309.26 (4) a school district that receives basic support payments under United States Code, title
309.27 20, section 7703(b)(1), for children who reside on Indian land.

309.28 (m) "School" means a school that operates as part of an independent or special school
309.29 district.

309.30 (n) "School bus" has the meaning given in section 169.011, subdivision 71.

309.31 (o) "School district" means:

310.1 (1) an independent school district, as defined in section 120A.05, subdivision 10; or

310.2 (2) a special school district, as defined in section 120A.05, subdivision 14.

310.3 (p) "Transportation service provider" means a person that has a contract with a school
310.4 district to transport students to and from school.

310.5 Subd. 2. **Establishment; purpose.** An electric school bus deployment program is
310.6 established in the department. The purpose of the program is to provide grants to accelerate
310.7 the deployment of electric school buses by school districts and to encourage schools to use
310.8 vehicle electrification as a teaching tool that can be integrated into the school's curriculum.

310.9 Subd. 3. **Establishment of account.** An electric school bus program account is established
310.10 as a separate account in the special revenue fund in the state treasury. The commissioner
310.11 shall credit to the account appropriations and transfers to the account. Earnings, including
310.12 interest, dividends, and any other earnings arising from assets of the account, must be
310.13 credited to the account. Money in the account at the end of a fiscal year does not cancel to
310.14 the general fund but remains available in the account until expended. The commissioner
310.15 shall manage the account.

310.16 Subd. 4. **Appropriation; expenditures.** Money in the account is appropriated to the
310.17 commissioner and must be used only:

310.18 (1) for grant awards made under this section; and

310.19 (2) to pay the reasonable costs incurred by the department to administer this section,
310.20 including the cost of providing technical assistance to eligible applicants, including but not
310.21 limited to grant writing assistance for applications for federal vehicle electrification grants
310.22 under subdivision 6, paragraph (c).

310.23 Subd. 5. **Eligible grant expenditures.** A grant awarded under this section may be used
310.24 only to pay:

310.25 (1) a school district or transportation service provider to purchase one or more electric
310.26 school buses, or convert or repower fossil-fuel-powered school buses to be powered by
310.27 electricity;

310.28 (2) up to 75 percent of the cost a school district or transportation service provider incurs
310.29 to purchase one or more electric school buses, or to convert or repower fossil-fuel-powered
310.30 school buses to be powered by electricity;

311.1 (3) for prioritized school districts, up to 95 percent of the cost a school district or
311.2 transportation service provider incurs to purchase one or more electric school buses, or to
311.3 convert or repower fossil-fuel-powered school buses to be powered by electricity;

311.4 (4) up to 75 percent of the cost of deploying, on the school district or transportation
311.5 service provider's real property, infrastructure required to operate electric school buses,
311.6 including but not limited to battery exchange stations, electric vehicle infrastructure, or
311.7 electric vehicle charging stations;

311.8 (5) for prioritized school districts, up to 95 percent of the cost of deploying, on the school
311.9 district or transportation service provider's real property, infrastructure required to operate
311.10 electric school buses, including but not limited to battery exchange stations, electric vehicle
311.11 infrastructure, or electric vehicle charging stations; and

311.12 (6) the reasonable costs of technical assistance related to electric school bus deployment
311.13 program planning and to prepare grant applications for federal vehicle electrification grants.

311.14 Subd. 6. **Application process.** (a) The commissioner must develop administrative
311.15 procedures governing the application and grant award process.

311.16 (b) The commissioner must issue a request for proposals to eligible applicants who may
311.17 wish to apply for a grant under this section on behalf of a school.

311.18 (c) An eligible applicant must submit an application for an electric school bus deployment
311.19 grant to the commissioner on a form prescribed by the commissioner. The form must require
311.20 an applicant to supply, at a minimum, the following information:

311.21 (1) the number of and a description of the electric school buses the school district or
311.22 transportation service provider intends to purchase;

311.23 (2) the total cost to purchase the electric school buses and the incremental cost, if any,
311.24 of the electric school buses when compared with fossil-fuel-powered school buses;

311.25 (3) a copy of the proposed contract agreement between the school district, the electric
311.26 utility, the electric vehicle service provider, or the transportation service provider that
311.27 includes provisions addressing responsibility for maintenance of the electric school buses
311.28 and related electric vehicle infrastructure and battery exchange stations;

311.29 (4) whether the school district is a prioritized school district;

311.30 (5) areas of the school district that serve significant numbers of students eligible for free
311.31 and reduced-price school meals, and areas that disproportionately experience poor air quality,
311.32 as measured by indicators such as the Minnesota Pollution Control Agency's air quality

312.1 monitoring network, the Minnesota Department of Health's air quality and health monitoring,
312.2 or other relevant indicators;

312.3 (6) the school district's plan to prioritize the deployment of electric school buses in areas
312.4 of the school district that:

312.5 (i) serve students eligible for free and reduced-price school meals;

312.6 (ii) experience disproportionately poor air quality; or

312.7 (iii) are located within environmental justice areas, as defined in section 216B.1691,
312.8 subdivision 1, paragraph (e);

312.9 (7) areas of the school district that are located within environmental justice areas, as
312.10 defined in section 216B.1691, subdivision 1, paragraph (e);

312.11 (8) the school district's plan, if any, to make the electric school buses serve as a visible
312.12 learning tool for students, teachers, and visitors to the school, including how vehicle
312.13 electrification may be integrated into the school district's curriculum;

312.14 (9) information that demonstrates the school district's level of need for financial assistance
312.15 available under this section;

312.16 (10) any federal vehicle electrification grants awarded to or applied for by the eligible
312.17 applicant for the same electric school buses or electric vehicle infrastructure proposed by
312.18 the eligible applicant in a grant application made under this section;

312.19 (11) information that demonstrates the school district's readiness to implement the project
312.20 and to operate the electric school buses for no less than five years;

312.21 (12) with respect to the installation and operation of the infrastructure required to operate
312.22 electric school buses, the willingness and ability of the electric vehicle service provider or
312.23 the electric utility to:

312.24 (i) pay employees and contractors a prevailing wage rate, as defined in section 177.42,
312.25 subdivision 6; and

312.26 (ii) comply with section 177.43; and

312.27 (13) any other information deemed relevant by the commissioner.

312.28 (d) An eligible applicant may seek a technical assistance grant under this section to assist
312.29 the eligible applicant apply for federal vehicle electrification grants. An eligible applicant
312.30 seeking a technical assistance grant under this section must submit an application to the

313.1 commissioner on behalf of a school district on a form prescribed by the commissioner. The
313.2 form must include, at a minimum, the following information:

313.3 (1) the names of the federal programs to which the applicant intends to apply;

313.4 (2) a description of the technical assistance the applicants need in order to complete the
313.5 federal application; and

313.6 (3) any other information deemed relevant by the commissioner.

313.7 (e) In awarding grants under this section, the commissioner must give priority to
313.8 applications from or on behalf of prioritized school districts, and must endeavor to award
313.9 no less than 40 percent of the total amount of grants awarded under this section to prioritized
313.10 school districts.

313.11 (f) The commissioner must administer an open application process under this section at
313.12 least twice annually.

313.13 Subd. 7. **Technical assistance.** The department must provide technical assistance to
313.14 school districts to develop and execute projects applied for or funded by grants awarded
313.15 under this section.

313.16 Subd. 8. **Grant amounts.** (a) In making grant awards under this section, the amount of
313.17 the grant must be based on the commissioner's assessment of the school district's need for
313.18 financial assistance.

313.19 (b) A grant awarded under this section, when combined with any federal vehicle
313.20 electrification grants obtained by an eligible applicant for the same electric school buses or
313.21 electric vehicle infrastructure as proposed by the eligible applicant in a grant application
313.22 made under this section, must not exceed the total cost of the electric school buses or electric
313.23 vehicle infrastructure funded by the grant.

313.24 Subd. 9. **Application deadline.** No application may be submitted under this section
313.25 after December 31, 2032.

313.26 Subd. 10. **Reporting.** Beginning January 15, 2024, and each year thereafter until January
313.27 15, 2034, the commissioner must report to the chairs and ranking minority members of the
313.28 legislative committees with jurisdiction over energy regarding:

313.29 (1) grants and amounts awarded to school districts under this section during the previous
313.30 year; and

313.31 (2) any remaining balance available in the electric school bus program account.

314.1 Subd. 11. Cost recovery. (a) A prudent and reasonable investment on electric vehicle
314.2 infrastructure installed on a school district's real property that is made by a public utility
314.3 may be placed in the public utility's rate base and earn a rate of return determined by the
314.4 commission.

314.5 (b) Notwithstanding any other provision of this chapter, the commission may approve
314.6 a tariff mechanism to automatically adjust annual charges for prudent and reasonable
314.7 investments made by a public utility on electric vehicle infrastructure installed on a school
314.8 district's real property.

314.9 Sec. 7. [216C.401] ELECTRIC VEHICLE REBATES.

314.10 Subdivision 1. Definitions. (a) For purposes of this section and section 216C.402, the
314.11 terms in this subdivision have the meanings given.

314.12 (b) "Dealer" means a person, firm, or corporation that:

314.13 (1) possesses a new motor vehicle license under chapter 168;

314.14 (2) regularly engages in the business of manufacturing or selling, purchasing, and
314.15 generally dealing in new and unused motor vehicles;

314.16 (3) has an established place of business to sell, trade, and display new and unused motor
314.17 vehicles; and

314.18 (4) possesses new and unused motor vehicles to sell or trade the motor vehicles.

314.19 (c) "Electric vehicle" has the meaning given in section 169.011, subdivision 26a,
314.20 paragraphs (a) and (b), clause (3).

314.21 (d) "Eligible new electric vehicle" means an electric vehicle that meets the requirements
314.22 of subdivision 2, paragraph (a).

314.23 (e) "Eligible used electric vehicle" means an electric vehicle that meets the requirements
314.24 of subdivision 2, paragraph (b).

314.25 (f) "Lease" means a business transaction under which a dealer furnishes an eligible
314.26 electric vehicle to a person for a fee under a bailor-bailee relationship where no incidences
314.27 of ownership transferred other than the right to use the vehicle for a term of at least 24
314.28 months.

314.29 (g) "Lessee" means a person who leases an eligible electric vehicle from a dealer.

314.30 (h) "New eligible electric vehicle" means an eligible electric vehicle that has not been
314.31 registered in any state.

315.1 Subd. 2. **Eligible vehicle.** (a) A new electric vehicle is eligible for a rebate under this
315.2 section if the electric vehicle:

315.3 (1) has not been previously owned;

315.4 (2) is used by a dealer as a floor model or test drive vehicle and has not been previously
315.5 registered in Minnesota or any other state;

315.6 (3) is returned to a dealer by a purchaser or lessee:

315.7 (i) within two weeks of purchase or leasing or when a purchaser's or lessee's financing
315.8 for the electric vehicle has been disapproved; or

315.9 (ii) before the purchaser or lessee takes delivery, even if the electric vehicle is registered
315.10 in Minnesota;

315.11 (4) has not been modified from the original manufacturer's specifications;

315.12 (5) has a manufacturer's suggested retail price that does not exceed \$55,000;

315.13 (6) is purchased or leased from a dealer or directly from an original equipment
315.14 manufacturer that does not have licensed franchised dealers in Minnesota; and

315.15 (7) is purchased or leased after the effective date of this act for use by the purchaser and
315.16 not for resale.

315.17 (b) A used electric vehicle is eligible for an electric vehicle rebate under this section if
315.18 the electric vehicle has previously been owned in Minnesota or another state and has not
315.19 been modified from the original manufacturer's specifications.

315.20 Subd. 3. **Eligible purchaser or lessee.** A person who purchases or leases an eligible
315.21 new or used electric vehicle is eligible for a rebate under this section if the purchaser or
315.22 lessee:

315.23 (1) is one of the following:

315.24 (i) a resident of Minnesota, as defined in section 290.01, subdivision 7, paragraph (a),
315.25 when the electric vehicle is purchased or leased;

315.26 (ii) a business that has a valid address in Minnesota from which business is conducted;

315.27 (iii) a nonprofit corporation incorporated under chapter 317A; or

315.28 (iv) a political subdivision of the state;

315.29 (2) has not received a rebate or tax credit for the purchase or lease of an electric vehicle
315.30 from the state of Minnesota;

316.1 (3) has a household income below 300 percent of the federal poverty guidelines
316.2 established by the U.S. Department of Health and Human Services; and

316.3 (4) registers the electric vehicle in Minnesota.

316.4 Subd. 4. **Rebate amounts.** (a) A \$2,500 rebate may be issued under this section to an
316.5 eligible purchaser to purchase or lease an eligible new electric vehicle.

316.6 (b) A \$500 rebate may be issued under this section to an eligible purchaser or lessee of
316.7 an eligible used electric vehicle.

316.8 (c) A purchaser or lessee whose household income at the time the eligible electric vehicle
316.9 is purchased or leased is less than 150 percent of the current federal poverty guidelines
316.10 established by the United States Department of Health and Human Services is eligible for
316.11 a rebate of \$500 to purchase or lease an eligible new electric vehicle and \$100 to purchase
316.12 or lease an eligible used electric vehicle. The rebate under this paragraph is in addition to
316.13 the rebate under paragraph (a) or (b), as applicable.

316.14 Subd. 5. **Limits.** The number of rebates allowed under this section is limited to:

316.15 (1) no more than one rebate per resident per household; and

316.16 (2) no more than one rebate per business entity per year.

316.17 Subd. 6. **Program administration.** (a) A rebate application under this section must be
316.18 filed with the commissioner on a form developed by the commissioner.

316.19 (b) The commissioner must develop administrative procedures governing the application
316.20 and rebate award process. Applications must be reviewed and rebates awarded by the
316.21 commissioner on a first-come, first-served basis.

316.22 (c) The commissioner must, in coordination with dealers and other state agencies as
316.23 applicable, develop a procedure to allow a rebate to be used by an eligible purchaser or
316.24 lessee at the point of sale so that the rebate amount may be subtracted from the selling price
316.25 of the eligible electric vehicle.

316.26 (d) The commissioner may reduce the rebate amounts provided under subdivision 4 or
316.27 restrict program eligibility based on the availability of money to award rebates or other
316.28 factors.

316.29 Subd. 7. **Account established.** (a) The electric vehicle rebate account is established as
316.30 a separate account in the special revenue fund in the state treasury. The commissioner shall
316.31 credit to the account appropriations and transfers to the account. Earnings, including interest,
316.32 dividends, and any other earnings arising from assets of the account, must be credited to

317.1 the account. Money remaining in the account at the end of a fiscal year does not cancel to
317.2 the general fund, but remains in the account until expended. The commissioner shall manage
317.3 the account.

317.4 (b) Money in the account is appropriated to the commissioner to award rebates for electric
317.5 vehicles and to reimburse the reasonable costs of the department to administer this section.

317.6 Subd. 8. **Expiration.** This section expires June 30, 2027.

317.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

317.8 Sec. 8. **[216C.402] GRANT PROGRAM; MANUFACTURERS' CERTIFICATION**
317.9 **OF AUTO DEALERS TO SELL ELECTRIC VEHICLES.**

317.10 Subdivision 1. **Establishment.** A grant program is established in the department to
317.11 award grants to dealers to offset the costs of obtaining the necessary training and equipment
317.12 that is required by electric vehicle manufacturers in order to certify a dealer to sell electric
317.13 vehicles produced by the manufacturer.

317.14 Subd. 2. **Application.** An application for a grant under this section must be made to the
317.15 commissioner on a form developed by the commissioner. The commissioner must develop
317.16 administrative procedures and processes to review applications and award grants under this
317.17 section.

317.18 Subd. 3. **Eligible applicants.** An applicant for a grant awarded under this section must
317.19 be a dealer of new motor vehicles licensed under chapter 168 operating under a franchise
317.20 from a manufacturer of electric vehicles.

317.21 Subd. 4. **Eligible expenditures.** Appropriations made to support the activities of this
317.22 section must be used only to reimburse:

317.23 (1) a dealer for the reasonable costs to obtain training and certification for the dealer's
317.24 employees from the electric vehicle manufacturer that awarded the franchise to the dealer;

317.25 (2) a dealer for the reasonable costs to purchase and install equipment to service and
317.26 repair electric vehicles, as required by the electric vehicle manufacturer that awarded the
317.27 franchise to the dealer; and

317.28 (3) the department for the reasonable costs to administer this section.

317.29 Subd. 5. **Limitation.** A grant awarded under this section to a single dealer must not
317.30 exceed \$40,000.

317.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

318.1 Sec. 9. [216C.45] RESIDENTIAL ELECTRIC PANEL UPGRADE GRANT
318.2 PROGRAM.

318.3 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
318.4 the meanings given.

318.5 (b) "Area median income" means the median income of the geographic area in which a
318.6 single-family or multifamily building whose owner is applying for a grant under this section
318.7 is located, as reported by the United States Department of Housing and Urban Development.

318.8 (c) "Automatic overcurrent protection device" means a device that protects against excess
318.9 current by interrupting the flow of current.

318.10 (d) "Bus" means a metallic strip or bar that carries current.

318.11 (e) "Electric panel" means an enclosed box or cabinet containing a building's electric
318.12 panels, including subpanels, that consists of buses, automatic overcurrent protection devices,
318.13 and equipment, with or without switches to control light, heat, and power circuits. Electric
318.14 panel includes a smart panel.

318.15 (f) "Electrical work" has the meaning given in section 326B.31, subdivision 17.

318.16 (g) "Eligible applicant" means:

318.17 (1) an owner of a single-family building whose occupants have an annual household
318.18 income no greater than 150 percent of the area median income; or

318.19 (2) an owner of a multifamily building in which at least 50 percent of the units are
318.20 occupied by households whose annual income is no greater than 150 percent of the area
318.21 median income.

318.22 (h) "Multifamily building" means a building containing two or more units.

318.23 (i) "Smart panel" means an electrical panel that may be electronically programmed to
318.24 manage electricity use in a building automatically.

318.25 (j) "Unit" means a residential living space in a multifamily building occupied by an
318.26 individual or a household.

318.27 (k) "Upgrade" means:

318.28 (1) for a single-family residence:

318.29 (i) the installation of equipment, devices, and wiring necessary to increase an electrical
318.30 panel's capacity to a total rating:

318.31 (A) of not less than 200 amperes; or

319.1 (B) that allows all the building's energy needs to be provided solely by electricity, as
319.2 calculated using the National Electrical Code adopted in Minnesota; or

319.3 (ii) the installation of a smart panel with or without additional equipment, devices, or
319.4 wiring; and

319.5 (2) for a multifamily building, the installation of equipment, devices, and wiring necessary
319.6 to increase the capacity of an electric panel, including feeder panels, to a total rating that
319.7 allows all the building's energy needs to be provided solely by electricity, as calculated
319.8 using the National Electrical Code adopted in Minnesota.

319.9 Subd. 2. **Program establishment.** A residential electric panel upgrade grant program
319.10 is established in the department to provide financial assistance to owners of single-family
319.11 residences and multifamily buildings to upgrade residential electric panels.

319.12 Subd. 3. **Account established.** (a) The residential electric panel upgrade grant account
319.13 is established as a separate account in the special revenue fund in the state treasury. The
319.14 commissioner shall credit to the account appropriations and transfers to the account. Earnings,
319.15 including interest, dividends, and any other earnings arising from assets of the account,
319.16 must be credited to the account. Money remaining in the account at the end of a fiscal year
319.17 does not cancel to the general fund, but remains in the account until expended. The
319.18 commissioner shall manage the account.

319.19 (b) Money in the account is appropriated to the commissioner to award electric panel
319.20 upgrade grants and to reimburse the reasonable costs of the department to administer this
319.21 section.

319.22 Subd. 4. **Application process.** An applicant seeking a grant under this section must
319.23 submit an application to the commissioner on a form developed by the commissioner. The
319.24 commissioner must develop administrative procedures to govern the application and grant
319.25 award process. The commissioner may contract with a third party to conduct some or all of
319.26 the program's operations.

319.27 Subd. 5. **Grant awards.** A grant may be awarded under this section to:

319.28 (1) an eligible applicant; or

319.29 (2) with the written permission of an eligible applicant submitted to the commissioner,
319.30 a contractor performing an upgrade or a third party on behalf of the eligible applicant.

319.31 Subd. 6. **Grant amount.** (a) Subject to the limits of paragraphs (b) to (e), a grant awarded
319.32 under this section may be used to pay 100 percent of the equipment and installation costs
319.33 of an upgrade.

320.1 (b) The commissioner may not award a grant to an eligible applicant under this section
320.2 which, in combination with a federal grant awarded to the eligible applicant under the federal
320.3 Inflation Reduction Act of 2022, Public Law 117-189, for the same electric panel upgrade,
320.4 exceeds 100 percent of the equipment and installation costs of the upgrade.

320.5 (c) The maximum grant amount under this section that may be awarded to an eligible
320.6 applicant who owns a single-family residence is:

320.7 (1) \$3,000 for an owner whose annual household income is less than 80 percent of area
320.8 median income; and

320.9 (2) \$2,000 for an owner whose annual household income exceeds 80 percent but is not
320.10 greater than 150 percent of area median income.

320.11 (d) The maximum grant amount that may be awarded under this section to an eligible
320.12 applicant who owns a multifamily building is the sum of \$5,000, plus \$500 multiplied by
320.13 the number of units containing a separate electric panel receiving an upgrade in the
320.14 multifamily building, not to exceed \$50,000 per multifamily building.

320.15 (e) The commissioner may approve a grant amount that exceeds the maximum grant
320.16 amount in paragraph (c) or (d), up to 100 percent of the equipment and installation costs of
320.17 the upgrade, if the commissioner determines that a larger grant amount is necessary in order
320.18 to complete the upgrade.

320.19 Subd. 7. **Limitation.** No more than one grant may be awarded to an owner under this
320.20 section for work conducted at the same single-family residence or multifamily building.

320.21 Subd. 8. **Outreach.** The department must publicize the availability of grants under this
320.22 section to, at a minimum:

320.23 (1) income-eligible households;

320.24 (2) community action agencies and other public and private nonprofit organizations that
320.25 provide weatherization and other energy services to income-eligible households; and

320.26 (3) multifamily property owners and property managers.

320.27 Subd. 9. **Contractor or subcontractor requirements.** Contractors and subcontractors
320.28 performing electrical work under a grant awarded under this section:

320.29 (1) must comply with the provisions of sections 326B.31 to 326B.399;

320.30 (2) must certify that the electrical work is performed by a licensed journeyworker
320.31 electrician or a registered unlicensed individual under the direct supervision of a licensed

321.1 journeyworker electrician or master electrician employed by the same licensed electrical
321.2 contractor; and

321.3 (3) must pay workers the prevailing wage rate, as defined in section 177.42, and are
321.4 subject to the requirements and enforcement provisions in sections 177.27, 177.30, 177.32,
321.5 177.41 to 177.435, and 177.45.

321.6 Subd. 10. **Report.** Beginning January 1, 2025, and each January 1 through 2033, the
321.7 department must submit a report to the chairs and ranking minority members of the legislative
321.8 committees with primary jurisdiction over climate and energy policy describing the activities
321.9 and expenditures under the program established in this section. The report must include, at
321.10 a minimum:

321.11 (1) the number of units in multifamily buildings and the number of single-family
321.12 residences whose owners received grants;

321.13 (2) the geographic distribution of grant recipients; and

321.14 (3) the average amount of grants awarded per building in multifamily buildings and in
321.15 single-family residences.

321.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

321.17 Sec. 10. **TRANSPORTATION ELECTRIFICATION FACILITY UPGRADES;**
321.18 **TARIFF FILING.**

321.19 No later than November 1, 2023, each public utility must file with the Public Utilities
321.20 Commission revised tariffs for charges related to the extension, enlargement, or other
321.21 modifications to the public utility's distribution system that are necessary to support
321.22 transportation electrification.

321.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

321.24 Sec. 11. **REPEALER.**

321.25 Minnesota Statutes 2022, section 16B.24, subdivision 13, is repealed.

ARTICLE 12

ENERGY CONSERVATION AND STORAGE

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Section 1. Minnesota Statutes 2022, section 16B.325, is amended to read:

16B.325 SUSTAINABLE BUILDING GUIDELINES.

Subdivision 1. **Development of sustainable building guidelines.** The Department of Administration and the Department of Commerce, with the assistance of other agencies, shall develop sustainable building design guidelines for all new state buildings by January 15, 2003, and for all major renovations of state buildings by February 1, 2009. ~~The primary objectives of these guidelines are to ensure that all new state buildings, and major renovations of state buildings, initially exceed the state energy code, as established in Minnesota Rules, chapter 7676, by at least 30 percent.~~

Subd. 1a. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Capital project" or "project" means the acquisition or betterment of buildings or other fixed assets and other improvements of a capital nature.

(c) "CSBR" means the Center for Sustainable Building Research at the University of Minnesota.

(d) "Guidelines" means the sustainable building design guidelines developed under this section.

(e) "Major renovation" means a project that:

(1) has a renovated area that is at least 10,000 square feet; or

(2) includes, at a minimum, the replacement of the mechanical, ventilation, or cooling system of a building or a section of a building.

(f) "New building" means a newly constructed structure and additions to existing buildings that meet both of the following criteria:

(1) the addition is heated, whether or not the addition's source of energy is from an adjacent building or district heating system; and

(2) the addition is cooled, whether or not the addition's source of energy is from an adjacent building or district cooling system.

(g) "State agency" means a state agency that is appropriated money from the bond proceeds fund or general fund for a project that is subject to the guidelines under this section.

323.1 ~~Subd. 2. **Lowest possible cost; energy conservation.** The guidelines must focus on~~
323.2 ~~achieving the lowest possible lifetime cost for new buildings and major renovations, and~~
323.3 ~~allow for changes in the guidelines that encourage continual energy conservation~~
323.4 ~~improvements in new buildings and major renovations. The guidelines shall define "major~~
323.5 ~~renovations" for purposes of this section. The definition may not allow "major renovations"~~
323.6 ~~to encompass less than 10,000 square feet or to encompass less than the replacement of the~~
323.7 ~~mechanical, ventilation, or cooling system of the building or a section of the building. The~~
323.8 ~~design guidelines must establish sustainability guidelines that include air quality and lighting~~
323.9 ~~standards and that create and maintain a healthy environment and facilitate productivity~~
323.10 ~~improvements; specify ways to reduce material costs; and must consider the long-term~~
323.11 ~~operating costs of the building, including the use of renewable energy sources and distributed~~
323.12 ~~electric energy generation that uses a renewable source or natural gas or a fuel that is as~~
323.13 ~~clean or cleaner than natural gas.~~

323.14 Subd. 2a. **Guidelines; purpose.** (a) The primary objectives of the guidelines are to:

323.15 (1) reduce energy consumption and statewide greenhouse gas emissions, as defined in
323.16 section 216H.01, subdivision 2;

323.17 (2) improve the quality of the environment;

323.18 (3) achieve the lowest possible lifetime cost for new buildings and major renovations;

323.19 and

323.20 (4) encourage design of resilient buildings to adapt to and accommodate projected
323.21 climate-related changes that are reflected in both acute events and chronic trends, including
323.22 but not limited to changes in temperature and precipitation levels.

323.23 (b) The guidelines must consider the following to meet the objectives in paragraph (a):

323.24 (1) the health, well-being, and productivity of building occupants;

323.25 (2) material costs and sustainability;

323.26 (3) construction and operating costs;

323.27 (4) the use of renewable energy sources;

323.28 (5) water usage;

323.29 (6) diversion of waste from landfills;

323.30 (7) air quality and lighting standards;

323.31 (8) site design; and

324.1 (9) any other factors the commissioner deems relevant.

324.2 (c) The guidelines may be revised to encourage continual energy conservation
324.3 improvements in new buildings and major renovations.

324.4 **Subd. 3. Development of guidelines; applicability.** (a) In developing the guidelines,
324.5 the departments shall use an open process, including providing the opportunity for public
324.6 comment. The guidelines established under this section are mandatory for all new buildings
324.7 receiving funding from the bond proceeds fund after January 1, 2004, and for all major
324.8 renovations receiving funding from the bond proceeds fund after January 1, 2009. The
324.9 guidelines are also mandatory for all new buildings and major renovations receiving funding
324.10 from the general fund after January 1, 2023.

324.11 (b) The guidelines do not apply to projects that have:

324.12 (1) already completed design at the time money is received from the bond proceeds fund
324.13 or general fund; and

324.14 (2) not received an appropriation from the bond proceeds fund before January 1, 2023.

324.15 ~~Subd. 4. **Guideline revisions.** The commissioners of administration and commerce shall~~
324.16 ~~review the guidelines periodically and as soon as practicable revise the guidelines to~~
324.17 ~~incorporate performance standards developed under section 216B.241, subdivision 9.~~

324.18 Subd. 4a. **Guidelines; annual review.** On or before February 1, 2024, and each year
324.19 thereafter, the commissioner of administration must review and amend the guidelines to
324.20 better meet the goals under subdivision 6. The review must be conducted with the
324.21 commissioner of commerce and in consultation with other stakeholders.

324.22 Subd. 5. **Guideline administration and oversight.** (a) The commissioner of
324.23 administration, in consultation with the commissioner of commerce, shall contract with
324.24 CSBR to administer the guidelines. At a minimum, CSBR must:

324.25 (1) offer training on an annual basis to state agencies, project team members, and other
324.26 entities involved in designing projects subject to the guidelines on how projects may meet
324.27 the guideline requirements;

324.28 (2) develop procedures for compliance with the guidelines, in accordance with the criteria
324.29 under subdivision 7;

324.30 (3) periodically conduct postconstruction performance evaluations on projects to evaluate
324.31 the effectiveness of the guidelines in meeting the goals under subdivision 6;

324.32 (4) determine whether project designs comply with the guidelines;

- 325.1 (5) administer a tracking system for all projects subject to the guidelines;
- 325.2 (6) develop measurable goals for the guidelines based in accordance with subdivision
- 325.3 6;
- 325.4 (7) offer technical assistance to state agencies, project team members, and other entities
- 325.5 with responsibility for managing and designing projects subject to the guidelines;
- 325.6 (8) provide a report on or before December 1 annually to the commissioner of
- 325.7 administration on the following:
- 325.8 (i) the current status of all projects subject to the guidelines and the projects' compliance
- 325.9 with the guidelines; and
- 325.10 (ii) an analysis of the effects of the guidelines on the goals under subdivision 6; and
- 325.11 (9) perform any other duties required by the commissioner of administration to administer
- 325.12 the guidelines.
- 325.13 (b) State agencies, project team members, and other entities that are responsible for
- 325.14 managing or designing projects subject to the guidelines must provide any compliance data
- 325.15 requested by CSBR that CSBR deems necessary to fulfill the duties described under this
- 325.16 subdivision.
- 325.17 (c) The commissioner of administration is responsible for ensuring that the oversight
- 325.18 duties under this subdivision are fulfilled.
- 325.19 Subd. 6. **Measurable goals.** CSBR, in collaboration with the commissioner of
- 325.20 administration and the commissioner of commerce, must develop measurable goals for the
- 325.21 guidelines based on the objectives and considerations described in subdivision 2a. The
- 325.22 commissioner of administration must provide final approval of the goals under this
- 325.23 subdivision.
- 325.24 Subd. 7. **Procedures.** (a) The commissioner of administration must develop procedures
- 325.25 to administer the guidelines. The commissioner of administration may delegate guideline
- 325.26 administration responsibilities to state agencies. The procedures under this subdivision must
- 325.27 specify the administrative activities for which state agencies are responsible.
- 325.28 (b) The procedures must include:
- 325.29 (1) criteria to identify whether a project is subject to the guidelines;
- 325.30 (2) information on project team member roles and guideline administration requirements
- 325.31 for each role;

326.1 (3) a process to notify projects subject to the guidelines of the guideline requirements;

326.2 (4) a guideline-related data submission process coordinated by the commissioner of
326.3 administration;

326.4 (5) activities and a timeline to monitor project compliance with the guidelines; and

326.5 (6) record-keeping requirements and related retention schedules for materials related to
326.6 guideline compliance.

326.7 Subd. 8. **Guidelines waivers.** (a) The commissioner of administration, in consultation
326.8 with the commissioner of commerce and other stakeholders, must develop a process to
326.9 review and approve waivers to the guidelines.

326.10 (b) A waiver under this subdivision is only permitted due to technological limitations
326.11 or when the project's intended use conflicts with the guidelines.

326.12 (c) A waiver request for a project owned by a state agency must be reviewed and approved
326.13 by the commissioner of administration. If the waiver request is for a project owned by the
326.14 Department of Administration, the waiver request must be approved by the commissioner
326.15 of management and budget.

326.16 Subd. 9. **Report.** The commissioner of administration must report to the legislature by
326.17 February 1 of each year. The report must include:

326.18 (1) information on the current status of all projects subject to the guidelines and the
326.19 projects' compliance with the guidelines;

326.20 (2) an analysis of the effects of the guidelines on the measurable goals under subdivision
326.21 6; and

326.22 (3) any other information the commissioner of administration deems relevant.

326.23 **EFFECTIVE DATE.** This section is effective July 1, 2023.

326.24 Sec. 2. Minnesota Statutes 2022, section 216B.1611, is amended by adding a subdivision
326.25 to read:

326.26 Subd. 5. **Distributed generation capacity; treatment.** (a) No later than November 1,
326.27 2023, the commission must issue an order clarifying that for the purpose of interconnecting
326.28 an on-site customer-owned distributed generation facility, the capacity of the facility must
326.29 be measured and expressed as:

326.30 (1) export capacity rather than nameplate capacity; and

326.31 (2) alternating current capacity.

327.1 (b) For the purposes of this subdivision, "export capacity" means a distributed generation
327.2 facility's nameplate capacity net of any limitations on the amount of power the distributed
327.3 generating facility is capable of exporting to a utility's distribution system resulting from
327.4 physical equipment that is part of or connected to the generating facility, including but not
327.5 limited to an inverter, relay, or energy storage system, as defined in section 216B.2422,
327.6 subdivision 1, paragraph (f), as reported to the utility by the owner of the distributed
327.7 generation facility.

327.8 (c) The owner of a distributed generation facility interconnected to a utility's distribution
327.9 system may not increase the export capacity of the distributed generation facility beyond
327.10 the level that was first interconnected to the utility's distribution system without the utility's
327.11 written approval. The utility must respond in writing to an owner's notice of intent to increase
327.12 export capacity within 90 days of the date the notice of interest is received, and may reject
327.13 the request only upon determining that approving the request would reduce safety or the
327.14 reliability of electric service.

327.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

327.16 **Sec. 3. [216B.1616] ENERGY STORAGE; PEAK SHAVING TARIFF.**

327.17 (a) No later than September 15, 2023, the commission must initiate a docket designed
327.18 to result in a commission order requiring public utilities providing electric service to file a
327.19 tariff with the commission, based on guidelines established in the order, to compensate
327.20 customer-owners of on-site energy storage systems, as defined in section 216B.2422,
327.21 subdivision 1, paragraph (f), for the discharge of stored energy that is net input to the utility
327.22 during periods of peak electricity demand by utility customers.

327.23 (b) Within 90 days of the date the commission issues an order under this subdivision,
327.24 each public utility must file with the commission for commission approval, disapproval, or
327.25 modification a tariff that is consistent with the order.

327.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

327.27 **Sec. 4. [216B.1697] ENERGY STORAGE SYSTEMS; DEPLOYMENT TARGETS.**

327.28 Subdivision 1. **Definition.** For the purposes of this section, "energy storage system" has
327.29 the meaning given in section 216B.2422, subdivision 1.

327.30 Subd. 2. **Deployment targets.** (a) Each utility required to file a resource plan under
327.31 section 216B.2422 must deploy energy storage systems of a capacity determined by the
327.32 commission under paragraph (b). No later than December 31, 2033, the aggregate statewide

328.1 capacity of energy storage systems deployed by all utilities subject to this section must be
328.2 at least 3,000 megawatts.

328.3 (b) No later than October 1, 2023, the commission must issue an order specifying the
328.4 amount of energy storage capacity required of each utility subject to this section in order
328.5 to meet the statewide capacity target and schedule in paragraph (a). The amount of energy
328.6 storage capacity required of an individual utility must be calculated by dividing each utility's
328.7 total electric retail sales to Minnesota customers in 2022 by total electric retail sales to
328.8 Minnesota customers in 2022 of all utilities subject to this section, and multiplying that
328.9 quotient by 3,000 megawatts. The commission may establish interim energy storage capacity
328.10 targets that utilities are required to meet before the 2033 target date.

328.11 Subd. 3. **Application.** (a) A utility must file an application with the commission prior
328.12 to installing each proposed energy storage system contributing to the energy storage target
328.13 assigned to the utility under subdivision 2. Each application must contain:

328.14 (1) the energy storage system's technical specifications, including but not limited to:

328.15 (i) the maximum amount of electric output that the energy storage system can provide;

328.16 (ii) the length of time the energy storage system can sustain maximum output;

328.17 (iii) the location of the project within the utility's distribution system and a description
328.18 of the analysis conducted to determine the location;

328.19 (iv) a description of the utility's electric system needs that the proposed energy storage
328.20 system addresses;

328.21 (v) a description of the types of services the energy storage system is expected to provide;
328.22 and

328.23 (vi) a description of the technology required to construct, operate, and maintain the
328.24 energy storage system, including any data or communication system necessary to operate
328.25 the energy storage system;

328.26 (2) the estimated cost of the project, including:

328.27 (i) capital costs;

328.28 (ii) the estimated cost per unit of energy delivered by the energy storage system; and

328.29 (iii) an evaluation of the cost-effectiveness of the energy storage system;

328.30 (3) the estimated benefits of the energy storage system to the utility's electric system,
328.31 including but not limited to:

- 329.1 (i) deferred investments in generation, transmission, or distribution capacity;
329.2 (ii) reduced need for electricity during times of peak demand;
329.3 (iii) improved reliability of the utility's transmission or distribution system; and
329.4 (iv) improved integration of the utility's renewable energy resources;

329.5 (4) a description indicating how the addition of an energy storage system complements
329.6 the utility's proposed actions described in the most recent integrated resource plan submitted
329.7 under section 216B.2422 to meet expected demand with the least expensive combination
329.8 of resources; and

329.9 (5) any additional information required by the commission.

329.10 (b) A utility must include in the application an evaluation of the potential to store energy
329.11 throughout the utility's electric system and must identify geographic areas in the utility's
329.12 service area where the deployment of energy storage systems has the greatest potential to
329.13 achieve the economic benefits identified in paragraph (a), clause (3).

329.14 Subd. 4. **Commission review.** The commission must review each proposal submitted
329.15 under this section and may approve, reject, or modify the proposal. The commission must
329.16 approve a proposal the commission determines: (1) is in the public interest; and (2) reasonably
329.17 balances the value derived from the deployment of an energy storage system for ratepayers
329.18 and the utility's operations with the cost to procure, construct, operate, and maintain the
329.19 energy storage system.

329.20 Subd. 5. **Cost recovery.** A public utility may recover from ratepayers all costs prudently
329.21 incurred by the public utility to deploy an energy storage system approved by the commission
329.22 under this section, net of any revenues generated by the operation of the energy storage
329.23 system.

329.24 Subd. 6. **Reporting; compliance.** The commission must establish reporting procedures
329.25 for utilities that are sufficient in content and frequency to keep the commission informed
329.26 regarding compliance with this section.

329.27 Subd. 7. **Commission authority; orders.** The commission may issue orders and conduct
329.28 proceedings necessary to implement and administer this section.

329.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

330.1 Sec. 5. Minnesota Statutes 2022, section 216B.2402, subdivision 16, is amended to read:

330.2 Subd. 16. **Low-income household.** "Low-income household" means a household whose
330.3 household income:

330.4 (1) is ~~60~~ 80 percent or less of the ~~state area~~ median household income; for the geographic
330.5 area in which the low-income household is located, as calculated by the United States
330.6 Department of Housing and Urban Development; or

330.7 (2) meets the income eligibility standards, as determined by the commissioner, required
330.8 for a household to receive financial assistance from a federal, state, municipal, or utility
330.9 program administered or approved by the department.

330.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

330.11 Sec. 6. Minnesota Statutes 2022, section 216B.2422, subdivision 7, is amended to read:

330.12 Subd. 7. **Energy storage systems assessment.** (a) Each ~~public~~ utility required to file a
330.13 resource plan under subdivision 2 must incorporate in the utility's resource planning the
330.14 energy storage targets the utility is required to meet under section 216B.1697 and must
330.15 include in the filing an assessment of energy storage systems that analyzes how the
330.16 deployment of energy storage systems contributes to:

330.17 (1) meeting identified generation and capacity needs; ~~and~~

330.18 (2) the factors identified in section 216B.1697, subdivision 3, paragraph (a), clause (3);
330.19 and

330.20 ~~(2)~~ (3) evaluating ancillary services.

330.21 (b) The assessment must employ appropriate modeling methods to enable the analysis
330.22 required in paragraph (a).

330.23 Sec. 7. Minnesota Statutes 2022, section 216C.05, subdivision 2, is amended to read:

330.24 Subd. 2. **Energy policy goals.** It is the energy policy of the state of Minnesota that:

330.25 (1) annual energy savings equal to at least 1.5 percent of annual retail energy sales of
330.26 electricity and natural gas ~~be~~ is achieved through cost-effective energy efficiency;

330.27 (2) the per capita use of fossil fuel as an energy input ~~be~~ is reduced by 15 percent by the
330.28 year 2015, through increased reliance on energy efficiency and renewable energy alternatives;

330.29 (3) 25 percent of the total energy used in the state ~~be~~ Minnesota is derived from renewable
330.30 energy resources by the year 2025; and

331.1 (4) energy use in existing commercial and residential buildings is reduced by 50 percent
331.2 by 2035, and is achieved by: (i) using the most effective current energy-saving incentive
331.3 programs, evaluated by participation and efficacy; and (ii) developing and implementing
331.4 new programs, prioritizing solutions that achieve the highest overall carbon reduction; and

331.5 ~~(4)~~ (5) retail electricity rates for each customer class be are at least five percent below
331.6 the national average.

331.7 Sec. 8. Minnesota Statutes 2022, section 216C.264, is amended by adding a subdivision
331.8 to read:

331.9 Subd. 1a. **Definitions.** (a) For purposes of this section, the following terms have the
331.10 meanings given.

331.11 (b) "Low-income conservation program" means a utility program that offers energy
331.12 conservation services to low-income households under sections 216B.2403, subdivision 5,
331.13 and 216B.241, subdivision 7.

331.14 (c) "Preweatherization measure" has the meaning given in section 216B.2402, subdivision
331.15 20.

331.16 (d) "Weatherization assistance program" means the federal program described in Code
331.17 of Federal Regulations, title 10, part 440 et seq., designed to assist low-income households
331.18 reduce energy use in a cost-effective manner.

331.19 (e) "Weatherization services" means the energy conservation preweatherization measures
331.20 installed in households under the weatherization assistance program and low-income
331.21 conservation program.

331.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

331.23 Sec. 9. Minnesota Statutes 2022, section 216C.264, is amended by adding a subdivision
331.24 to read:

331.25 Subd. 1b. **State supplementary weatherization grants account.** (a) A state
331.26 supplementary weatherization grants account is established as a separate account in the
331.27 special revenue fund in the state treasury. The commissioner must credit appropriations and
331.28 transfers to the account. Earnings, including interest, dividends, and any other earnings
331.29 arising from assets of the account, must be credited to the account. Money remaining in the
331.30 account at the end of a fiscal year does not cancel to the general fund but remains in the
331.31 account until expended. The commissioner must manage the account.

332.1 (b) Money in the account is appropriated to the commissioner for the purposes of
332.2 subdivision 5.

332.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

332.4 Sec. 10. Minnesota Statutes 2022, section 216C.264, subdivision 5, is amended to read:

332.5 Subd. 5. **Grant allocation.** (a) The commissioner must distribute supplementary state
332.6 grants in a manner consistent with the goal of producing the maximum number of weatherized
332.7 units. Supplementary state grants ~~are provided primarily for the payment of~~ may be used:

332.8 (1) to address physical deficiencies in a residence that increase heat loss, including
332.9 deficiencies that prohibit the residence from being eligible to receive federal weatherization
332.10 assistance;

332.11 (2) to install preweatherization measures established by the commissioner under section
332.12 216B.241, subdivision 7, paragraph (g);

332.13 (3) to increase the number of weatherized residences;

332.14 (4) to conduct outreach activities to make income-eligible households aware of the
332.15 weatherization services available to income-eligible households, to assist applicants to fill
332.16 out applications for weatherization assistance, and to provide translation services where
332.17 necessary;

332.18 (5) to enable a project in a multifamily building to proceed even if the project cannot
332.19 comply with the federal requirement that the project must be completed within the same
332.20 federal fiscal year in which a project begins;

332.21 (6) to address shortages of workers trained to provide weatherization services, including
332.22 expanding training opportunities in existing and new training programs;

332.23 (7) to support the operation of the weatherization training program under section
332.24 216C.2641;

332.25 (8) to pay additional labor costs for the federal weatherization program; and

332.26 (9) as an incentive for the increased production of weatherized units.

332.27 (b) Criteria for the allocation of state grants to local agencies include existing local
332.28 agency production levels, emergency needs, and the potential for maintaining or increasing
332.29 acceptable levels of production in the area.

332.30 (c) An eligible local agency may receive advance funding for 90 days' production, but
332.31 thereafter must receive grants solely on the basis of program criteria.

333.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

333.2 Sec. 11. **[216C.2641] WEATHERIZATION TRAINING GRANT PROGRAM.**

333.3 Subdivision 1. **Establishment.** The commissioner of commerce must establish a
333.4 weatherization training grant program to award grants to train workers for careers in the
333.5 weatherization industry.

333.6 Subd. 2. **Grants.** (a) The commissioner must award grants through a competitive grant
333.7 process.

333.8 (b) An eligible entity under paragraph (c) seeking a grant under this section must submit
333.9 a written application to the commissioner using a form developed by the commissioner.

333.10 (c) The commissioner may award grants under this section only to:

333.11 (1) a nonprofit organization exempt from taxation under section 501(c)(3) of the United
333.12 States Internal Revenue Code;

333.13 (2) a labor organization, as defined in section 179.01, subdivision 6; or

333.14 (3) a job training center or educational institution that the commissioner of commerce
333.15 determines has the ability to train workers for weatherization careers.

333.16 (d) Grant funds must be used to pay costs associated with training workers for careers
333.17 in the weatherization industry, including related supplies, materials, instruction, and
333.18 infrastructure.

333.19 (e) When awarding grants under this section, the commissioner must give priority to
333.20 applications that provide the highest quality training to prepare trainees for weatherization
333.21 employment opportunities that meet technical standards and certifications developed by the
333.22 Building Performance Institute, Inc., or the Standard Work Specifications developed by the
333.23 United States Department of Energy for the federal Weatherization Assistance Program.

333.24 Subd. 3. **Reports.** By January 15, 2025, and each January 15 thereafter, the commissioner
333.25 must submit a report to the chairs and ranking minority members of the senate and house
333.26 of representatives committees with jurisdiction over energy policy. The report must detail
333.27 the use of grant funds under this section, including data on the number of trainees trained
333.28 and the career progress of trainees supported by prior grants.

333.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

334.1 Sec. 12. [216C.331] ENERGY BENCHMARKING.

334.2 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
334.3 the meanings given.

334.4 (b) "Aggregated customer energy use data" means customer energy use data, which is
334.5 combined into one collective data point per time interval. Aggregated customer energy use
334.6 data is data with any unique identifiers or other personal information removed that a
334.7 qualifying utility collects and aggregates in at least monthly intervals for an entire building
334.8 on a covered property.

334.9 (c) "Benchmark" means to electronically input into a benchmarking tool the total energy
334.10 use data and other descriptive information about a building that is required by a benchmarking
334.11 tool.

334.12 (d) "Benchmarking information" means data related to a building's energy use generated
334.13 by a benchmarking tool, and other information about the building's physical and operational
334.14 characteristics. Benchmarking information includes but is not limited to the building's:

334.15 (1) address;

334.16 (2) owner and, if applicable, the building manager responsible for operating the building's
334.17 physical systems;

334.18 (3) total floor area, expressed in square feet;

334.19 (4) energy use intensity;

334.20 (5) greenhouse gas emissions; and

334.21 (6) energy performance score comparing the building's energy use with that of similar
334.22 buildings.

334.23 (e) "Benchmarking tool" means the United States Environmental Protection Agency's
334.24 Energy Star Portfolio Manager tool or an equivalent tool determined by the commissioner.

334.25 (f) "Customer energy use data" refers to data collected from the utility customer meters
334.26 that reflect the quantity, quality, or timing of customers' usage.

334.27 (g) "Covered property" means any property that is served by an investor-owned utility
334.28 in the metropolitan area as defined in section 473.121, subdivision 2, or by a municipal
334.29 energy utility or investor-owned utility in any city outside the metropolitan area with a
334.30 population of over 50,000 residents, and that has one or more buildings containing in sum
334.31 50,000 gross square feet or greater. Covered property does not include:

- 335.1 (1) a residential property containing fewer than five dwelling units;
- 335.2 (2) a property that is: (i) classified as manufacturing under the North American Industrial
335.3 Classification System (NAICS); (ii) an energy-intensive trade-exposed customer, as defined
335.4 in section 216B.1696; (iii) an electric power generation facility; or (iv) otherwise an industrial
335.5 building incompatible with benchmarking in the benchmarking tool;
- 335.6 (3) an agricultural building; or
- 335.7 (4) a multitenant building that is served by a utility that cannot supply aggregated
335.8 customer usage data, and other property types that do not meet the purposes of this section,
335.9 as determined by the commissioner.
- 335.10 (h) "Energy" means electricity, natural gas, steam, or another product used to: (1) provide
335.11 heating, cooling, lighting, or water heating; or (2) power other end uses in a building.
- 335.12 (i) "Energy use intensity" means the total annual energy consumed in a building divided
335.13 by the building's total floor area.
- 335.14 (j) "Energy performance score" means a numerical value from one to 100 that the Energy
335.15 Star Portfolio Manager tool calculates to rate a building's energy efficiency against that of
335.16 comparable buildings nationwide.
- 335.17 (k) "Energy Star Portfolio Manager" means an interactive resource management tool
335.18 developed by the United States Environmental Protection Agency that (1) enables the
335.19 periodic entry of a building's energy use data and other descriptive information about a
335.20 building, and (2) rates a building's energy efficiency against that of comparable buildings
335.21 nationwide.
- 335.22 (l) "Financial distress" means a covered property that, at the time benchmarking is
335.23 conducted:
- 335.24 (1) is the subject of a qualified tax lien sale or public auction due to property tax
335.25 arrears;
- 335.26 (2) is controlled by a court-appointed receiver based on financial distress;
- 335.27 (3) is owned by a financial institution through default by the borrower;
- 335.28 (4) has been acquired by deed in lieu of foreclosure; or
- 335.29 (5) has a senior mortgage that is subject to a notice of default.
- 335.30 (m) "Local government" means a statutory or home rule municipality or county.
- 335.31 (n) "Owner" means:

- 336.1 (1) an individual or entity that possesses title to a covered property; or
- 336.2 (2) an agent authorized to act on behalf of the covered property owner.
- 336.3 (o) "Qualifying utility" means a utility serving the covered property, including:
- 336.4 (1) an electric or gas utility, including:
- 336.5 (i) an investor-owned electric or gas utility; or
- 336.6 (ii) a municipally owned electric or gas utility;
- 336.7 (2) a natural gas supplier with five or more active commercial connections, accounts,
- 336.8 or customers in the state; or
- 336.9 (3) a district steam, hot water, or chilled water provider.

336.10 (p) "Tenant" means a person that occupies or holds possession of a building or part of
 336.11 a building or premises pursuant to a rental or lease agreement.

336.12 (q) "Total floor area" means the sum of gross square footage inside a building's envelope,
 336.13 measured between the outside exterior walls of the building. Total floor area includes covered
 336.14 parking structures.

336.15 (r) "Utility customer" means the building owner or tenant listed on the utility's records
 336.16 as the customer liable for payment of the utility service or additional charges assessed on
 336.17 the utility account.

336.18 Subd. 2. **Establishment.** The commissioner must establish and maintain a building
 336.19 energy benchmarking program. The purpose of the program is to:

336.20 (1) make a building's owners, tenants, and potential tenants aware of (i) the building's
 336.21 energy consumption levels and patterns, and (ii) how the building's energy use compares
 336.22 with that of similar buildings nationwide; and

336.23 (2) enhance the likelihood that an owner adopts energy conservation measures in the
 336.24 owner's building as a way to reduce energy use, operating costs, and greenhouse gas
 336.25 emissions.

336.26 Subd. 3. **Classification of covered properties.** For the purposes of this section, a covered
 336.27 property is classified as follows:

336.28	<u>Class</u>	<u>Total Floor Area (square feet)</u>
336.29	<u>1</u>	<u>100,000 or more</u>
336.30	<u>2</u>	<u>50,000 to 99,999</u>

337.1 Subd. 4. **Benchmarking requirement.** (a) An owner must annually benchmark all
337.2 covered property owned as of December 31 in conformity with the schedule in subdivision
337.3 7. Energy use data must be compiled by:

337.4 (1) obtaining the data from the utility providing the energy; or

337.5 (2) reading a master meter.

337.6 (b) Before entering information in a benchmarking tool, an owner must run all automated
337.7 data quality assurance functions available within the benchmarking tool and must correct
337.8 all data identified as missing or incorrect.

337.9 (c) An owner who becomes aware that any information entered into a benchmarking
337.10 tool is inaccurate or incomplete must amend the information in the benchmarking tool within
337.11 30 days of the date the owner learned of the inaccuracy.

337.12 (d) Nothing in this subdivision prohibits an owner of property that is not a covered
337.13 property from voluntarily benchmarking a property under this section.

337.14 Subd. 5. **Exemption by individual building.** (a) The commissioner may exempt an
337.15 owner of a covered property from the requirements of subdivision 4 if the owner provides
337.16 evidence satisfactory to the commissioner that the covered property:

337.17 (1) is presently experiencing financial distress;

337.18 (2) has been less than 50 percent occupied during the previous calendar year;

337.19 (3) does not have a certificate of occupancy or temporary certificate of occupancy for
337.20 the full previous calendar year;

337.21 (4) was issued a demolition permit during the previous calendar year that remains current;

337.22 or

337.23 (5) received no energy services for at least 30 days during the previous calendar year.

337.24 (b) An exemption granted under this subdivision applies only to a single calendar year.
337.25 An owner must reapply to the commissioner each year an extension is sought.

337.26 (c) Within 30 days of the date an owner makes a request under this paragraph, a tenant
337.27 of a covered property subject to this section must provide the owner with any information
337.28 regarding energy use of the tenant's rental unit that the property owner cannot otherwise
337.29 obtain and that is needed by the owner to comply with this section. The tenant must provide
337.30 the information required under this paragraph in a format approved by the commissioner.

338.1 Subd. 6. Exemption by other government benchmarking program. An owner is
338.2 exempt from the requirements of subdivision 4 for a covered property if the property is
338.3 subject to a benchmarking requirement by the state, a city, or other political subdivision
338.4 with a benchmarking requirement that the commissioner determines is equivalent or more
338.5 stringent, as determined under subdivision 11, paragraph (b), than the benchmarking
338.6 requirement established in this section. The exemption under this subdivision applies in
338.7 perpetuity unless or until the benchmarking requirement is changed or revoked and the
338.8 commissioner determines the benchmarking requirement is no longer equivalent nor more
338.9 stringent.

338.10 Subd. 7. Benchmarking schedule. (a) An owner must annually benchmark each covered
338.11 property for the previous calendar year according to the following schedule:

338.12 (1) all Class 1 properties by June 1, 2025, and by every June 1 thereafter; and

338.13 (2) all Class 2 properties by June 1, 2026, and by every June 1 thereafter.

338.14 (b) Beginning June 1, 2025, for Class 1 properties, and June 1, 2026, for Class 2
338.15 properties, an owner who is selling a covered property must provide the following to the
338.16 new owner at the time of sale:

338.17 (1) benchmarking information for the most recent 12-month period, including monthly
338.18 energy use by source; or

338.19 (2) ownership of the digital property record in the benchmarking tool through an online
338.20 transfer.

338.21 Subd. 8. Utility data requirements. (a) In implementing this section, a qualifying utility
338.22 shall implement the data aggregation standards established by the commission in docket
338.23 number 19-505, including changes to the standards adopted in an order issued after the
338.24 effective date of this section. A municipal energy utility serving a covered property under
338.25 this section shall adopt data aggregation standards that are substantially similar to the
338.26 standards included in the commission's order in that docket and subsequent relevant orders.

338.27 (b) Customer energy use data that a qualifying utility provides an owner pursuant to this
338.28 subdivision must be:

338.29 (1) available on, or able to be requested through, an easily navigable web portal or online
338.30 request form using up-to-date standards for digital authentication;

338.31 (2) provided to the owner within 30 days after receiving the owner's valid written or
338.32 electronic request;

339.1 (3) provided for at least 24 consecutive months of energy consumption or as many
339.2 months of consumption data that are available if the owner has owned the building for less
339.3 than 24 months;

339.4 (4) directly uploaded to the owner's benchmarking tool account, delivered in the
339.5 spreadsheet template specified by the benchmarking tool, or delivered in another format
339.6 approved by the commissioner;

339.7 (5) provided to the owner on at least an annual basis until the owner revokes the request
339.8 for energy use data or sells the covered property; and

339.9 (6) provided in monthly intervals, or the shortest available intervals based in billing.

339.10 (c) Data necessary to establish, utilize, or maintain information in the benchmarking
339.11 tool under this section may be collected or shared as provided by this section and are
339.12 considered public data whether or not the data have been aggregated.

339.13 Subd. 9. **Data collection and management.** (a) The commissioner must:

339.14 (1) collect benchmarking information generated by a benchmarking tool and other related
339.15 information for each covered property;

339.16 (2) provide technical assistance to owners entering data into a benchmarking tool;

339.17 (3) collaborate with the Department of Revenue to collect the data necessary for
339.18 establishing the covered property list annually; and

339.19 (4) provide technical guidance to utilities in the establishment of data aggregation and
339.20 access tools.

339.21 (b) Upon request of the commissioner, a county assessor shall provide readily available
339.22 property data necessary for the development of the covered property list, including but not
339.23 limited to gross floor area, property type, and owner information by January 15 annually.

339.24 (c) The commissioner must:

339.25 (1) rank benchmarked covered properties in each property class from highest to lowest
339.26 performance score or, if a performance score is unavailable for a covered property, from
339.27 lowest to highest energy use intensity;

339.28 (2) divide covered properties in each property class into four quartiles based on the
339.29 applicable measure in clause (1);

339.30 (3) assign four stars to each covered property in the quartile of each property class with
339.31 the highest performance scores or lowest energy use intensities, as applicable;

340.1 (4) assign three stars to each covered property in the quartile of each property class with
340.2 the second highest performance scores or second lowest energy use intensities, as applicable;

340.3 (5) assign two stars to each covered property in the quartile of each property class with
340.4 the third highest performance scores or third lowest energy use intensities, as applicable;

340.5 (6) assign one star to each covered property in the quartile of each property class with
340.6 the lowest performance scores or highest energy use intensities, as applicable; and

340.7 (7) serve notice in writing to each owner identifying the number of stars assigned by the
340.8 commissioner to each of the owner's covered properties.

340.9 Subd. 10. **Data disclosure to public.** (a) The commissioner must post on the department's
340.10 website and update by December 1 annually the following information for the previous
340.11 calendar year:

340.12 (1) annual summary statistics on energy use for all covered properties;

340.13 (2) annual summary statistics on energy use for all covered properties, aggregated by
340.14 covered property class, as defined in subdivision 3, city, and county;

340.15 (3) the percentage of covered properties in each building class listed in subdivision 3
340.16 that are in compliance with the benchmarking requirements under subdivisions 4 to 7; and

340.17 (4) for each covered property, at a minimum, the address, total energy use, energy use
340.18 intensity, annual greenhouse gas emissions, and energy performance score, if available.

340.19 (b) The commissioner must post the information required under this subdivision for:

340.20 (1) all Class 1 properties by November 1, 2025, and by every November 1 thereafter;
340.21 and

340.22 (2) all Class 2 properties by November 1, 2026, and by every November 1 thereafter.

340.23 Subd. 11. **Coordination with other benchmarking programs.** (a) The commissioner
340.24 shall coordinate with any state agency or local government that implements an energy
340.25 benchmarking program, including the coordination of reporting requirements.

340.26 (b) This section does not restrict a local government from adopting or implementing an
340.27 ordinance or resolution that imposes more stringent benchmarking requirements. For purposes
340.28 of this section, a local government benchmarking program is more stringent if the program
340.29 requires:

340.30 (1) buildings to be benchmarked that are not required to be benchmarked under this
340.31 section; or

341.1 (2) benchmarking of information that is not required to be benchmarked under this
341.2 section.

341.3 (c) Benchmarking program requirements of local governments must:

341.4 (1) be at least as comprehensive in scope and application as the program operated under
341.5 this section; and

341.6 (2) include annual enforcement of a penalty on covered properties that do not comply
341.7 with the local government's benchmarking ordinance.

341.8 (d) Local governments must notify the commissioner of the local government's existing
341.9 benchmarking ordinance requirements. Local governments must notify the commissioner
341.10 of new, changed, or revoked ordinance requirements, which when made by December 31
341.11 would apply to the benchmarking schedule for the following year.

341.12 (e) The commissioner shall make available for local governments upon request all
341.13 benchmarking data for covered properties within the local government's jurisdiction by
341.14 December 1, annually.

341.15 Subd. 12. **Building performance disclosure to occupants.** The commissioner must
341.16 provide disclosure materials for public display within a building to building owners, so that
341.17 building owners can prominently display the performance of the building. The materials
341.18 must include the number of stars assigned to the building by the commissioner under
341.19 subdivision 9, paragraph (c), and a relevant explanation of the rating.

341.20 Subd. 13. **Notifications.** By March 1 each year, the commissioner must notify the owner
341.21 of each covered property required to benchmark for the previous calendar year of the
341.22 requirement to benchmark by June 1 of the current year.

341.23 Subd. 14. **Program implementation.** The commissioner may contract with an
341.24 independent third party to implement any or all of the commissioner's duties required under
341.25 this section. To implement the benchmarking program, the commissioner shall assist building
341.26 owners to increase energy efficiency and reduce greenhouse gas emissions from the owners'
341.27 buildings, including by providing outreach, training, and technical assistance to building
341.28 owners to help the owners' buildings come into compliance with the benchmarking program.

341.29 Subd. 15. **Enforcement.** By June 15 each year, the commissioner must notify the owner
341.30 of each covered property required to comply with this section that has failed to comply that
341.31 the owner has until July 15 to come into compliance, unless the owner requests an extension,
341.32 in which case the owner has until August 15 to come into compliance. If an owner fails to
341.33 comply with the requirements of this section by July 15 and fails to request an extension

342.1 by that date, or is given an extension and fails to comply by August 15, the commissioner
342.2 may impose a civil fine of \$1,000 on the owner. The commissioner may by rule increase
342.3 the civil fine to adjust for inflation.

342.4 Subd. 16. **Recovery of expenses.** The commission shall allow a public utility to recover
342.5 reasonable and prudent expenses of implementing this section under section 216B.16,
342.6 subdivision 6b. The costs and benefits associated with implementing this section may, at
342.7 the discretion of the utility, be excluded from the calculation of net economic benefits for
342.8 purposes of calculating the financial incentive to the public utility under section 216B.16,
342.9 subdivision 6c. The energy and demand savings may, at the discretion of the public utility,
342.10 be applied toward the calculation of overall portfolio energy and demand savings for purposes
342.11 of determining progress toward annual goals under section 216B.241, subdivision 1c, and
342.12 in the financial incentive mechanism under section 216B.16, subdivision 6c.

342.13 **EFFECTIVE DATE.** This section is effective the day following final enactment, except
342.14 that subdivision 15 is effective June 15, 2026.

342.15 Sec. 13. **[216C.378] ENERGY STORAGE INCENTIVE PROGRAM.**

342.16 (a) The public utility subject to section 116C.779 must develop and operate a program
342.17 to provide a grant to customers to reduce the cost to purchase and install an on-site energy
342.18 storage system, as defined in section 216B.2422, subdivision 1, paragraph (f). The public
342.19 utility subject to this section must file a plan with the commissioner to operate the program
342.20 no later than November 1, 2023. The public utility must not operate the program until the
342.21 program is approved by the commissioner. Any change to an operating program must be
342.22 approved by the commissioner.

342.23 (b) In order to be eligible to receive a grant under this section, an energy storage system
342.24 must:

342.25 (1) have a capacity no greater than 50 kilowatt hours; and

342.26 (2) be located within the electric service area of the public utility subject to this section.

342.27 (c) An owner of an energy storage system is eligible to receive a grant under this section
342.28 if:

342.29 (1) a solar energy generating system is operating at the same site as the proposed energy
342.30 storage system; or

343.1 (2) the owner has filed an application with the public utility subject to this section to
343.2 interconnect a solar energy generating system at the same site as the proposed energy storage
343.3 system.

343.4 (d) The amount of a grant awarded under this section must be based on the number of
343.5 watt-hours that reflects the duration of the energy storage system at the system's rated
343.6 capacity, up to a maximum of \$5,000.

343.7 (e) The commissioner must annually review and may adjust the amount of grants awarded
343.8 under this section, but must not increase the amount over that awarded in previous years
343.9 unless the commissioner demonstrates in writing that an upward adjustment is warranted
343.10 by market conditions.

343.11 (f) A customer who receives a grant under this section is eligible to receive financial
343.12 assistance under programs operated by the state or the utility for the solar energy generating
343.13 system operating in conjunction with the energy storage system.

343.14 (g) For the purposes of this section, "solar energy generating system" has the meaning
343.15 given in section 216E.01, subdivision 9a.

343.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

343.17 **Sec. 14. [216C.46] RESIDENTIAL HEAT PUMP REBATE PROGRAM.**

343.18 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
343.19 the meanings given.

343.20 (b) "Eligible applicant" means a person who provides evidence to the commissioner's
343.21 satisfaction demonstrating that the person has received or has applied for a heat pump rebate
343.22 available from the federal Department of Energy under the Inflation Reduction Act of 2022,
343.23 Public Law 117-189.

343.24 (c) "Heat pump" means a cold climate rated air-source heat pump composed of (1) a
343.25 mechanism that heats and cools indoor air by transferring heat from outdoor or indoor air
343.26 using a fan, (2) a refrigerant-filled heat exchanger, and (3) an inverter-driven compressor
343.27 that varies the pressure of the refrigerant to warm or cool the refrigerant vapor.

343.28 Subd. 2. **Establishment.** A residential heat pump rebate program is established in the
343.29 department to provide financial assistance to eligible applicants that purchase and install a
343.30 heat pump in the applicant's Minnesota residence.

344.1 Subd. 3. **Application.** (a) An application for a rebate under this section must be made
344.2 to the commissioner on a form developed by the commissioner. The application must be
344.3 accompanied by documentation, as required by the commissioner, demonstrating that:

344.4 (1) the applicant is an eligible applicant;

344.5 (2) the applicant owns the Minnesota residence in which the heat pump is to be installed;

344.6 (3) the applicant has had an energy audit conducted of the residence in which the heat
344.7 pump is to be installed within the last 18 months by a person with a Building Analyst
344.8 Technician certification issued by the Building Performance Institute, Inc., or an equivalent
344.9 certification, as determined by the commissioner;

344.10 (4) either:

344.11 (i) the applicant has installed in the applicant's residence, by a contractor with an Air
344.12 Leakage Control Installer certification issued by the Building Performance Institute, Inc.,
344.13 or an equivalent certification, as determined by the commissioner, the amount of insulation
344.14 and the air sealing measures recommended by the auditor; or

344.15 (ii) the auditor has otherwise determined that the amount of insulation and air sealing
344.16 measures in the residence are sufficient to enable effective heat pump performance;

344.17 (5) the applicant has purchased a heat pump of the capacity recommended by the auditor
344.18 or contractor, and has had the heat pump installed by a contractor with sufficient training
344.19 and experience in installing heat pumps, as determined by the commissioner; and

344.20 (6) the total cost to purchase and install the heat pump in the applicant's residence.

344.21 (b) The commissioner must develop administrative procedures governing the application
344.22 and rebate award processes.

344.23 (c) The commissioner may modify program requirements under this section when
344.24 necessary to align with comparable federal programs administered by the department under
344.25 the federal Inflation Reduction Act of 2022, Public Law 117-189.

344.26 Subd. 4. **Rebate amount.** A rebate awarded under this section must not exceed the lesser
344.27 of:

344.28 (1) \$4,000; or

344.29 (2) the total cost to purchase and install the heat pump in an eligible applicant's residence
344.30 net of the rebate amount received for the heat pump from the federal Department of Energy
344.31 under the Inflation Reduction Act of 2022, Public Law 117-189.

345.1 Subd. 5. **Assisting applicants.** The commissioner may issue a request for proposal
345.2 seeking an entity to serve as an energy coordinator to interact directly with applicants and
345.3 potential applicants to:

345.4 (1) explain the technical aspects of heat pumps, energy audits, and energy conservation
345.5 measures, and the energy and financial savings that can result from implementing each;

345.6 (2) identify federal, state, and utility programs available to homeowners to reduce the
345.7 costs of energy audits, energy conservation, and heat pumps;

345.8 (3) explain the requirements and scheduling of the application process;

345.9 (4) provide access to certified contractors who can perform energy audits, install
345.10 insulation and air sealing measures, and install heat pumps; and

345.11 (5) conduct outreach to make potential applicants aware of the program.

345.12 Subd. 6. **Contractor training and support.** The commissioner may issue a request for
345.13 proposals seeking an entity to develop and organize programs to train contractors with
345.14 respect to the technical aspects and installation of heat pumps in residences. The training
345.15 curriculum must be at a level sufficient to provide contractors who complete training with
345.16 the knowledge and skills necessary to install heat pumps to industry best practice standards,
345.17 as determined by the commissioner. Training programs must: (1) be accessible in all regions
345.18 of the state; and (2) provide mentoring and ongoing support, including continuing education
345.19 and financial assistance, to trainees.

345.20 Subd. 7. **Account established.** (a) The residential heat pump rebate account is established
345.21 as a separate account in the special revenue fund in the state treasury. The commissioner
345.22 shall credit to the account appropriations and transfers to the account. Earnings, including
345.23 interest, dividends, and any other earnings arising from assets of the account, must be
345.24 credited to the account. Money remaining in the account at the end of a fiscal year does not
345.25 cancel to the general fund, but remains in the account until expended. The commissioner
345.26 shall manage the account.

345.27 (b) Money in the account is appropriated to the commissioner for the purposes of this
345.28 section and to reimburse the reasonable costs of the department to administer this section.

345.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

346.1 Sec. 15. Minnesota Statutes 2022, section 216E.01, is amended by adding a subdivision
346.2 to read:

346.3 Subd. 3a. **Energy storage system.** "Energy storage system" means equipment and
346.4 associated facilities designed with a nameplate capacity of 5,000 kilowatts or more that is
346.5 capable of storing generated electricity for a period of time and delivering the electricity
346.6 for use after storage.

346.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

346.8 Sec. 16. Minnesota Statutes 2022, section 216E.01, subdivision 6, is amended to read:

346.9 Subd. 6. **Large electric power facilities.** "Large electric power facilities" means high
346.10 voltage transmission lines ~~and~~, large electric power generating plants, and energy storage
346.11 systems.

346.12 Sec. 17. Minnesota Statutes 2022, section 216E.03, subdivision 1, is amended to read:

346.13 Subdivision 1. **Site permit.** No person may construct a large electric generating plant
346.14 or an energy storage system without a site permit from the commission. A large electric
346.15 generating plant or an energy storage system may be constructed only on a site approved
346.16 by the commission. The commission must incorporate into one proceeding the route selection
346.17 for a high-voltage transmission line that is directly associated with and necessary to
346.18 interconnect the large electric generating plant to the transmission system and whose need
346.19 is certified under section 216B.243.

346.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

346.21 Sec. 18. Minnesota Statutes 2022, section 216E.03, subdivision 3, is amended to read:

346.22 Subd. 3. **Application.** Any person seeking to construct a large electric power ~~generating~~
346.23 ~~plant or a high-voltage transmission line~~ facility must apply to the commission for a site or
346.24 route permit, as applicable. The application shall contain such information as the commission
346.25 may require. The applicant shall propose at least two sites for a large electric power
346.26 ~~generating plant~~ facility and two routes for a high-voltage transmission line. Neither of the
346.27 two proposed routes may be designated as a preferred route and all proposed routes must
346.28 be numbered and designated as alternatives. The commission shall determine whether an
346.29 application is complete and advise the applicant of any deficiencies within ten days of
346.30 receipt. An application is not incomplete if information not in the application can be obtained
346.31 from the applicant during the first phase of the process and that information is not essential
346.32 for notice and initial public meetings.

347.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

347.2 Sec. 19. Minnesota Statutes 2022, section 216E.03, subdivision 5, as amended by Laws
347.3 2023, chapter 7, section 25, is amended to read:

347.4 Subd. 5. **Environmental review.** (a) The commissioner of the Department of Commerce
347.5 shall prepare for the commission an environmental impact statement on each proposed large
347.6 electric power ~~generating plant or high-voltage transmission line~~ facility for which a complete
347.7 application has been submitted. The commissioner shall not consider whether or not the
347.8 project is needed. No other state environmental review documents shall be required. The
347.9 commissioner shall study and evaluate any site or route proposed by an applicant and any
347.10 other site or route the commission deems necessary that was proposed in a manner consistent
347.11 with rules concerning the form, content, and timeliness of proposals for alternate sites or
347.12 routes, excluding any alternate site for a solar energy generating system that was not proposed
347.13 by an applicant.

347.14 (b) For a cogeneration facility as defined in section 216H.01, subdivision 1a, that is a
347.15 large electric power generating plant and is not proposed by a utility, the commissioner
347.16 must make a finding in the environmental impact statement whether the project is likely to
347.17 result in a net reduction of carbon dioxide emissions, considering both the utility providing
347.18 electric service to the proposed cogeneration facility and any reduction in carbon dioxide
347.19 emissions as a result of increased efficiency from the production of thermal energy on the
347.20 part of the customer operating or owning the proposed cogeneration facility.

347.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

347.22 Sec. 20. Minnesota Statutes 2022, section 216E.03, subdivision 6, is amended to read:

347.23 Subd. 6. **Public hearing.** The commission shall hold a public hearing on an application
347.24 for a site or route permit for a large electric power ~~generating plant or a route permit for a~~
347.25 ~~high-voltage transmission line~~ facility. All hearings held for designating a site or route shall
347.26 be conducted by an administrative law judge from the Office of Administrative Hearings
347.27 pursuant to the contested case procedures of chapter 14. Notice of the hearing shall be given
347.28 by the commission at least ten days in advance but no earlier than 45 days prior to the
347.29 commencement of the hearing. Notice shall be by publication in a legal newspaper of general
347.30 circulation in the county in which the public hearing is to be held and by certified mail to
347.31 chief executives of the regional development commissions, counties, organized towns,
347.32 townships, and the incorporated municipalities in which a site or route is proposed. Any
347.33 person may appear at the hearings and offer testimony and exhibits without the necessity

348.1 of intervening as a formal party to the proceedings. The administrative law judge may allow
348.2 any person to ask questions of other witnesses. The administrative law judge shall hold a
348.3 portion of the hearing in the area where the power plant or transmission line is proposed to
348.4 be located.

348.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

348.6 Sec. 21. Minnesota Statutes 2022, section 216E.03, subdivision 7, as amended by Laws
348.7 2023, chapter 7, section 26, is amended to read:

348.8 Subd. 7. **Considerations in designating sites and routes.** (a) The commission's site
348.9 and route permit determinations must be guided by the state's goals to conserve resources,
348.10 minimize environmental impacts, minimize human settlement and other land use conflicts,
348.11 and ensure the state's electric energy security through efficient, cost-effective power supply
348.12 and electric transmission infrastructure.

348.13 (b) To facilitate the study, research, evaluation, and designation of sites and routes, the
348.14 commission shall be guided by, but not limited to, the following considerations:

348.15 (1) evaluation of research and investigations relating to the effects on land, water and
348.16 air resources of large electric power ~~generating plants and high-voltage transmission lines~~
348.17 facilities and the effects of water and air discharges and electric and magnetic fields resulting
348.18 from such facilities on public health and welfare, vegetation, animals, materials and aesthetic
348.19 values, including baseline studies, predictive modeling, and evaluation of new or improved
348.20 methods for minimizing adverse impacts of water and air discharges and other matters
348.21 pertaining to the effects of power plants on the water and air environment;

348.22 (2) environmental evaluation of sites and routes proposed for future development and
348.23 expansion and their relationship to the land, water, air and human resources of the state;

348.24 (3) evaluation of the effects of new electric power generation and transmission
348.25 technologies and systems related to power plants designed to minimize adverse environmental
348.26 effects;

348.27 (4) evaluation of the potential for beneficial uses of waste energy from proposed large
348.28 electric power generating plants;

348.29 (5) analysis of the direct and indirect economic impact of proposed sites and routes
348.30 including, but not limited to, productive agricultural land lost or impaired;

348.31 (6) evaluation of adverse direct and indirect environmental effects that cannot be avoided
348.32 should the proposed site and route be accepted;

349.1 (7) evaluation of alternatives to the applicant's proposed site or route proposed pursuant
349.2 to subdivisions 1 and 2;

349.3 (8) evaluation of potential routes that would use or parallel existing railroad and highway
349.4 rights-of-way;

349.5 (9) evaluation of governmental survey lines and other natural division lines of agricultural
349.6 land so as to minimize interference with agricultural operations;

349.7 (10) evaluation of the future needs for additional high-voltage transmission lines in the
349.8 same general area as any proposed route, and the advisability of ordering the construction
349.9 of structures capable of expansion in transmission capacity through multiple circuiting or
349.10 design modifications;

349.11 (11) evaluation of irreversible and irretrievable commitments of resources should the
349.12 proposed site or route be approved;

349.13 (12) when appropriate, consideration of problems raised by other state and federal
349.14 agencies and local entities;

349.15 (13) evaluation of the benefits of the proposed facility with respect to (i) the protection
349.16 and enhancement of environmental quality, and (ii) the reliability of state and regional
349.17 energy supplies;

349.18 (14) evaluation of the proposed facility's impact on socioeconomic factors; and

349.19 (15) evaluation of the proposed facility's employment and economic impacts in the
349.20 vicinity of the facility site and throughout Minnesota, including the quantity and quality of
349.21 construction and permanent jobs and their compensation levels. The commission must
349.22 consider a facility's local employment and economic impacts, and may reject or place
349.23 conditions on a site or route permit based on the local employment and economic impacts.

349.24 (c) If the commission's rules are substantially similar to existing regulations of a federal
349.25 agency to which the utility in the state is subject, the federal regulations must be applied by
349.26 the commission.

349.27 (d) No site or route shall be designated which violates state agency rules.

349.28 (e) The commission must make specific findings that it has considered locating a route
349.29 for a high-voltage transmission line on an existing high-voltage transmission route and the
349.30 use of parallel existing highway right-of-way and, to the extent those are not used for the
349.31 route, the commission must state the reasons.

349.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

350.1 Sec. 22. Minnesota Statutes 2022, section 216E.04, subdivision 2, as amended by Laws
350.2 2023, chapter 7, section 29, is amended to read:

350.3 Subd. 2. **Applicable projects.** The requirements and procedures in this section apply to
350.4 the following projects:

350.5 (1) large electric power generating plants with a capacity of less than 80 megawatts;

350.6 (2) large electric power generating plants that are fueled by natural gas;

350.7 (3) high-voltage transmission lines of between 100 and 200 kilovolts;

350.8 (4) high-voltage transmission lines in excess of 200 kilovolts and less than 30 miles in
350.9 length in Minnesota;

350.10 (5) high-voltage transmission lines in excess of 200 kilovolts if at least 80 percent of
350.11 the distance of the line in Minnesota will be located along existing high-voltage transmission
350.12 line right-of-way;

350.13 (6) a high-voltage transmission line service extension to a single customer between 200
350.14 and 300 kilovolts and less than ten miles in length;

350.15 (7) a high-voltage transmission line rerouting to serve the demand of a single customer
350.16 when the rerouted line will be located at least 80 percent on property owned or controlled
350.17 by the customer or the owner of the transmission line; ~~and~~

350.18 (8) large electric power generating plants that are powered by solar energy; and

350.19 (9) energy storage systems.

350.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

350.21 Sec. 23. Minnesota Statutes 2022, section 216E.05, subdivision 2, is amended to read:

350.22 Subd. 2. **Applicable projects.** Applicants may seek approval from local units of
350.23 government to construct the following projects:

350.24 (1) large electric power generating plants with a capacity of less than 80 megawatts;

350.25 (2) large electric power generating plants of any size that burn natural gas and are intended
350.26 to be a peaking plant;

350.27 (3) high-voltage transmission lines of between 100 and 200 kilovolts;

350.28 (4) substations with a voltage designed for and capable of operation at a nominal voltage
350.29 of 100 kilovolts or more;

351.1 (5) a high-voltage transmission line service extension to a single customer between 200
351.2 and 300 kilovolts and less than ten miles in length; ~~and~~

351.3 (6) a high-voltage transmission line rerouting to serve the demand of a single customer
351.4 when the rerouted line will be located at least 80 percent on property owned or controlled
351.5 by the customer or the owner of the transmission line; and

351.6 (7) energy storage systems.

351.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

351.8 Sec. 24. Minnesota Statutes 2022, section 216E.06, is amended to read:

351.9 **216E.06 EMERGENCY PERMIT.**

351.10 (a) Any utility whose electric power system requires the immediate construction of a
351.11 large electric power ~~generating plant or high-voltage transmission line~~ facility due to a major
351.12 unforeseen event may apply to the commission for an emergency permit. The application
351.13 shall provide notice in writing of the major unforeseen event and the need for immediate
351.14 construction. The permit must be issued in a timely manner, no later than 195 days after
351.15 the commission's acceptance of the application and upon a finding by the commission that
351.16 (1) a demonstrable emergency exists, (2) the emergency requires immediate construction,
351.17 and (3) adherence to the procedures and time schedules specified in section 216E.03 would
351.18 jeopardize the utility's electric power system or would jeopardize the utility's ability to meet
351.19 the electric needs of its customers in an orderly and timely manner.

351.20 (b) A public hearing to determine if an emergency exists must be held within 90 days
351.21 of the application. The commission, after notice and hearing, shall adopt rules specifying
351.22 the criteria for emergency certification.

351.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

351.24 Sec. 25. Minnesota Statutes 2022, section 216E.07, is amended to read:

351.25 **216E.07 ANNUAL HEARING.**

351.26 The commission shall hold an annual public hearing at a time and place prescribed by
351.27 rule in order to afford interested persons an opportunity to be heard regarding any matters
351.28 relating to the siting and routing of large electric ~~generating power plants and routing of~~
351.29 ~~high-voltage transmission lines~~ facilities. At the meeting, the commission shall advise the
351.30 public of the permits issued by the commission in the past year. The commission shall
351.31 provide at least ten days but no more than 45 days' notice of the annual meeting by mailing
351.32 or serving electronically, as provided in section 216.17, a notice to those persons who have

352.1 requested notice and by publication in the EQB Monitor and the commission's weekly
352.2 calendar.

352.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

352.4 Sec. 26. Minnesota Statutes 2022, section 216E.10, is amended to read:

352.5 **216E.10 APPLICATION TO LOCAL REGULATION AND OTHER STATE**
352.6 **PERMITS.**

352.7 Subdivision 1. **Site or route permit prevails over local provisions.** To assure the
352.8 paramount and controlling effect of the provisions herein over other state agencies, regional,
352.9 county, and local governments, and special purpose government districts, the issuance of a
352.10 site permit or route permit and subsequent purchase and use of such site or route locations
352.11 for large electric power ~~generating plant and high-voltage transmission line~~ facility purposes
352.12 shall be the sole site or route approval required to be obtained by the utility. Such permit
352.13 shall supersede and preempt all zoning, building, or land use rules, regulations, or ordinances
352.14 promulgated by regional, county, local and special purpose government.

352.15 Subd. 2. **Other state permits.** Notwithstanding anything herein to the contrary, utilities
352.16 shall obtain state permits that may be required to construct and operate large electric power
352.17 ~~generating plants and high-voltage transmission lines~~ facilities. A state agency in processing
352.18 a utility's facility permit application shall be bound to the decisions of the commission, with
352.19 respect to the site or route designation, and with respect to other matters for which authority
352.20 has been granted to the commission by this chapter.

352.21 Subd. 3. **State agency participation.** (a) State agencies authorized to issue permits
352.22 required for construction or operation of large electric power generating plants or high-voltage
352.23 transmission lines shall participate during routing and siting at public hearings and all other
352.24 activities of the commission on specific site or route designations and design considerations
352.25 of the commission, and shall clearly state whether the site or route being considered for
352.26 designation or permit and other design matters under consideration for approval will be in
352.27 compliance with state agency standards, rules, or policies.

352.28 (b) An applicant for a permit under this section or under chapter 216G shall notify the
352.29 commissioner of agriculture if the proposed project will impact cultivated agricultural land,
352.30 as that term is defined in section 216G.01, subdivision 4. The commissioner may participate
352.31 and advise the commission as to whether to grant a permit for the project and the best options
352.32 for mitigating adverse impacts to agricultural lands if the permit is granted. The Department

353.1 of Agriculture shall be the lead agency on the development of any agricultural mitigation
353.2 plan required for the project.

353.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

353.4 Sec. 27. Minnesota Statutes 2022, section 326B.106, subdivision 1, is amended to read:

353.5 Subdivision 1. **Adoption of code.** (a) Subject to paragraphs (c) and (d) and sections
353.6 326B.101 to 326B.194, the commissioner shall by rule and in consultation with the
353.7 Construction Codes Advisory Council establish a code of standards for the construction,
353.8 reconstruction, alteration, and repair of buildings, governing matters of structural materials,
353.9 design and construction, fire protection, health, sanitation, and safety, including design and
353.10 construction standards regarding heat loss control, illumination, and climate control. The
353.11 code must also include duties and responsibilities for code administration, including
353.12 procedures for administrative action, penalties, and suspension and revocation of certification.
353.13 The code must conform insofar as practicable to model building codes generally accepted
353.14 and in use throughout the United States, including a code for building conservation. In the
353.15 preparation of the code, consideration must be given to the existing statewide specialty
353.16 codes presently in use in the state. Model codes with necessary modifications and statewide
353.17 specialty codes may be adopted by reference. The code must be based on the application
353.18 of scientific principles, approved tests, and professional judgment. To the extent possible,
353.19 the code must be adopted in terms of desired results instead of the means of achieving those
353.20 results, avoiding wherever possible the incorporation of specifications of particular methods
353.21 or materials. To that end the code must encourage the use of new methods and new materials.
353.22 Except as otherwise provided in sections 326B.101 to 326B.194, the commissioner shall
353.23 administer and enforce the provisions of those sections.

353.24 (b) The commissioner shall develop rules addressing the plan review fee assessed to
353.25 similar buildings without significant modifications including provisions for use of building
353.26 systems as specified in the industrial/modular program specified in section 326B.194.
353.27 Additional plan review fees associated with similar plans must be based on costs
353.28 commensurate with the direct and indirect costs of the service.

353.29 (c) Beginning with the 2018 edition of the model building codes and every six years
353.30 thereafter, the commissioner shall review the new model building codes and adopt the model
353.31 codes as amended for use in Minnesota, within two years of the published edition date. The
353.32 commissioner may adopt amendments to the building codes prior to the adoption of the
353.33 new building codes to advance construction methods, technology, or materials, or, where

354.1 necessary to protect the health, safety, and welfare of the public, or to improve the efficiency
354.2 or the use of a building.

354.3 (d) Notwithstanding paragraph (c), the commissioner shall act on each new model
354.4 residential energy code and the new model commercial energy code in accordance with
354.5 federal law for which the United States Department of Energy has issued an affirmative
354.6 determination in compliance with United States Code, title 42, section 6833. The
354.7 commissioner shall consider amendments to the model energy codes that mitigate the impact
354.8 of climate change and reduce greenhouse gas emissions by increasing and optimizing energy
354.9 efficiency and improving resiliency of new buildings and existing buildings undergoing
354.10 additions, alterations, and changes of use. The commissioner may adopt amendments prior
354.11 to adoption of the new energy codes, as amended for use in Minnesota, to advance
354.12 construction methods, technology, or materials, or, where necessary to protect the health,
354.13 safety, and welfare of the public, or to improve the efficiency or use of a building.

354.14 (e) Beginning in 2024, the commissioner shall act on the new model commercial energy
354.15 code by adopting each new published edition of ASHRAE 90.1 or a more efficient standard.
354.16 The commercial energy code in effect in 2036 and thereafter must achieve an 80 percent
354.17 reduction in annual net energy consumption or greater, using the ASHRAE 90.1-2004 as a
354.18 baseline. The commissioner shall adopt commercial energy codes from 2024 to 2036 that
354.19 incrementally move toward achieving the 80 percent reduction in annual net energy
354.20 consumption. By January 15 of the year following each new code adoption, the commissioner
354.21 shall report on the progress made under this section to the legislative committees with
354.22 jurisdiction over the energy code.

354.23 (f) Nothing in this section limits the ability of a public utility to offer code support
354.24 programs, or to claim energy savings resulting from code support programs, through the
354.25 public utility's energy conservation and optimization plans approved by the commissioner
354.26 of commerce under section 216B.241.

354.27 Sec. 28. **RULEMAKING AUTHORIZED.**

354.28 (a) The commission is authorized to develop and adopt rules for siting energy storage
354.29 systems and to reflect the provisions of this act.

354.30 (b) Until the commission adopts rules under this section, the commission shall utilize
354.31 applicable provisions of Minnesota Rules, chapter 7850, to site energy storage systems,
354.32 except that Minnesota Rules, part 7850.4400, subpart 4, does not apply to energy storage
354.33 systems.

355.1 (c) For the purposes of this section, "energy storage system" has the meaning given in
355.2 Minnesota Statutes, section 216E.01, subdivision 3a.

355.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

355.4 Sec. 29. **REVISOR INSTRUCTION.**

355.5 The revisor of statutes shall make any necessary changes in Minnesota Rules resulting
355.6 from the changes made to Minnesota Statutes, chapter 216E, in this act.

355.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

355.8 **ARTICLE 13**

355.9 **PUBLIC UTILITIES COMMISSION PROCEDURES**

355.10 Section 1. Minnesota Statutes 2022, section 216B.17, subdivision 1, is amended to read:

355.11 Subdivision 1. **Investigation.** On ~~its~~ the commission's own motion or upon a complaint
355.12 made against any public utility; by the governing body of any political subdivision, by
355.13 another public utility, by the department, ~~or~~ by any 50 consumers of ~~the~~ a particular utility,
355.14 or by a complainant under section 216B.172 that any of the rates, tolls, tariffs, charges, or
355.15 schedules or any joint rate or any regulation, measurement, practice, act, or omission affecting
355.16 or relating to the production, transmission, delivery, or furnishing of natural gas or electricity
355.17 or any service in connection therewith is in any respect unreasonable, insufficient, or unjustly
355.18 discriminatory, or that any service is inadequate or cannot be obtained, the commission
355.19 shall proceed, with notice, to make such investigation as it may deem necessary. The
355.20 commission may dismiss any complaint without a hearing if in its opinion a hearing is not
355.21 in the public interest.

355.22 **EFFECTIVE DATE.** This section is effective the day following final enactment and
355.23 applies to any complaint filed with the commission on or after that date.

355.24 Sec. 2. **[216B.172] CONSUMER DISPUTES.**

355.25 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
355.26 the meanings given.

355.27 (b) "Appeal" means a request a complainant files with the commission to review and
355.28 make a final decision regarding the resolution of the complainant's complaint by the consumer
355.29 affairs office.

356.1 (c) "Complainant" means an individual residential customer who files with the consumer
356.2 affairs office a complaint against a public utility.

356.3 (d) "Complaint" means an allegation submitted to the consumer affairs office by a
356.4 complainant that a public utility's action or practice regarding billing or terms and conditions
356.5 of service:

356.6 (1) violates a statute, rule, tariff, service contract, or other provision of law;

356.7 (2) is unreasonable; or

356.8 (3) has harmed or, if not addressed, harms a complainant.

356.9 Complaint does not include an objection to or a request to modify any natural gas or
356.10 electricity rate contained in a tariff that has been approved by the commission. A complaint
356.11 under this section is an informal complaint under Minnesota Rules, chapter 7829.

356.12 (e) "Consumer affairs office" means the staff unit of the commission that is organized
356.13 to receive and respond to complaints.

356.14 (f) "Informal proceeding" has the meaning given in Minnesota Rules, part 7829.0100,
356.15 subpart 8.

356.16 (g) "Public assistance" has the meaning given in section 550.37, subdivision 14.

356.17 (h) "Public utility" has the meaning given in section 216B.02, subdivision 4.

356.18 Subd. 2. **Complaint resolution procedure.** A complainant must first attempt to resolve
356.19 a dispute with a public utility by filing a complaint with the consumer affairs office. The
356.20 consumer affairs office must: (1) notify the complainant of the resolution of the complaint;
356.21 and (2) provide written notice of (i) the complainant's right to appeal the resolution to the
356.22 commission, and (ii) the steps the complainant may take to appeal the resolution. Upon
356.23 request, the consumer affairs office must provide to the complainant a written notice
356.24 containing the substance of and basis for the resolution. Nothing in this section affects any
356.25 other rights existing under this chapter or other law.

356.26 Subd. 3. **Appeal; final commission decision.** (a) If a complainant is not satisfied with
356.27 the resolution of a complaint by the consumer affairs office, the complainant may file an
356.28 appeal with the commission requesting that the commission make a final decision on the
356.29 complaint. The commission's response to an appeal filed under this subdivision must comply
356.30 with the notice requirements under section 216B.17, subdivisions 2 to 5.

357.1 (b) Upon the commission's receipt of an appeal filed under paragraph (a), the chair of
357.2 the commission or a subcommittee delegated under section 216A.03, subdivision 8, to
357.3 review the resolution of the complaint must decide whether the complaint be:

357.4 (1) dismissed because there is no reasonable basis on which to proceed;

357.5 (2) resolved through an informal commission proceeding; or

357.6 (3) referred to the Office of Administrative Hearings for a contested case proceeding
357.7 under chapter 14.

357.8 A decision made under this paragraph must be provided in writing to the complainant and
357.9 the public utility.

357.10 (c) If the commission decides that the complaint be resolved through an informal
357.11 proceeding before the commission or referred to the Office of Administrative Hearings for
357.12 a contested case proceeding, the executive secretary must issue any procedural schedules,
357.13 notices, or orders required to initiate an informal proceeding or a contested case.

357.14 (d) The commission's dismissal of an appeal request or a decision rendered after
357.15 conducting an informal proceeding is a final decision constituting an order or determination
357.16 of the commission.

357.17 Subd. 4. **Judicial review.** Notwithstanding section 216B.27, a complainant may seek
357.18 judicial review in district court of an adverse final decision under subdivision 3, paragraph
357.19 (b), clause (1) or (2). Judicial review of the commission's decision in a contested case referred
357.20 under subdivision 3, paragraph (b), clause (3), is governed by chapter 14.

357.21 Subd. 5. **Right to service during pendency of dispute.** A public utility must continue
357.22 or promptly restore service to a complainant during the pendency of an administrative or
357.23 judicial procedure pursued by a complainant under this section, provided that the
357.24 complainant:

357.25 (1) agrees to enter into a payment agreement under section 216B.098, subdivision 3;

357.26 (2) posts the full disputed payment in escrow;

357.27 (3) demonstrates receipt of public assistance or eligibility for legal aid services; or

357.28 (4) demonstrates the complainant's household income is at or below 50 percent of the
357.29 median income in Minnesota.

357.30 Subd. 6. **Rulemaking authority.** The commission may adopt rules to carry out the
357.31 purposes of this section.

358.1 **EFFECTIVE DATE.** This section is effective the day following final enactment and
358.2 applies to any complaint filed with the commission on or after that date.

358.3 **Sec. 3. [216B.631] COMPENSATION FOR PARTICIPANTS IN PROCEEDINGS.**

358.4 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
358.5 the meanings given.

358.6 (b) "Participant" means a person who files comments or appears in a commission
358.7 proceeding concerning one or more public utilities, excluding public hearings held in
358.8 contested cases and commission proceedings conducted to receive general public comments.

358.9 (c) "Party" means a person by or against whom a proceeding before the commission is
358.10 commenced or a person permitted to intervene in a proceeding, other than public hearings,
358.11 concerning one or more public utilities.

358.12 (d) "Proceeding" means a process or procedural means the commission engages in under
358.13 this chapter to attempt to resolve an issue affecting one or more public utilities and that
358.14 results in a commission order.

358.15 (e) "Public utility" has the meaning given in section 216B.02, subdivision 4.

358.16 Subd. 2. **Participants; eligibility.** Any of the following participants is eligible to receive
358.17 compensation under this section:

358.18 (1) a nonprofit organization that:

358.19 (i) is exempt from taxation under section 501(c)(3) of the Internal Revenue Code;

358.20 (ii) is incorporated or organized in Minnesota;

358.21 (iii) is governed under chapter 317A or section 322C.1101; and

358.22 (iv) the commission determines under subdivision 3, paragraph (c), would suffer financial
358.23 hardship if not compensated for the nonprofit organization's participation in the applicable
358.24 proceeding;

358.25 (2) a Tribal government of a federally recognized Indian Tribe that is located in
358.26 Minnesota; or

358.27 (3) a Minnesota resident, except that an individual who owns a for-profit business that
358.28 has earned revenue from a Minnesota utility in the past two years is not eligible for
358.29 compensation.

358.30 Subd. 3. **Compensation; conditions.** (a) The commission may order a public utility to
358.31 compensate all or part of a participant's reasonable costs incurred to participate in a

359.1 proceeding before the commission if the participant is eligible under subdivision 2 and the
359.2 commission finds:

359.3 (1) that the participant has materially assisted the commission's deliberation; and

359.4 (2) if the participant is a nonprofit organization, that the participant would suffer financial
359.5 hardship if the nonprofit organization's participation in the proceeding was not compensated.

359.6 (b) In determining whether a participant has materially assisted the commission's
359.7 deliberation, the commission must find that:

359.8 (1) the participant made a unique contribution to the record and represented an interest
359.9 that would not otherwise have been adequately represented;

359.10 (2) the evidence or arguments presented or the positions taken by the participant were
359.11 an important factor in producing a fair decision;

359.12 (3) the participant's position promoted a public purpose or policy;

359.13 (4) the evidence presented, arguments made, issues raised, or positions taken by the
359.14 participant would not otherwise have been part of the record;

359.15 (5) the participant was active in any stakeholder process included in the proceeding; and

359.16 (6) the proceeding resulted in a commission order that adopted, in whole or in part, a
359.17 position advocated by the participant.

359.18 (c) In determining whether a nonprofit participant has demonstrated that a lack of
359.19 compensation would present financial hardship, the commission must find that the nonprofit
359.20 participant:

359.21 (1) incorporated or organized within three years of the beginning of the applicable
359.22 proceeding;

359.23 (2) has payroll expenses less than \$750,000; or

359.24 (3) has secured less than \$100,000 in current year funding dedicated to participation in
359.25 commission proceedings, not including any participant compensation awarded under this
359.26 section.

359.27 (d) In reviewing a compensation request, the commission must consider whether the
359.28 costs presented in the participant's claim are reasonable. If the commission determines that
359.29 an eligible participant materially assisted the commission's deliberation, the commission
359.30 shall award all or part of the requested compensation, up to the maximum amounts provided
359.31 under subdivision 4.

360.1 Subd. 4. Compensation; amount. (a) Compensation must not exceed \$50,000 for a
360.2 single participant in any proceeding, except that:

360.3 (1) if a proceeding extends longer than 12 months, a participant may request and be
360.4 awarded compensation of up to \$50,000 for costs incurred in each calendar year; and

360.5 (2) in an integrated resource plan proceeding under section 216B.2422 or a proceeding
360.6 that has been referred to the Office of Administrative Hearings for a contested case
360.7 proceeding, a participant may request and be awarded up to \$75,000.

360.8 (b) No single participant may be awarded more than \$200,000 under this section in a
360.9 single calendar year.

360.10 (c) Compensation requests from joint participants must be presented as a single request.

360.11 (d) Notwithstanding paragraphs (a) and (b), the commission must not, in any calendar
360.12 year, require a single public utility to pay aggregate compensation under this section that
360.13 exceeds the following amounts:

360.14 (1) \$100,000, for a public utility with up to \$300,000,000 annual gross operating revenue
360.15 in Minnesota;

360.16 (2) \$275,000, for a public utility with at least \$300,000,000 but less than \$900,000,000
360.17 annual gross operating revenue in Minnesota;

360.18 (3) \$375,000, for a public utility with at least \$900,000,000 but less than \$2,000,000,000
360.19 annual gross operating revenue in Minnesota; and

360.20 (4) \$1,250,000, for a public utility with \$2,000,000,000 or more annual gross operating
360.21 revenue in Minnesota.

360.22 (e) When requests for compensation from any public utility approach the limits established
360.23 in paragraph (d), the commission may give priority to requests from participants that received
360.24 less than \$150,000 in total compensation during the previous two years and from participants
360.25 who represent residential ratepayers, particularly those residential ratepayers who the
360.26 participant can demonstrate have been underrepresented in past commission proceedings.

360.27 Subd. 5. Compensation; process. (a) A participant seeking compensation must file a
360.28 request and an affidavit of service with the commission, and serve a copy of the request on
360.29 each party to the proceeding. The request must be filed no more than 30 days after the later
360.30 of:

360.31 (1) the expiration of the period within which a petition for rehearing, amendment,
360.32 vacation, reconsideration, or reargument must be filed; or

361.1 (2) the date the commission issues an order following rehearing, amendment, vacation,
361.2 reconsideration, or reargument.

361.3 (b) A compensation request must include:

361.4 (1) the name and address of the participant or nonprofit organization the participant is
361.5 representing;

361.6 (2) evidence of the organization's nonprofit, tax-exempt status, if applicable;

361.7 (3) the name and docket number of the proceeding for which compensation is requested;

361.8 (4) for a nonprofit participant, evidence supporting the nonprofit organization's eligibility
361.9 for compensation under the financial hardship test under subdivision 3, paragraph (c);

361.10 (5) amounts of compensation awarded to the participant under this section during the
361.11 current year and any pending requests for compensation, itemized by docket;

361.12 (6) an itemization of the participant's costs, not including overhead costs;

361.13 (7) participant revenues dedicated for the proceeding;

361.14 (8) the total compensation request; and

361.15 (9) a narrative describing the unique contribution made to the proceeding by the
361.16 participant.

361.17 (c) A participant must comply with reasonable requests for information by the commission
361.18 and other parties or participants. A participant must reply to information requests within
361.19 ten calendar days of the date the request is received, unless doing so would place an extreme
361.20 hardship upon the replying participant. The replying participant must provide a copy of the
361.21 information to any other participant or interested person upon request. Disputes regarding
361.22 information requests may be resolved by the commission.

361.23 (d) A party or participant objecting to a request for compensation must, within 30 days
361.24 after service of the request for compensation, file a response and an affidavit of service with
361.25 the commission. A copy of the response must be served on the requesting participant and
361.26 all other parties to the proceeding.

361.27 (e) The requesting participant may file a reply with the commission within 15 days after
361.28 a response is filed under paragraph (d). A copy of the reply and an affidavit of service must
361.29 be served on all other parties to the proceeding.

361.30 (f) If additional costs are incurred by a participant as a result of additional proceedings
361.31 following the commission's initial order, the participant may file an amended request within

362.1 30 days after the commission issues an amended order. Paragraphs (b) to (e) apply to an
362.2 amended request.

362.3 (g) The commission must issue a decision on participant compensation within 120 days
362.4 of the date a request for compensation is filed by a participant.

362.5 (h) The commission may extend the deadlines in paragraphs (d), (e), and (g) for up to
362.6 30 days upon the request of a participant or on the commission's own initiative.

362.7 (i) A participant may request reconsideration of the commission's compensation decision
362.8 within 30 days of the decision date.

362.9 Subd. 6. **Compensation; orders.** (a) If the commission issues an order requiring payment
362.10 of participant compensation, the public utility that was the subject of the proceeding must
362.11 pay the full compensation to the participant and file proof of payment with the commission
362.12 within 30 days after the later of:

362.13 (1) the expiration of the period within which a petition for reconsideration of the
362.14 commission's compensation decision must be filed; or

362.15 (2) the date the commission issues an order following reconsideration of the commission's
362.16 order on participant compensation.

362.17 (b) If the commission issues an order requiring payment of participant compensation in
362.18 a proceeding involving multiple public utilities, the commission must apportion costs among
362.19 the public utilities in proportion to each public utility's annual revenue.

362.20 (c) The commission may issue orders necessary to allow a public utility to recover the
362.21 costs of participant compensation on a timely basis.

362.22 Subd. 7. **Report.** By July 1, 2026, the commission must report to the chairs and ranking
362.23 minority members of the senate and house of representatives committees with primary
362.24 jurisdiction over energy policy on the operation of this section. The report must include but
362.25 is not limited to:

362.26 (1) the amount of compensation paid each year by each utility;

362.27 (2) each recipient of compensation, the commission dockets in which compensation was
362.28 awarded, and the compensation amounts; and

362.29 (3) the impact of the participation of compensated participants.

362.30 **EFFECTIVE DATE.** This section is effective the day following final enactment and
362.31 applies to any proceeding in which the commission has not issued a final order as of that
362.32 date.

363.1 Sec. 4. **REPEALER.**

363.2 Minnesota Statutes 2022, section 216B.16, subdivision 10, is repealed.

363.3 **ARTICLE 14**

363.4 **CLIMATE**

363.5 Section 1. **[16B.312] CONSTRUCTION MATERIALS; ENVIRONMENTAL**
363.6 **ANALYSIS.**

363.7 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
363.8 the meanings given.

363.9 (b) "Carbon steel" means steel in which the main alloying element is carbon and whose
363.10 properties are chiefly dependent on the percentage of carbon present.

363.11 (c) "Commissioner" means the commissioner of administration.

363.12 (d) "Electric arc furnace" means a furnace that produces molten alloy metal and heats
363.13 the charge materials with electric arcs from carbon electrodes.

363.14 (e) "Eligible material" means:

363.15 (1) carbon steel rebar;

363.16 (2) structural steel;

363.17 (3) concrete; or

363.18 (4) asphalt paving mixtures.

363.19 (f) "Eligible project" means:

363.20 (1) new construction of a state building larger than 50,000 gross square feet of occupied
363.21 or conditioned space;

363.22 (2) renovation of more than 50,000 gross square feet of occupied or conditioned space
363.23 in a state building whose renovation cost exceeds 50 percent of the building's assessed value;

363.24 or

363.25 (3) new construction or reconstruction of two or more lane-miles of a trunk highway.

363.26 (g) "Environmental product declaration" means a supply chain specific type III
363.27 environmental product declaration that:

364.1 (1) contains a material production life cycle assessment of the environmental impacts
364.2 of manufacturing a specific product by a specific firm, including the impacts of extracting
364.3 and producing the raw materials and components that compose the product;

364.4 (2) is verified by a third party; and

364.5 (3) meets the ISO 14025 standard developed and maintained by the International
364.6 Organization for Standardization (ISO).

364.7 (h) "Global warming potential" has the meaning given in section 216H.10, subdivision
364.8 6.

364.9 (i) "Greenhouse gas" has the meaning given to "statewide greenhouse gas emissions"
364.10 in section 216H.01, subdivision 2.

364.11 (j) "Integrated steel production" means the production of iron and subsequently steel
364.12 primarily from iron ore or iron ore pellets.

364.13 (k) "Material production life cycle" means an analysis that includes the environmental
364.14 impacts of all stages of a specific product's production, from mining and processing the
364.15 product's raw materials to the process of manufacturing the product.

364.16 (l) "Rebar" means a steel reinforcing bar or rod encased in concrete.

364.17 (m) "Secondary steel production" means the production of steel from primarily ferrous
364.18 scrap and other metallic inputs that are melted and refined in an electric arc furnace.

364.19 (n) "State building" means a building owned by the state of Minnesota or a Minnesota
364.20 state agency.

364.21 (o) "Structural steel" means steel that is used in structural applications in accordance
364.22 with industry standard definitions.

364.23 (p) "Supply chain specific" means an environmental product declaration that includes
364.24 specific data for the production processes of the materials and components composing a
364.25 product that contribute at least 80 percent of the product's material production life cycle
364.26 global warming potential, as defined in ISO standard 21930.

364.27 Subd. 2. **Standard; maximum global warming potential.** (a) The commissioner shall,
364.28 after reviewing the recommendations from the Environmental Standards Procurement Task
364.29 Force made under subdivision 5, paragraph (c), establish and publish a maximum acceptable
364.30 global warming potential for each eligible material used in an eligible project, in accordance
364.31 with the following schedule:

364.32 (1) for concrete used in buildings, no later than January 15, 2026; and

365.1 (2) for carbon steel rebar and structural steel and, after conferring with the commissioner
365.2 of transportation, for asphalt paving mixtures and concrete pavement, no later than January
365.3 15, 2028.

365.4 (b) The commissioner shall, after considering nationally or internationally recognized
365.5 databases of environmental product declarations for an eligible material, establish the
365.6 maximum acceptable global warming potential for the eligible material.

365.7 (c) The commissioner may set different maximum global warming potentials for different
365.8 specific products and subproduct categories that are examples of the same eligible material
365.9 based on distinctions between eligible material production and manufacturing processes,
365.10 such as integrated versus secondary steel production.

365.11 (d) The commissioner must establish maximum global warming potentials that are
365.12 consistent with criteria in an environmental product declaration.

365.13 (e) Not later than three years after establishing the maximum global warming potential
365.14 for an eligible material under paragraph (a) and not longer than every three years thereafter
365.15 the commissioner, after conferring with the commissioner of transportation with respect to
365.16 asphalt paving mixtures and concrete pavement, shall review the maximum acceptable
365.17 global warming potential for each eligible material and for specific eligible material products.
365.18 The commissioner may adjust any of the values downward to reflect industry improvements
365.19 if, based on the process described in paragraph (b), the commissioner determines the industry
365.20 average has declined.

365.21 Subd. 3. **Procurement process.** The Department of Administration and the Department
365.22 of Transportation shall, after reviewing the recommendations of the Environmental Standards
365.23 Procurement Task Force made under subdivision 5, paragraph (c), establish processes for
365.24 incorporating the maximum allowable global warming potential of eligible materials into
365.25 bidding processes by the effective dates listed in subdivision 2.

365.26 Subd. 4. **Pilot program.** (a) No later than July 1, 2024, the Department of Administration
365.27 must establish a pilot program that seeks to obtain from vendors an estimate of the material
365.28 production life cycle greenhouse gas emissions of products selected by the departments
365.29 from among those procured. The pilot program must encourage, but may not require, a
365.30 vendor to submit the following data for each selected product that represents at least 90
365.31 percent of the total cost of the materials or components composing the selected product:

365.32 (1) the quantity of the product purchased by the department;

365.33 (2) a current environmental product declaration for the product;

- 366.1 (3) the name and location of the product's manufacturer;
366.2 (4) a copy of the vendor's Supplier Code of Conduct, if any;
366.3 (5) the names and locations of the product's actual production facilities; and
366.4 (6) an assessment of employee working conditions at the product's production facilities.

366.5 (b) The Department of Administration must construct or provide access to a publicly
366.6 accessible database, which shall be posted on the department's website and contain the data
366.7 reported to the department under this subdivision.

366.8 Subd. 5. **Environmental Standards Procurement Task Force.** (a) No later than October
366.9 1, 2023, the commissioners of administration and transportation must establish an
366.10 Environmental Standards Procurement Task Force to examine issues surrounding the
366.11 implementation of a program requiring vendors of certain construction materials purchased
366.12 by the state to:

366.13 (1) submit environmental product declarations that assess the material production life
366.14 cycle environmental impacts of the materials to state officials as part of the procurement
366.15 process; and

366.16 (2) meet standards established by the commissioner of administration that limit
366.17 greenhouse gas emissions impacts of the materials.

366.18 (b) The task force must examine, at a minimum, the following:

366.19 (1) which construction materials should be subject to the program requirements and
366.20 which construction materials should be considered to be added, including lumber, mass
366.21 timber, aluminum, glass, and insulation;

366.22 (2) what factors should be considered in establishing greenhouse gas emissions standards,
366.23 including distinctions between eligible material production and manufacturing processes,
366.24 such as integrated versus secondary steel production;

366.25 (3) a schedule for the development of standards for specific materials and for
366.26 incorporating the standards into the purchasing process, including distinctions between
366.27 eligible material production and manufacturing processes;

366.28 (4) the development and use of financial incentives to reward vendors for developing
366.29 products whose greenhouse gas emissions are below the standards;

366.30 (5) the provision of grants to defer a vendor's cost to obtain environmental product
366.31 declarations;

- 367.1 (6) how to ensure that lowering environmental product declaration values does not
367.2 negatively impact the durability or longevity of construction materials or built structures;
- 367.3 (7) how to create and manage a database for environmental product declaration data that
367.4 is consistent with data governance procedures of the state and is compatible for data sharing
367.5 with other states and federal agencies;
- 367.6 (8) how to account for differences among geographical regions with respect to the
367.7 availability of covered materials, fuel, and other necessary resources, and the quantity of
367.8 covered materials that the department uses or plans to use;
- 367.9 (9) coordinating with the federal Buy Clean Task Force established under Executive
367.10 Order 14057 and representatives of the United States Departments of Commerce, Energy,
367.11 Housing and Urban Development, and Transportation; Environmental Protection Agency;
367.12 General Services Administration; White House Office of Management and Budget; and the
367.13 White House Domestic Climate Policy Council;
- 367.14 (10) how the issues in clauses (1) to (9) are addressed by existing programs in other
367.15 states and countries; and
- 367.16 (11) any other issues the task force deems relevant.
- 367.17 (c) The task force shall make recommendations to the commissioners of administration
367.18 and transportation regarding:
- 367.19 (1) how to implement requirements that maximum global warming impacts for eligible
367.20 materials be integrated into the bidding process for eligible projects;
- 367.21 (2) incentive structures that can be included in bidding processes to encourage the use
367.22 of materials whose global warming potential is below the maximum established under
367.23 subdivision 2;
- 367.24 (3) how a successful bidder for a contract notifies the commissioner of the specific
367.25 environmental product declaration for a material used on a project;
- 367.26 (4) a process for waiving the requirements to procure materials below the maximum
367.27 global warming potential resulting from product supply problems, geographic
367.28 impracticability, or financial hardship;
- 367.29 (5) a system for awarding grants to manufacturers of eligible materials located in
367.30 Minnesota to offset the cost of obtaining environmental product declarations or otherwise
367.31 collect environmental product declaration data from manufacturers based in Minnesota;

368.1 (6) whether to use an industry average or a different method to set the maximum allowable
368.2 global warming potential, or whether that average could be used for some materials but not
368.3 others; and

368.4 (7) any other items the task force deems necessary in order to implement this section.

368.5 (d) Members of the task force must include but are not limited to representatives of:

368.6 (1) the Departments of Administration and Transportation;

368.7 (2) the Center for Sustainable Building Research at the University of Minnesota;

368.8 (3) the Aggregate and Ready Mix Association of Minnesota;

368.9 (4) the Concrete Paving Association of Minnesota;

368.10 (5) the Minnesota Asphalt Pavement Association;

368.11 (6) the Minnesota Board of Engineering;

368.12 (7) the Minnesota iron mining industry;

368.13 (8) building and transportation construction firms;

368.14 (9) the American Institute of Steel Construction;

368.15 (10) suppliers of eligible materials;

368.16 (11) organized labor in the construction trades;

368.17 (12) organized labor in the manufacturing or industrial sectors;

368.18 (13) environmental advocacy organizations; and

368.19 (14) environmental justice organizations.

368.20 (e) The Department of Administration must provide meeting space and serve as staff to
368.21 the task force.

368.22 (f) The commissioner of administration or the commissioner's designee shall serve as
368.23 chair of the task force. The task force must meet at least four times annually and may convene
368.24 additional meetings at the call of the chair.

368.25 (g) The commissioner of administration shall summarize the findings and
368.26 recommendations of the task force in a report submitted to the chairs and ranking minority
368.27 members of the senate and house of representatives committees with primary jurisdiction
368.28 over state government, transportation, and energy no later than December 1, 2025, and
368.29 annually thereafter for as long as the task force continues its operations.

369.1 (h) The task force is subject to section 15.059, subdivision 6.

369.2 (i) Meetings of the task force are subject to chapter 13D.

369.3 (j) The task force expires on January 1, 2029.

369.4 Subd. 6. **Environmental product declarations; grant program.** A grant program is
369.5 established in the Department of Administration to award grants to assist manufacturers to
369.6 obtain environmental product declarations. The commissioner of administration shall develop
369.7 procedures for processing grant applications and making grant awards. Grant applicants
369.8 must submit an application to the commissioner on a form prescribed by the commissioner.
369.9 The commissioner shall act as fiscal agent for the grant program and is responsible for
369.10 receiving and reviewing grant applications and awarding grants under this subdivision.

369.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

369.12 Sec. 2. **[216C.441] MINNESOTA CLIMATE INNOVATION FINANCE**

369.13 **AUTHORITY.**

369.14 Subdivision 1. **Establishment; purpose.** (a) There is created a public body corporate
369.15 and politic to be known as the "Minnesota Climate Innovation Finance Authority," whose
369.16 purpose is to accelerate the deployment of clean energy projects, greenhouse gas emissions
369.17 reduction projects, and other qualified projects through the strategic deployment of public
369.18 funds in the form of grants, loans, credit enhancements, and other financing mechanisms
369.19 in order to leverage existing public and private sources of capital to reduce the upfront and
369.20 total cost of qualified projects and to overcome financial barriers to project adoption,
369.21 especially in low-income communities.

369.22 (b) The goals of the authority include but are not limited to:

369.23 (1) reducing Minnesota's contributions to climate change by accelerating the deployment
369.24 of clean energy projects;

369.25 (2) ensuring that all Minnesotans share the benefits of clean and renewable energy and
369.26 the opportunity to fully participate in the clean energy economy by promoting:

369.27 (i) the creation of clean energy jobs for Minnesota workers, particularly in environmental
369.28 justice communities and communities in which fossil fuel electric generating plants are
369.29 retiring; and

369.30 (ii) the principles of environmental justice in the authority's operations and funding
369.31 decisions;

370.1 (3) maintaining energy reliability while reducing the economic burden of energy costs,
370.2 especially on low-income households; and

370.3 (4) eliminating the use of materials and components of clean energy technologies that
370.4 are procured from countries that are known to utilize slave labor.

370.5 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
370.6 meanings given.

370.7 (b) "Authority" means the Minnesota Climate Innovation Finance Authority.

370.8 (c) "Board" means the Minnesota Climate Innovation Finance Authority's board of
370.9 directors established in subdivision 10.

370.10 (d) "Clean energy project" has the meaning given to "qualified project" in paragraph
370.11 (n), clauses (1) to (7).

370.12 (e) "Community navigator" means an organization that works to facilitate access to clean
370.13 energy project financing by community groups.

370.14 (f) "Credit enhancement" means a pool of capital set aside to cover potential losses on
370.15 loans and other investments made by financing entities. Credit enhancement includes but
370.16 is not limited to loan loss reserves and loan guarantees.

370.17 (g) "Energy storage system" has the meaning given in section 216B.2422, subdivision
370.18 1, paragraph (f).

370.19 (h) "Environmental justice" means that:

370.20 (1) communities of color, Indigenous communities, and low-income communities have
370.21 a healthy environment and are treated fairly when environmental statutes, rules, and policies
370.22 are developed, adopted, implemented, and enforced; and

370.23 (2) in all decisions that have the potential to affect the environment of an environmental
370.24 justice community or the public health of an environmental justice community's residents,
370.25 due consideration is given to the history of the area's and the area's residents' cumulative
370.26 exposure to pollutants and to any current socioeconomic conditions that increase the physical
370.27 sensitivity of the area's residents to additional exposure to pollutants.

370.28 (i) "Environmental justice community" means a community in Minnesota that, based
370.29 on the most recent data published by the United States Census Bureau, meets one or more
370.30 of the following criteria:

370.31 (1) 40 percent or more of the community's total population is nonwhite;

371.1 (2) 35 percent or more of households in the community have an income that is at or
371.2 below 200 percent of the federal poverty level;

371.3 (3) 40 percent or more of the community's residents over the age of five have limited
371.4 English proficiency; or

371.5 (4) the community is located within Indian country, as defined in United States Code,
371.6 title 18, section 1151.

371.7 (j) "Greenhouse gas emissions" means emissions of carbon dioxide, methane, nitrous
371.8 oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride emitted by
371.9 anthropogenic sources.

371.10 (k) "Loan loss reserve" means a pool of capital set aside to reimburse a private lender
371.11 if a customer defaults on a loan, up to an agreed-upon percentage of loans originated by the
371.12 private lender.

371.13 (l) "Microgrid system" means an electrical grid that:

371.14 (1) serves a discrete geographical area from distributed energy resources; and

371.15 (2) can operate independently from the central electric grid on a temporary basis.

371.16 (m) "Project labor agreement" means a prehire collective bargaining agreement with a
371.17 council of building and construction trades labor organizations (1) prohibiting strikes,
371.18 lockouts, and similar disruptions, and (2) providing for a binding procedure to resolve labor
371.19 disputes on the project.

371.20 (n) "Qualified project" means a project, technology, product, service, or measure
371.21 promoting energy efficiency, clean energy, electrification, or water conservation and quality
371.22 that:

371.23 (1) substantially reduces greenhouse gas emissions;

371.24 (2) reduces energy use without diminishing the level of service;

371.25 (3) increases the deployment of renewable energy projects, energy storage systems,
371.26 district heating, smart grid technologies, or microgrid systems;

371.27 (4) replaces existing fossil-fuel-based technology with an end-use electric technology;

371.28 (5) supports the development and deployment of electric vehicle charging stations and
371.29 associated infrastructure, electric buses, and electric fleet vehicles;

371.30 (6) reduces water use or protects, restores, or preserves the quality of surface waters; or

372.1 (7) incentivizes customers to shift demand in response to changes in the price of electricity
372.2 or when system reliability is not jeopardized.

372.3 (o) "Renewable energy" has the meaning given in section 216B.1691, subdivision 1,
372.4 paragraph (c), clauses (1), (2), and (4), and includes fuel cells generated from renewable
372.5 energy.

372.6 (p) "Securitization" means the conversion of an asset composed of individual loans into
372.7 marketable securities.

372.8 (q) "Smart grid" means a digital technology that:

372.9 (1) allows for two-way communication between a utility and the utility's customers; and

372.10 (2) enables the utility to control power flow and load in real time.

372.11 Subd. 3. **General powers.** (a) For the purpose of exercising the specific powers granted
372.12 in this section, the authority has the general powers granted in this subdivision.

372.13 (b) The authority may:

372.14 (1) hire an executive director and staff to conduct the authority's operations;

372.15 (2) sue and be sued;

372.16 (3) have a seal and alter the seal;

372.17 (4) acquire, hold, lease, manage, and dispose of real or personal property for the
372.18 authority's corporate purposes;

372.19 (5) enter into agreements, including cooperative financing agreements, contracts, or
372.20 other transactions, with any federal or state agency, county, local unit of government,
372.21 regional development commission, person, domestic or foreign partnership, corporation,
372.22 association, or organization;

372.23 (6) acquire by purchase real property, or an interest therein, in the authority's own name
372.24 where acquisition is necessary or appropriate;

372.25 (7) provide general technical and consultative services related to the authority's purpose;

372.26 (8) promote research and development in matters related to the authority's purpose;

372.27 (9) analyze greenhouse gas emissions reduction project financing needs in the state and
372.28 recommend measures to alleviate any shortage of financing capacity;

373.1 (10) contract with any governmental or private agency or organization, legal counsel,
373.2 financial advisor, investment banker, or others to assist in the exercise of the authority's
373.3 powers;

373.4 (11) enter into agreements with qualified lenders or others insuring or guaranteeing to
373.5 the state the payment of qualified loans or other financing instruments; and

373.6 (12) accept on behalf of the state any gift, grant, or interest in money or personal property
373.7 tendered to the state for any purpose pertaining to the authority's activities.

373.8 Subd. 4. Authority duties. (a) The authority must:

373.9 (1) serve as a financial resource to reduce the upfront and total costs of implementing
373.10 qualified projects;

373.11 (2) ensure that all financed projects reduce greenhouse gas emissions;

373.12 (3) ensure that financing terms and conditions offered are well-suited to qualified projects;

373.13 (4) strategically prioritize the use of the authority's funds to leverage private investment
373.14 in qualified projects, with the aim of achieving a high ratio of private to public money
373.15 invested through funding mechanisms that support, enhance, and complement private lending
373.16 and investment;

373.17 (5) coordinate with existing federal, state, local, utility, and other programs to ensure
373.18 that the authority's resources are being used most effectively to add to and complement
373.19 those programs;

373.20 (6) stimulate demand for qualified projects by:

373.21 (i) contracting with the department's Energy Information Center and community
373.22 navigators to provide information to project participants about federal, state, local, utility,
373.23 and other authority financial assistance for qualifying projects, and technical information
373.24 on energy conservation and renewable energy measures;

373.25 (ii) forming partnerships with contractors and informing contractors about the authority's
373.26 financing programs;

373.27 (iii) developing innovative marketing strategies to stimulate project owner interest,
373.28 especially in underserved communities; and

373.29 (iv) incentivizing financing entities to increase activity in underserved markets;

373.30 (7) finance projects in all regions of the state;

374.1 (8) develop participant eligibility standards and other terms and conditions for financial
374.2 support provided by the authority;

374.3 (9) develop and administer:

374.4 (i) policies to collect reasonable fees for authority services; and

374.5 (ii) risk management activities to support ongoing authority activities;

374.6 (10) develop consumer protection standards governing the authority's investments to
374.7 ensure that financial support is provided responsibly and transparently, and is in the financial
374.8 interest of participating project owners;

374.9 (11) develop methods to accurately measure the impact of the authority's activities,
374.10 particularly on low-income communities and on greenhouse gas emissions reductions;

374.11 (12) hire an executive director and sufficient staff with the appropriate skills and
374.12 qualifications to carry out the authority's programs, making an affirmative effort to recruit
374.13 and hire a director and staff who are from, or share the interests of, the communities the
374.14 authority must serve;

374.15 (13) apply for, either as a direct or subgrantee applicant, and accept Greenhouse Gas
374.16 Reduction Fund grants authorized by the federal Clean Air Act, United States Code, title
374.17 42, section 7434, paragraph (a), clauses (2) and (3). If the application deadlines for these
374.18 grants are earlier than is practical for the authority to meet, the commissioner shall apply
374.19 on behalf of the authority. In all cases, applications for these funds by or on behalf of the
374.20 authority must be coordinated with all known Minnesota applicants;

374.21 (14) ensure that authority contracts with all third-party administrators, contractors, and
374.22 subcontractors contain required covenants, representations, and warranties specifying that
374.23 contracted third parties are agents of the authority, and that all acts of contracted third parties
374.24 are considered acts of the authority, provided that the act is within the contracted scope of
374.25 work; and

374.26 (15) ensure that sourcing and manufacturing of energy technology components financed
374.27 by the authority occur under conditions that meet or exceed Minnesota wage and labor
374.28 requirements.

374.29 (b) The authority may:

374.30 (1) employ credit enhancement mechanisms that reduce financial risk for financing
374.31 entities by providing assurance that a limited portion of a loan or other financial instrument
374.32 is assumed by the authority via a loan loss reserve, loan guarantee, or other mechanism;

375.1 (2) co-invest in a qualified project by providing senior or subordinated debt, equity, or
375.2 other mechanisms in conjunction with other investment, co-lending, or financing;

375.3 (3) aggregate small and geographically dispersed qualified projects in order to diversify
375.4 risk or secure additional private investment through securitization or similar resale of the
375.5 authority's interest in a completed qualified project;

375.6 (4) expend up to 25 percent of money appropriated to the authority for start-up purposes,
375.7 which may be used for financing programs and project investments authorized under this
375.8 section prior to adoption of the strategic plan required under subdivision 7 and the investment
375.9 strategy under subdivision 8; and

375.10 (5) require a specific project to agree to implement a project labor agreement as a
375.11 condition of receiving financing from the authority.

375.12 Subd. 5. **Underserved market analysis.** (a) Before developing a financing program,
375.13 the authority must conduct an analysis of the financial market the authority is considering
375.14 entering in order to determine the extent to which the market is underserved and to ensure
375.15 that the authority's activities supplement, and do not duplicate or supplant, the efforts of
375.16 financing entities currently serving the market. The analysis must address the nature and
375.17 extent of any barriers or gaps that may be preventing financing entities from adequately
375.18 serving the market, and must examine present and projected future efforts of existing
375.19 financing entities, federal, state, and local governments, and of utilities and others to serve
375.20 the market.

375.21 (b) In determining whether the authority should enter a market, the authority must
375.22 consider:

375.23 (1) whether serving the market advances the authority's policy goals;

375.24 (2) the extent to which the market is currently underserved;

375.25 (3) the unique tools the authority would deploy to overcome existing market barriers or
375.26 gaps;

375.27 (4) how the authority would market the program to potential participants; and

375.28 (5) potential financing partners and the role financing partners would play in
375.29 complementing the authority's activities.

375.30 (c) Before providing any direct loans to residential borrowers, the authority must issue
375.31 a request for information to existing known financing entities, specifying the market need

376.1 and the authority's goals in meeting the underserved market segment, and soliciting each
376.2 financing entity's:

376.3 (1) current financing offerings for that specific market;

376.4 (2) prior efforts to meet that specific market; and

376.5 (3) plans and capabilities to serve that specific market.

376.6 (d) The authority may only provide direct loans to residential borrowers if the authority
376.7 certifies that no financing entity is currently able to meet the specific underserved market
376.8 need and the authority's goals, and that the authority's entry into the market does not supplant
376.9 or duplicate any existing financing activities in that specific market.

376.10 **Subd. 6. Authority lending practices; labor and consumer protection standards. (a)**
376.11 In determining the projects in which the authority will participate, the authority must give
376.12 preference to projects that:

376.13 (1) maximize the creation of high-quality employment and apprenticeship opportunities
376.14 for local workers, consistent with the public interest, especially workers from environmental
376.15 justice communities, labor organizations, and Minnesota communities hosting retired or
376.16 retiring electric generation facilities, including workers previously employed at retiring
376.17 facilities;

376.18 (2) utilize energy technologies produced domestically that received an advanced
376.19 manufacturing tax credit under section 45X of the Internal Revenue Code, as allowed under
376.20 the federal Inflation Reduction Act of 2022, Public Law 117-169;

376.21 (3) certify, for all contractors and subcontractors, that the rights of workers to organize
376.22 and unionize are recognized; and

376.23 (4) agree to implement a project labor agreement.

376.24 (b) The authority must require, for all projects for which the authority provides financing,
376.25 that:

376.26 (1) if the budget is \$100,000 or more, all contractors and subcontractors:

376.27 (i) must pay no less than the prevailing wage rate, as defined in section 177.42,
376.28 subdivision 6; and

376.29 (ii) are subject to the requirements and enforcement provisions under sections 177.27,
376.30 177.30, 177.32, 177.41 to 177.43, and 177.45, including the posting of prevailing wage
376.31 rates, prevailing hours of labor, and hourly basic rates of pay for all trades on the project in
376.32 at least one conspicuous location at the project site;

377.1 (2) financing is not offered without first ensuring that the participants meet the authority's
377.2 underwriting criteria; and

377.3 (3) any loan made to a homeowner for a project on the homeowner's residence complies
377.4 with section 47.59 and the following federal laws:

377.5 (i) the Truth in Lending Act, United States Code, title 15, section 1601 et seq.;

377.6 (ii) the Fair Credit Reporting Act, United States Code, title 15, section 1681;

377.7 (iii) the Equal Credit Opportunity Act, United States Code, title 15, section 1691 et seq.;

377.8 and

377.9 (iv) the Fair Debt Collection Practices Act, United States Code, title 15, section 1692.

377.10 (c) The authority and any third-party administrator, contractor, subcontractor, or agent
377.11 that conducts lending, financing, investment, marketing, administration, servicing, or
377.12 installation of measures in connection with a qualified project financed in whole or in part
377.13 with authority funds is subject to sections 325D.43 to 325D.48; 325F.67 to 325F.71; 325G.06
377.14 to 325G.14; 325G.29 to 325G.37; and 332.37.

377.15 (d) For the purposes of this section, "local workers" means Minnesota residents who
377.16 permanently reside within 150 miles of the location of a proposed project in which the
377.17 authority is considering to participate.

377.18 Subd. 7. **Strategic plan.** (a) By December 15, 2024, and each December 15 in
377.19 even-numbered years thereafter, the authority must develop and adopt a strategic plan that
377.20 prioritizes the authority's activities over the next two years. A strategic plan must:

377.21 (1) identify targeted underserved markets for qualified projects in Minnesota;

377.22 (2) develop specific programs to overcome market impediments through access to
377.23 authority financing and technical assistance; and

377.24 (3) develop outreach and marketing strategies designed to make potential project
377.25 developers, participants, and communities aware of financing and technical assistance
377.26 available from the authority, including the deployment of community navigators.

377.27 (b) Elements of the strategic plan must be informed by the authority's analysis of the
377.28 market for qualified projects and by the authority's experience under the previous strategic
377.29 plan, including the degree to which performance targets were or were not achieved by each
377.30 financing program. In addition, the authority must actively seek input regarding activities
377.31 that should be included in the strategic plan from stakeholders, environmental justice

378.1 communities, the general public, and participants, including via meetings required under
378.2 subdivision 9.

378.3 (c) The authority must establish annual targets in a strategic plan for each financing
378.4 program regarding the number of projects, level of authority investments, greenhouse gas
378.5 emissions reductions, and installed generating capacity or energy savings the authority
378.6 hopes to achieve, including separate targets for authority activities undertaken in
378.7 environmental justice communities.

378.8 (d) The authority's targets and strategies must be designed to ensure that no less than 40
378.9 percent of the direct benefits of authority activities flow to environmental justice communities
378.10 as defined under subdivision 2, by the United States Department of Energy, or as modified
378.11 by the department.

378.12 Subd. 8. **Investment strategy; content; process.** (a) No later than December 15, 2024,
378.13 and every four years thereafter, the authority must adopt a long-term investment strategy
378.14 to ensure the authority's paramount goal to reduce greenhouse gas emissions is reflected in
378.15 all of the authority's operations. The investment strategy must address:

378.16 (1) the types of qualified projects the authority should focus on;

378.17 (2) gaps in current qualified project financing that present the greatest opportunities for
378.18 successful action by the authority;

378.19 (3) how the authority can best position itself to maximize the authority's impact without
378.20 displacing, subsidizing, or assuming risk that should be shared with financing entities;

378.21 (4) financing tools that will be most effective in achieving the authority's goals;

378.22 (5) partnerships the authority should establish with other organizations to increase the
378.23 likelihood of success; and

378.24 (6) how values of equity, environmental justice, and geographic balance can be integrated
378.25 into all investment operations of the authority.

378.26 (b) In developing an investment strategy, the authority must consult, at a minimum, with
378.27 similar organizations in other states, lending authorities, state agencies, utilities,
378.28 environmental and energy policy nonprofits, labor organizations, and other organizations
378.29 that can provide valuable advice on the authority's activities.

378.30 (c) The long-term investment strategy must contain provisions ensuring that:

378.31 (1) authority investments are not made solely to reduce private risk; and

379.1 (2) private financing entities do not unilaterally control the terms of investments to which
379.2 the authority is a party.

379.3 (d) The board must submit a draft long-term investment strategy for comment to each
379.4 of the groups and individuals the board consults under paragraph (b) and to the chairs and
379.5 ranking minority members of the senate and house of representatives committees with
379.6 primary jurisdiction over energy finance and policy, and must post the draft strategy on the
379.7 authority's website. The authority must accept written comments on the draft strategy for
379.8 at least 30 days and must consider the comments in preparing the final long-term investment
379.9 strategy.

379.10 Subd. 9. **Public communications and outreach.** The authority must:

379.11 (1) maintain a public website that provides information about the authority's operations,
379.12 current financing programs, and practices, including rates, terms, and conditions; the number
379.13 and amount of investments by project type; the number of jobs created; the financing
379.14 application process; and other information;

379.15 (2) periodically issue an electronic newsletter to stakeholders and the public containing
379.16 information on the authority's products, programs, and services and key authority events
379.17 and decisions; and

379.18 (3) hold quarterly meetings accessible online to update the general public on the
379.19 authority's activities, report progress being made in regard to the authority's strategic plan
379.20 and long-term investment strategy, and invite audience questions regarding authority
379.21 programs.

379.22 Subd. 10. **Board of directors.** (a) The Minnesota Climate Innovation Finance Authority
379.23 board of directors shall consist of the following 13 members:

379.24 (1) the commissioner of commerce, or the commissioner's designee;

379.25 (2) the commissioner of labor and industry, or the commissioner's designee;

379.26 (3) the commissioner of the Minnesota Pollution Control Agency, or the commissioner's
379.27 designee;

379.28 (4) the commissioner of employment and economic development, or the commissioner's
379.29 designee;

379.30 (5) the commissioner of the Minnesota Housing Finance Agency, or the commissioner's
379.31 designee;

379.32 (6) the chair of the Minnesota Indian Affairs Council, or the chair's designee; and

380.1 (7) seven additional members appointed by the governor, as follows:

380.2 (i) one member representing either a municipal electric utility or a cooperative electric
380.3 association;

380.4 (ii) one member, appointed after the governor consults with labor organizations in the
380.5 state, must be a representative of a labor union with experience working on clean energy
380.6 projects;

380.7 (iii) one member with expertise in the impact of climate change on Minnesota
380.8 communities, particularly low-income communities;

380.9 (iv) one member with expertise in financing projects at a community bank, credit union,
380.10 community development institution, or local government;

380.11 (v) one member with expertise in sustainable development and energy conservation;

380.12 (vi) one member with expertise in environmental justice; and

380.13 (vii) one member with expertise in investment fund management or financing and
380.14 deploying clean energy technologies.

380.15 (b) At least two members appointed to the board must permanently reside outside the
380.16 metropolitan area, as defined in section 473.121, subdivision 2. The board must collectively
380.17 reflect the geographic and ethnic diversity of the state.

380.18 (c) Board members appointed under paragraph (a), clause (6), shall serve a term of four
380.19 years, except that the initial appointments made under clause (6), items (i) to (iii), shall be
380.20 for two-year terms, and the initial appointments made under clause (6), items (iv) to (vi),
380.21 shall be for three-year terms.

380.22 (d) Members appointed to the board must:

380.23 (1) provide evidence of a commitment to the authority's purposes and goals; and

380.24 (2) not hold any personal or professional conflicts of interest related to the authority's
380.25 activities, including with respect to the member's financial investments and employment or
380.26 the financial investments and employment of the member's immediate family members.

380.27 (e) The governor must make the appointments required under this section no later than
380.28 October 1, 2023.

380.29 (f) The initial meeting of the board of directors must be held no later than November
380.30 17, 2023. At the initial meeting, the board shall elect a chair and vice-chair by majority vote
380.31 of the members present.

381.1 (g) The authority shall contract with the department to provide administrative and
381.2 technical services to the board and to prospective borrowers, especially those serving or
381.3 located in environmental justice communities.

381.4 (h) Compensation of board members, removal of members, and filling of vacancies are
381.5 governed by section 15.0575.

381.6 (i) Board members may be reappointed for up to two full terms.

381.7 (j) A majority of board members, excluding vacancies, constitutes a quorum for the
381.8 purpose of conducting business and exercising powers, and for all other purposes. Action
381.9 may be taken by the authority upon a vote of a majority of the quorum present.

381.10 (k) Board members and officers are not personally liable, either jointly or severally, for
381.11 any debt or obligation created or incurred by the authority.

381.12 Subd. 11. **Account established.** (a) The Minnesota climate innovation authority account
381.13 is established as a separate account in the special revenue fund in the state treasury. The
381.14 authority's board of directors shall credit to the account appropriations and transfers to the
381.15 account. Earnings, including interest, dividends, and any other earnings arising from assets
381.16 of the account, must be credited to the account. Money remaining in the account at the end
381.17 of a fiscal year does not cancel to the general fund, but remains in the account until expended.
381.18 The authority's board of directors shall manage the account.

381.19 (b) Money in the account is appropriated to the board of directors of the Minnesota
381.20 Climate Innovation Finance Authority for the purposes of this section and to reimburse the
381.21 reasonable costs of the authority to administer this section.

381.22 Subd. 12. **Report; audit.** Beginning February 1, 2024, the authority must annually
381.23 submit a comprehensive report on the authority's activities during the previous year to the
381.24 governor and the chairs and ranking minority members of the legislative committees with
381.25 primary jurisdiction over energy policy. The report must contain, at a minimum, information
381.26 on:

381.27 (1) the amount of authority capital invested, by project type;

381.28 (2) the amount of private and public capital leveraged by authority investments, by
381.29 project type;

381.30 (3) the number of qualified projects supported, by project type and location within
381.31 Minnesota, including in environmental justice communities;

382.1 (4) the estimated number of jobs created for local workers and nonlocal workers, the
382.2 ratio of projects subject to and exempt from prevailing wage requirements under subdivision
382.3 6, paragraph (b), and tax revenue generated as a result of the authority's activities;

382.4 (5) estimated reductions in greenhouse gas emissions resulting from the authority's
382.5 activities;

382.6 (6) the number of clean energy projects financed in low- and moderate-income
382.7 households;

382.8 (7) a narrative describing the progress made toward the authority's equity, social, and
382.9 labor standards goals; and

382.10 (8) a financial audit conducted by an independent party.

382.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

382.12 Sec. 3. Minnesota Statutes 2022, section 216H.02, subdivision 1, is amended to read:

382.13 Subdivision 1. **Greenhouse gas emissions-reduction goal.** (a) It is the goal of the state
382.14 to reduce statewide greenhouse gas emissions across all sectors producing those greenhouse
382.15 gas emissions to a level at least 15 percent below 2005 levels by 2015, to a level at least 30
382.16 percent below 2005 levels by 2025, and to a level at least 80 percent below 2005 levels by
382.17 2050. by at least the following amounts, compared with the level of emissions in 2005:

382.18 (1) 15 percent by 2015;

382.19 (2) 30 percent by 2025;

382.20 (3) 50 percent by 2030; and

382.21 (4) to net zero by 2050.

382.22 (b) To the maximum extent practicable, actions taken to achieve these goals must avoid
382.23 causing disproportionate adverse impacts to residents of communities that are or have been
382.24 incommensurately exposed to pollution affecting human health and environmental quality.

382.25 (c) The levels shall targets must be reviewed based on the climate change action plan
382.26 study annually by the commissioner of the Pollution Control Agency, taking into account
382.27 the latest scientific research on the impacts of climate change and strategies to reduce
382.28 greenhouse gas emissions published by the Intergovernmental Panel on Climate Change.
382.29 The commissioner must forward any recommended changes to the targets to the chairs and
382.30 ranking minority members of legislative committees with primary jurisdiction over climate
382.31 change and environmental policy.

383.1 (d) For the purposes of the subdivision, "net zero" means:

383.2 (1) statewide greenhouse gas emissions equal to zero; or

383.3 (2) the balance of annual statewide greenhouse gas emissions, minus any terrestrial
383.4 sequestration of statewide greenhouse gas emissions, equals zero or less.

383.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

383.6 Sec. 4. **LOCAL CLIMATE ACTION GRANT PROGRAM.**

383.7 Subdivision 1. **Definitions.** For the purpose of this section, the following terms have
383.8 the meanings given:

383.9 (1) "climate change" means a change in global or regional climate patterns associated
383.10 with increased levels of greenhouse gas emissions entering the atmosphere largely as a
383.11 result of human activity;

383.12 (2) "commissioner" means the commissioner of the Pollution Control Agency;

383.13 (3) "eligible applicant" means a political subdivision, an organization exempt from
383.14 taxation under section 501(c)(3) of the Internal Revenue Code, or an educational institution;

383.15 (4) "greenhouse gas emission" means an emission of carbon dioxide, methane, nitrous
383.16 oxide, chlorofluorocarbons, hydrofluorocarbons, sulfur hexafluoride, and other gases that
383.17 trap heat in the atmosphere;

383.18 (5) "local jurisdiction" means the geographic area in which grant activities take place;
383.19 and

383.20 (6) "political subdivision" means:

383.21 (i) a county; home rule charter or statutory city or town; regional development
383.22 commission established under Minnesota Statutes, section 462.387; or any other local
383.23 political subdivision; or

383.24 (ii) a Tribal government, as defined in Minnesota Statutes, section 116J.64, subdivision
383.25 4.

383.26 Subd. 2. **Establishment.** The commissioner must establish a local climate action grant
383.27 program in the Pollution Control Agency. The purpose of the program is to provide grants
383.28 to support local jurisdictions to address climate change by developing and implementing
383.29 plans of action or creating new organizations and institutions to devise policies and programs
383.30 that:

384.1 (1) enable local jurisdictions to adapt to extreme weather events and a changing climate;
384.2 or

384.3 (2) reduce the local jurisdiction's contributions to the causes of climate change.

384.4 Subd. 3. **Account established.** (a) The local climate action grant account is established
384.5 as a separate account in the special revenue fund in the state treasury. The commissioner
384.6 shall credit to the account appropriations and transfers to the account. Earnings, including
384.7 interest, dividends, and any other earnings arising from assets of the account, must be
384.8 credited to the account. Money remaining in the account at the end of a fiscal year
384.9 does not cancel to the general fund, but remains in the account until expended. The
384.10 commissioner shall manage the account.

384.11 (b) Money in the account is appropriated to the agency for the purposes of this section
384.12 and to reimburse the reasonable costs of the department to administer this section.

384.13 Subd. 4. **Application.** (a) Application for a grant under this section must be made to the
384.14 commissioner on a form developed by the commissioner. The commissioner must develop
384.15 procedures for soliciting and reviewing applications and for awarding grants under this
384.16 section.

384.17 (b) Eligible applicants for a grant under this section must be located in or conduct the
384.18 preponderance of the applicant's work in the local jurisdiction where the proposed grant
384.19 activities take place.

384.20 Subd. 5. **Awarding grants.** (a) In awarding grants under this section, the commissioner
384.21 must give preference to proposals that seek to involve a broad array of community residents,
384.22 organizations, and institutions in the local jurisdiction's efforts to address climate change.

384.23 (b) The commissioner shall endeavor to award grants under this section to applicants in
384.24 all regions of the state.

384.25 Subd. 6. **Grant amounts.** (a) A grant awarded under this section must not exceed
384.26 \$50,000.

384.27 (b) A grant awarded under this section for activities taking place in a local jurisdiction
384.28 whose population equals or exceeds 20,000 must be matched 50 percent with local funds.

384.29 (c) A grant awarded under this section for activities taking place in a local jurisdiction
384.30 whose population is under 20,000 must be matched a minimum of five percent with local
384.31 funds or equivalent in-kind services.

385.1 Subd. 7. **Contract; greenhouse gas emissions data.** The commissioner shall contract
385.2 with an independent consultant to estimate the annual amount of greenhouse gas emissions
385.3 generated within political subdivisions awarded a grant under this section that the
385.4 commissioner determines need the data in order to carry out the proposed grant activities.
385.5 The information must contain emissions data for the most recent three years available, and
385.6 must conform with the ICLEI United States Community Protocol for Accounting and
385.7 Reporting of Greenhouse Gas Emissions, including, at a minimum, the Basic Emissions
385.8 Generating Activities described in the protocol.

385.9 Subd. 8. **Technical assistance.** The Pollution Control Agency shall provide directly or
385.10 contract with an entity outside the agency to provide technical assistance to applicants
385.11 proposing to develop an action plan under this section, including greenhouse gas emissions
385.12 estimates developed under subdivision 7, and examples of actions taken and plans developed
385.13 by other local communities in Minnesota and elsewhere.

385.14 Subd. 9. **Eligible expenditures.** Appropriations made to support the activities of this
385.15 section may be used only to:

385.16 (1) provide grants as specified in this section;

385.17 (2) pay a consultant for contracted services provided under subdivisions 7 and 8; and

385.18 (3) reimburse the reasonable expenses incurred by the Pollution Control Agency to
385.19 provide technical assistance to applicants and to administer the grant program.

385.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

385.21 **ARTICLE 15**

385.22 **SOLAR**

385.23 Section 1. Minnesota Statutes 2022, section 116C.7792, is amended to read:

385.24 **116C.7792 SOLAR ENERGY PRODUCTION INCENTIVE PROGRAM.**

385.25 (a) The utility subject to section 116C.779 shall operate a program to provide solar
385.26 energy production incentives for solar energy systems of no more than a total aggregate
385.27 nameplate capacity of 40 kilowatts alternating current per premise. The owner of a solar
385.28 energy system installed before June 1, 2018, is eligible to receive a production incentive
385.29 under this section for any additional solar energy systems constructed at the same customer
385.30 location, provided that the aggregate capacity of all systems at the customer location does
385.31 not exceed 40 kilowatts.

386.1 (b) The program is funded by money withheld from transfer to the renewable development
386.2 account under section 116C.779, subdivision 1, paragraphs (b) and (e). Program funds must
386.3 be placed in a separate account for the purpose of the solar energy production incentive
386.4 program operated by the utility and not for any other program or purpose.

386.5 (c) Funds allocated to the solar energy production incentive program in 2019 and 2020
386.6 remain available to the solar energy production incentive program.

386.7 (d) The following amounts are allocated to the solar energy production incentive program:

386.8 (1) \$10,000,000 in 2021;

386.9 (2) \$10,000,000 in 2022;

386.10 (3) \$5,000,000 in 2023; ~~and~~

386.11 (4) ~~\$5,000,000~~ \$10,000,000 in 2024; and

386.12 (5) \$5,000,000 in 2025.

386.13 (e) Notwithstanding the Department of Commerce's November 14, 2018, decision in
386.14 Docket No. E002/M-13-1015 regarding operation of the utility's solar energy production
386.15 incentive program, of the amounts allocated under paragraph (d), clauses (3), (4), and (5),
386.16 \$5,000,000 in each year must be reserved for solar energy systems whose installation meets
386.17 the eligibility standards for the low-income program established in the November 14, 2018,
386.18 decision or successor decisions of the department. All other program operations of the solar
386.19 energy production incentive program are governed by the provisions of the November 14,
386.20 2018, decision or successor decisions of the department.

386.21 ~~(e)~~ (f) Funds allocated to the solar energy production incentive program that have not
386.22 been committed to a specific project at the end of a program year remain available to the
386.23 solar energy production incentive program.

386.24 ~~(f)~~ (g) Any unspent amount remaining on January 1, ~~2025~~ 2028, must be transferred to
386.25 the renewable development account.

386.26 ~~(g)~~ (h) A solar energy system receiving a production incentive under this section must
386.27 be sized to less than 120 percent of the customer's on-site annual energy consumption when
386.28 combined with other distributed generation resources and subscriptions provided under
386.29 section 216B.1641 associated with the premise. The production incentive must be paid for
386.30 ten years commencing with the commissioning of the system.

386.31 ~~(h)~~ (i) The utility must file a plan to operate the program with the commissioner of
386.32 commerce. The utility may not operate the program until it is approved by the commissioner.

387.1 A change to the program to include projects up to a nameplate capacity of 40 kilowatts or
387.2 less does not require the utility to file a plan with the commissioner. Any plan approved by
387.3 the commissioner of commerce must not provide an increased incentive scale over prior
387.4 years unless the commissioner demonstrates that changes in the market for solar energy
387.5 facilities require an increase.

387.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

387.7 **Sec. 2. [116C.7793] SOLAR ENERGY; CONTINGENCY ACCOUNT.**

387.8 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
387.9 the meanings given.

387.10 (b) "Agency" means the Minnesota Pollution Control Agency.

387.11 (c) "Area C" means the site located west of Mississippi River Boulevard in St. Paul that
387.12 served as an industrial waste dump for the former Ford Twin Cities Assembly Plant.

387.13 (d) "Corrective action determination" means a decision by the agency regarding actions
387.14 to be taken to remediate contaminated soil and groundwater at Area C.

387.15 (e) "Owner" means the owner of a solar energy generating system planned to be deployed
387.16 at Area C.

387.17 (f) "Solar energy generating system" has the meaning given in section 216E.01,
387.18 subdivision 9a.

387.19 Subd. 2. **Account established.** The Area C contingency account is established as a
387.20 separate account in the special revenue fund in the state treasury. Transfers and appropriations
387.21 to the account, and any earnings or dividends accruing to assets in the account, must be
387.22 credited to the account. The commissioner shall serve as fiscal agent and shall manage the
387.23 account.

387.24 Subd. 3. **Distribution of funds; conditions.** Money from the account is appropriated
387.25 to the commissioner and may be distributed to the owner of a solar energy generating system
387.26 planned to be deployed at Area C under the following conditions:

387.27 (1) the agency issues a corrective action determination after the owner has begun to
387.28 design or construct the project, and implementation of the corrective action results in a need
387.29 for (i) the project to be redesigned, or (ii) construction to be interrupted or altered; or

387.30 (2) the agency issues a corrective action determination whose work plan results in
387.31 temporary cessation or partial or complete removal of the solar energy generating system
387.32 after it has become operational.

388.1 Subd. 4. **Distribution of funds; process.** (a) The owner may file a request for distribution
388.2 of funds from the commissioner if either of the conditions in subdivision 3 occur. The filing
388.3 must (1) describe the nature of the impact of the work plan that results in economic losses
388.4 to the owner, and (2) include a reasonable estimate of the amount of those losses.

388.5 (b) The owner must provide the commissioner with information the commissioner
388.6 determines to be necessary to assist in the review of the filing required under this subdivision.

388.7 (c) The commissioner shall review the owner's filing within 60 days of submission and
388.8 shall approve a request the commissioner determines is reasonable.

388.9 Subd. 5. **Expenditures.** Money distributed by the commissioner to the owner under this
388.10 section may be used by the owner only to pay for:

388.11 (1) removal, storage, and transportation costs incurred for removal of the solar energy
388.12 generating system or any associated infrastructure, and any costs to reinstall equipment;

388.13 (2) costs of redesign or new equipment or infrastructure made necessary by the activities
388.14 of the agency's work plan;

388.15 (3) lost revenues resulting from the inability of the solar energy generating system to
388.16 generate sufficient electricity to fulfill the terms of the power purchase agreement between
388.17 the owner and the purchaser of electricity generated by the solar energy generating system;

388.18 (4) other damages incurred under the power purchase agreement resulting from the
388.19 cessation of operations made necessary by the activities of the agency's work plan; and

388.20 (5) the cost of energy required to replace the energy that was to be generated by the solar
388.21 energy generating system and purchased under the power purchase agreement.

388.22 Subd. 6. **Report.** Beginning July 1, 2026, and every three years thereafter, the agency
388.23 must submit a written report to the chairs and ranking minority members of the senate and
388.24 house of representatives committees with jurisdiction over environment and energy assessing
388.25 the likelihood of the agency approving a corrective action determination to remediate Area
388.26 C.

388.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

388.28 Sec. 3. Minnesota Statutes 2022, section 216B.164, is amended by adding a subdivision
388.29 to read:

388.30 Subd. 12. **Customer's access to electricity usage data.** A utility must provide a
388.31 customer's electricity usage data to the customer within ten days of the date the utility
388.32 receives a request from the customer that is accompanied by evidence that the energy usage

389.1 data is relevant to the interconnection of a qualifying facility on behalf of the customer. For
389.2 the purposes of this subdivision, "electricity usage data" includes but is not limited to: (1)
389.3 the total amount of electricity used by a customer monthly; (2) usage by time period if the
389.4 customer operates under a tariff where costs vary by time of use; and (3) usage data that is
389.5 used to calculate a customer's demand charge.

389.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

389.7 Sec. 4. Minnesota Statutes 2022, section 216B.1641, is amended to read:

389.8 **216B.1641 COMMUNITY SOLAR GARDEN.**

389.9 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
389.10 the meanings given.

389.11 (b) "Subscribed energy" means electricity generated by the community solar garden that
389.12 is attributable to a subscriber's subscription.

389.13 (c) "Subscriber" means a retail customer who owns one or more subscriptions of a
389.14 community solar garden interconnected with the retail customer's utility.

389.15 (d) "Subscription" means a contract between a subscriber and the owner of a solar garden.

389.16 **Subd. 2. Solar garden; project requirements.** (a) ~~The~~ Each public utility ~~subject to~~
389.17 ~~section 116C.779~~ providing electric service at retail to customers in Minnesota shall file by
389.18 ~~September 30, 2013~~ January 15, 2024, a plan with the commission to operate a community
389.19 solar garden program which shall begin operations within 90 days after commission approval
389.20 of the plan. ~~Other public utilities may file an application at their election.~~ The community
389.21 solar garden program must be designed to offset the energy use of not less than five
389.22 subscribers in each community solar garden facility of which no single subscriber has more
389.23 than a 40 percent interest. The owner of the community solar garden may be a public utility
389.24 or any other entity or organization that contracts to sell the output from the community solar
389.25 garden to the utility under section 216B.164. There shall be no limitation on the number or
389.26 cumulative generating capacity of community solar garden facilities other than the limitations
389.27 imposed under section 216B.164, subdivision 4c, or other limitations provided in law or
389.28 regulations.

389.29 (b) A solar garden is a facility that generates electricity by means of a ground-mounted
389.30 or roof-mounted solar photovoltaic device whereby subscribers receive a bill credit for the
389.31 electricity generated in proportion to the size of their subscription. The solar garden must
389.32 have a nameplate capacity of no more than ~~one megawatt~~ five megawatts. Each subscription
389.33 shall be sized to represent at least 200 watts of the community solar garden's generating

390.1 capacity and to supply, when combined with other distributed generation resources serving
390.2 the premises, no more than 120 percent of the average annual consumption of electricity
390.3 by each subscriber at the premises to which the subscription is attributed.

390.4 (c) The solar generation facility must be located in the service territory of the public
390.5 utility filing the plan. Subscribers must be retail customers of the public utility ~~located in~~
390.6 ~~the same county or a county contiguous to where the facility is located.~~

390.7 (d) The public utility must purchase from the community solar garden all energy generated
390.8 by the solar garden. The purchase shall be at the rate calculated under section 216B.164,
390.9 subdivision 10, or, until that rate for the public utility has been approved by the commission,
390.10 the applicable retail rate. A solar garden is eligible for any incentive programs offered under
390.11 section 116C.7792. A subscriber's portion of the purchase shall be provided by a credit on
390.12 the subscriber's bill.

390.13 Subd. 3. Solar garden plan; requirements; nonutility status. ~~(e)~~ (a) The commission
390.14 may approve, disapprove, or modify a community solar garden program. Any plan approved
390.15 by the commission must:

390.16 (1) reasonably allow for the creation, financing, and accessibility of community solar
390.17 gardens;

390.18 (2) establish uniform standards, fees, and processes for the interconnection of community
390.19 solar garden facilities that allow the utility to recover reasonable interconnection costs for
390.20 each community solar garden;

390.21 (3) not apply different requirements to utility and nonutility community solar garden
390.22 facilities;

390.23 (4) be consistent with the public interest;

390.24 (5) identify the information that must be provided to potential subscribers to ensure fair
390.25 disclosure of future costs and benefits of subscriptions;

390.26 (6) include a program implementation schedule;

390.27 (7) identify all proposed rules, fees, and charges; ~~and~~

390.28 (8) identify the means by which the program will be promoted; and

390.29 (9) require an owner of a solar garden to submit a report that meets the requirements of
390.30 section 216C.51, subdivisions 2 and 3, each year the solar garden is in operation.

391.1 ~~(f)~~ (b) Notwithstanding any other law, neither the manager of nor the subscribers to a
 391.2 community solar garden facility shall be considered a utility solely as a result of their
 391.3 participation in the community solar garden facility.

391.4 ~~(g)~~ (c) Within 180 days of commission approval of a plan under this section, a utility
 391.5 shall begin crediting subscriber accounts for each community solar garden facility in its
 391.6 service territory, and shall file with the commissioner of commerce a description of its
 391.7 crediting system.

391.8 ~~(h) For the purposes of this section, the following terms have the meanings given:~~

391.9 ~~(1) "subscriber" means a retail customer of a utility who owns one or more subscriptions~~
 391.10 ~~of a community solar garden facility intereconnected with that utility; and~~

391.11 ~~(2) "subscription" means a contract between a subscriber and the owner of a solar garden.~~

391.12 Subd. 4. Community access project; eligibility. (a) An owner of a community solar
 391.13 garden may apply to the utility to be designated as a community access project at any time:

391.14 (1) before the owner makes an initial payment under an interconnection agreement
 391.15 entered into with a public utility; or

391.16 (2) if the owner made an initial payment under an interconnection agreement between
 391.17 January 1, 2023, and the effective date of this section, before commercial operation begins.

391.18 (b) The utility must designate a solar garden as a community access project if the owner
 391.19 of a solar garden commits in writing to meet the following conditions:

391.20 (1) at least 50 percent of the solar garden's generating capacity is subscribed by residential
 391.21 customers;

391.22 (2) the contract between the owner of the solar garden and the public utility that purchases
 391.23 the garden's electricity, and any agreement between the utility or owner of the solar garden
 391.24 and subscribers, states that the owner of the solar garden does not discriminate against or
 391.25 screen subscribers based on income or credit score and that any customer of a utility with
 391.26 a community solar garden plan approved by the commission under subdivision 3 is eligible
 391.27 to become a subscriber;

391.28 (3) the solar garden is operated by an entity that maintains a physical address in Minnesota
 391.29 and has designated a contact person in Minnesota who responds to subscriber inquiries; and

391.30 (4) the agreement between the owner of the solar garden and subscribers states that the
 391.31 owner must adequately publicize and convene at least one meeting annually to provide an
 391.32 opportunity for subscribers to pose questions to the manager or owner.

392.1 Subd. 5. Community access project; financial arrangements. (a) If a utility approves
392.2 a solar garden as a community access project:

392.3 (1) the public utility purchasing the electricity generated by the community access project
392.4 may charge the owner of the community access project no more than one cent per watt
392.5 alternating current based on the solar garden's generating capacity for any refundable deposit
392.6 the utility requires of a solar garden during the application process;

392.7 (2) notwithstanding subdivision 2, paragraph (d), the public utility must purchase all
392.8 energy generated by the community access project at the retail rate; and

392.9 (3) all renewable energy credits generated by the community access project belong to
392.10 subscribers unless the owner of the solar garden:

392.11 (i) contracts to:

392.12 (A) sell the credits to a third party; or

392.13 (B) sell or transfer the credits to the utility; and

392.14 (ii) discloses a sale or transfer to subscribers at the time the subscribers enter into a
392.15 subscription.

392.16 (b) If at any time after commercial operation begins a solar garden that the utility
392.17 approved as a community access project fails to meet the conditions under subdivision 4,
392.18 the solar garden:

392.19 (1) is no longer subject to this subdivision and subdivision 6; and

392.20 (2) must operate under the program rules established by the commission for a solar
392.21 garden that does not qualify as a community access project.

392.22 (c) An owner of a solar garden whose designation as a community access project is
392.23 revoked under this subdivision may reapply to the commission at any time to have the
392.24 community access project designation reinstated under subdivision 4.

392.25 Subd. 6. Community access project; reporting. The owner of a community access
392.26 project must include the following information in an annual report to the community access
392.27 project subscribers and the utility:

392.28 (1) a description of the process by which subscribers may provide input to solar garden
392.29 policy and decision making;

393.1 (2) the amount of revenues received by the solar garden in the previous year that were
393.2 allocated to categories that include but are not limited to operating costs, debt service, profits
393.3 distributed to subscribers, and profits distributed to others; and

393.4 (3) an estimate of the proportion of low- and moderate-income subscribers, and a
393.5 description of one or more of the following methods used to make the estimate:

393.6 (i) evidence provided by a subscriber that the subscriber or a member of the subscriber's
393.7 household receives assistance from any of the following sources:

393.8 (A) the federal Low-Income Home Energy Assistance Program;

393.9 (B) federal Section 8 housing assistance;

393.10 (C) medical assistance;

393.11 (D) the federal Supplemental Nutrition Assistance Program; or

393.12 (E) the federal National School Lunch Program;

393.13 (ii) characterization of the census tract where the subscriber resides as low- or
393.14 moderate-income by the Federal Financial Institutions Examination Council; or

393.15 (iii) other methods approved by the commission.

393.16 Subd. 7. **Commission order.** The commission must issue an order addressing the
393.17 requirements of this section no later than 180 days after the filings made under subdivision
393.18 2, paragraph (a).

393.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

393.20 Sec. 5. Minnesota Statutes 2022, section 216C.08, is amended to read:

393.21 **216C.08 JURISDICTION.**

393.22 The commissioner has sole authority and responsibility for the administration of sections
393.23 216C.05 to 216C.30 and 216C.375. Other laws notwithstanding, the authority granted the
393.24 commissioner shall supersede the authority given any other agency whenever overlapping,
393.25 duplication, or additional administrative or legal procedures might occur in the administration
393.26 of sections 216C.05 to 216C.30 and 216C.375. The commissioner shall consult with other
393.27 state departments or agencies in matters related to energy and shall contract with them to
393.28 provide appropriate services to effectuate the purposes of sections 216C.05 to 216C.30 and
393.29 216C.375. Any other department, agency, or official of this state or political subdivision
393.30 thereof which would in any way affect the administration or enforcement of sections 216C.05
393.31 to 216C.30 and 216C.375 shall cooperate and coordinate all activities with the commissioner

394.1 to assure orderly and efficient administration and enforcement of sections 216C.05 to
394.2 216C.30 and 216C.375.

394.3 The commissioner shall designate a liaison officer whose duty shall be to insure the
394.4 maximum possible consistency in procedures and to eliminate duplication between the
394.5 commissioner and the other agencies that may be involved in energy.

394.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

394.7 Sec. 6. Minnesota Statutes 2022, section 216C.09, is amended to read:

394.8 **216C.09 COMMISSIONER DUTIES.**

394.9 (a) The commissioner shall:

394.10 (1) manage the department as the central repository within the state government for the
394.11 collection of data on energy;

394.12 (2) prepare and adopt an emergency allocation plan specifying actions to be taken in the
394.13 event of an impending serious shortage of energy, or a threat to public health, safety, or
394.14 welfare;

394.15 (3) undertake a continuing assessment of trends in the consumption of all forms of energy
394.16 and analyze the social, economic, and environmental consequences of these trends;

394.17 (4) carry out energy conservation measures as specified by the legislature and recommend
394.18 to the governor and the legislature additional energy policies and conservation measures as
394.19 required to meet the objectives of sections 216C.05 to 216C.30 and 216C.375;

394.20 (5) collect and analyze data relating to present and future demands and resources for all
394.21 sources of energy;

394.22 (6) evaluate policies governing the establishment of rates and prices for energy as related
394.23 to energy conservation, and other goals and policies of sections 216C.05 to 216C.30 and
394.24 216C.375, and make recommendations for changes in energy pricing policies and rate
394.25 schedules;

394.26 (7) study the impact and relationship of the state energy policies to international, national,
394.27 and regional energy policies;

394.28 (8) design and implement a state program for the conservation of energy; this program
394.29 shall include but not be limited to, general commercial, industrial, and residential, and
394.30 transportation areas; such program shall also provide for the evaluation of energy systems

395.1 as they relate to lighting, heating, refrigeration, air conditioning, building design and
395.2 operation, and appliance manufacturing and operation;

395.3 (9) inform and educate the public about the sources and uses of energy and the ways in
395.4 which persons can conserve energy;

395.5 (10) dispense funds made available for the purpose of research studies and projects of
395.6 professional and civic orientation, which are related to either energy conservation, resource
395.7 recovery, or the development of alternative energy technologies which conserve
395.8 nonrenewable energy resources while creating minimum environmental impact;

395.9 (11) charge other governmental departments and agencies involved in energy-related
395.10 activities with specific information gathering goals and require that those goals be met;

395.11 (12) design a comprehensive program for the development of indigenous energy
395.12 resources. The program shall include, but not be limited to, providing technical,
395.13 informational, educational, and financial services and materials to persons, businesses,
395.14 municipalities, and organizations involved in the development of solar, wind, hydropower,
395.15 peat, fiber fuels, biomass, and other alternative energy resources. The program shall be
395.16 evaluated by the alternative energy technical activity; and

395.17 (13) dispense loans, grants, or other financial aid from money received from litigation
395.18 or settlement of alleged violations of federal petroleum-pricing regulations made available
395.19 to the department for that purpose.

395.20 (b) Further, the commissioner may participate fully in hearings before the Public Utilities
395.21 Commission on matters pertaining to rate design, cost allocation, efficient resource utilization,
395.22 utility conservation investments, small power production, cogeneration, and other rate issues.
395.23 The commissioner shall support the policies stated in section 216C.05 and shall prepare
395.24 and defend testimony proposed to encourage energy conservation improvements as defined
395.25 in section 216B.241.

395.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

395.27 Sec. 7. Minnesota Statutes 2022, section 216C.375, is amended to read:

395.28 **216C.375 SOLAR FOR SCHOOLS PROGRAM.**

395.29 Subdivision 1. **Definitions.** (a) For the purposes of this section ~~and section 216C.376,~~
395.30 the following terms have the meanings given them.

395.31 (b) "Developer" means an entity that installs a solar energy system on a school building
395.32 that has been awarded a grant under this section.

396.1 (c) "Electricity expenses" means expenses associated with:

396.2 (1) purchasing electricity from a utility; or

396.3 (2) purchasing and installing a solar energy system, including financing and power

396.4 purchase agreement payments, operation and maintenance contract payments, and interest

396.5 charges.

396.6 ~~(e)~~ (d) "Photovoltaic device" has the meaning given in section 216C.06, subdivision 16.

396.7 ~~(d)~~ (e) "School" means:

396.8 (1) a school that operates as part of ~~an independent or special~~ a school district;

396.9 (2) a Tribal contract school; or

396.10 ~~(2)~~ (3) a state college or university that is under the jurisdiction of the Board of Trustees

396.11 of the Minnesota State Colleges and Universities.

396.12 ~~(e)~~ (f) "School district" means:

396.13 (1) an independent or school district, as defined in section 120A.05, subdivision 10;

396.14 (2) a special school district, as defined in section 120A.05, subdivision 14; or

396.15 (3) a cooperative unit, as defined in section 123A.24, subdivision 2.

396.16 ~~(f)~~ (g) "Solar energy system" means photovoltaic or solar thermal devices.

396.17 ~~(g)~~ (h) "Solar thermal" has the meaning given to "qualifying solar thermal project" in

396.18 section 216B.2411, subdivision 2, paragraph (d).

396.19 ~~(h)~~ (i) "State colleges and universities" has the meaning given in section 136F.01,

396.20 subdivision 4.

396.21 Subd. 2. **Establishment; purpose.** A solar for schools program is established in the
 396.22 Department of Commerce. The purpose of the program is to provide grants to stimulate the
 396.23 installation of solar energy systems on or adjacent to school buildings by reducing the ~~cost~~
 396.24 school's electricity expenses, and to enable schools to use the solar energy system as a
 396.25 teaching tool that can be integrated into the school's curriculum.

396.26 Subd. 3. **Establishment of account.** A solar for schools program account is established
 396.27 in the special revenue fund. Money received from the general fund and from the renewable
 396.28 development account established under section 116C.779, subdivision 1, must be transferred
 396.29 to the commissioner of commerce and credited to the account. The account consists of
 396.30 money received from the general fund and the renewable development account, provided
 396.31 by law, donated, allocated, transferred, or otherwise provided to the account. Earnings,

397.1 including interest, dividends, and any other earnings arising from the assets of the account,
397.2 must be credited to the account. Except as otherwise provided in this paragraph, money
397.3 deposited in the account remains in the account until expended. Any money that remains
397.4 in the account on June 30, ~~2027~~ 2034, cancels to the general fund.

397.5 Subd. 4. **Appropriation; expenditures.** (a) Money in the account is appropriated to the
397.6 commissioner and may be used only:

397.7 (1) for grant awards made under this section; and

397.8 (2) to pay the reasonable costs incurred by the department to administer this section.

397.9 (b) Grant awards made with funds ~~in the account~~ from the general fund must be used
397.10 only for grants for solar energy systems installed on or adjacent to school buildings receiving
397.11 retail electric service from a utility that is not subject to section 116C.779, subdivision 1.

397.12 (c) Grant awards made with funds from the renewable development account must be
397.13 used only for grants for solar energy systems installed on or adjacent to school buildings
397.14 receiving retail electric service from a utility that is subject to section 116C.779, subdivision
397.15 1.

397.16 Subd. 5. **Eligible system.** (a) A grant may be awarded to a school under this section
397.17 only if the solar energy system that is the subject of the grant:

397.18 (1) is installed on or adjacent to the school building that consumes the electricity generated
397.19 by the solar energy system, on property within the service territory of the utility currently
397.20 providing electric service to the school building;

397.21 (2) if installed on or adjacent to a school building receiving retail electric service from
397.22 a utility that is not subject to section 116C.779, subdivision 1, has a capacity that does not
397.23 exceed the lesser of: (i) 40 kilowatts alternating current or, with the consent of the
397.24 interconnecting electric utility, up to 1,000 kilowatts alternating current; or (ii) 120 percent
397.25 of the estimated annual electricity consumption of the school building at which the solar
397.26 energy system is installed; and

397.27 (3) if installed on or adjacent to a school building receiving retail electric service from
397.28 a utility that is subject to section 116C.779, subdivision 1, has a capacity that does not
397.29 exceed the lesser of 1,000 kilowatts alternating current or 120 percent of the estimated
397.30 annual electricity consumption of the school building at which the solar energy system is
397.31 installed;

397.32 (4) has real-time and cumulative display devices, located in a prominent location
397.33 accessible to students and the public, that indicate the system's electrical performance.

398.1 (b) A school that receives a rebate or other financial incentive under section 216B.241
398.2 for a solar energy system and that demonstrates considerable need for financial assistance,
398.3 as determined by the commissioner, is eligible for a grant under this section for the same
398.4 solar energy system.

398.5 Subd. 6. **Application process.** (a) The commissioner must issue a request for proposals
398.6 to utilities, schools, and developers who may wish to apply for a grant under this section
398.7 on behalf of a school.

398.8 (b) A utility or developer must submit an application to the commissioner on behalf of
398.9 a school on a form prescribed by the commissioner. The form must include, at a minimum,
398.10 the following information:

398.11 (1) the capacity of the proposed solar energy system and the amount of electricity that
398.12 is expected to be generated;

398.13 (2) the current energy demand of the school building on which the solar energy generating
398.14 system is to be installed and information regarding any distributed energy resource, including
398.15 subscription to a community solar garden, that currently provides electricity to the school
398.16 building;

398.17 (3) a description of any solar thermal devices proposed as part of the solar energy system;

398.18 (4) the total cost to purchase and install the solar energy system and the solar energy
398.19 system's lifecycle cost, including removal and disposal at the end of the system's life;

398.20 (5) a copy of the proposed contract agreement between the school and the ~~public~~ utility
398.21 to which the solar energy system is interconnected or the developer that includes provisions
398.22 addressing responsibility for maintenance of the solar energy system;

398.23 (6) the school's plan to make the solar energy system serve as a visible learning tool for
398.24 students, teachers, and visitors to the school, including how the solar energy system may
398.25 be integrated into the school's curriculum and provisions for real-time monitoring of the
398.26 solar energy system performance for display in a prominent location within the school or
398.27 on-demand in the classroom;

398.28 (7) information that demonstrates the school's level of need for financial assistance
398.29 available under this section;

398.30 (8) information that demonstrates the school's readiness to implement the project,
398.31 including but not limited to the availability of the site on which the solar energy system is
398.32 to be installed and the level of the school's engagement with the utility providing electric

399.1 service to the school building on which the solar energy system is to be installed on issues
399.2 relevant to the implementation of the project, including metering and other issues;

399.3 (9) with respect to the installation and operation of the solar energy system, the
399.4 willingness and ability of the developer or the public utility to:

399.5 (i) pay employees and contractors a prevailing wage rate, as defined in section 177.42,
399.6 subdivision 6; and

399.7 (ii) adhere to the provisions of section 177.43;

399.8 (10) ~~how the developer or public utility plans to reduce the school's initial capital expense~~
399.9 ~~to purchase and install~~ projected reductions in electricity expenses resulting from purchasing
399.10 and installing the solar energy system by providing financial assistance to the school; and

399.11 (11) any other information deemed relevant by the commissioner.

399.12 (c) The commissioner must administer an open application process under this section
399.13 at least twice annually.

399.14 (d) The commissioner must develop administrative procedures governing the application
399.15 and grant award process.

399.16 (e) The school, the developer, or the utility to which the solar energy generating system
399.17 is interconnected must annually submit to the commissioner on a form prescribed by the
399.18 commissioner a report containing the following information for each of the 12 previous
399.19 months:

399.20 (1) the total number of kilowatt-hours of electricity consumed by the school;

399.21 (2) the total number of kilowatt-hours generated by the solar energy generating system;

399.22 (3) the amount paid by the school to its utility for electricity; and

399.23 (4) any other information requested by the commissioner.

399.24 Subd. 7. **Energy conservation review.** At the commissioner's request, a school awarded
399.25 a grant under this section ~~shall~~ must provide the commissioner information regarding energy
399.26 conservation measures implemented at the school building at which the solar energy system
399.27 is installed. The commissioner may make recommendations to the school regarding
399.28 cost-effective conservation measures it can implement and may provide technical assistance
399.29 and direct the school to available financial assistance programs.

399.30 Subd. 8. **Technical assistance.** The commissioner must provide technical assistance to
399.31 schools to develop and execute projects under this section.

400.1 Subd. 9. **Grant payments.** The commissioner must award a grant from the account
400.2 established under subdivision 3 to a school for the necessary costs associated with the
400.3 purchase and installation of a solar energy system. The amount of the grant must be based
400.4 on the commissioner's assessment of the school's need for financial assistance.

400.5 Subd. 10. **Application deadline.** No application may be submitted under this section
400.6 after December 31, ~~2025~~ 2032.

400.7 Subd. 11. **Reporting.** Beginning January 15, 2022, and each year thereafter until January
400.8 15, ~~2028~~ 2035, the commissioner must report to the chairs and ranking minority members
400.9 of the legislative committees with jurisdiction over energy regarding: (1) grants and amounts
400.10 awarded to schools under this section during the previous year; ~~(2) financial assistance,~~
400.11 ~~including amounts per award, provided to schools under section 216C.376 during the~~
400.12 ~~previous year; and (3) any remaining balances available under this section and section~~
400.13 ~~216C.376. (2) the amount of electricity generated by solar energy generating systems awarded~~
400.14 ~~a grant under this section; and (3) the impact on school electricity expenses.~~

400.15 Subd. 12. **Renewable energy credits.** Renewable energy credits associated with the
400.16 electricity generated by a solar energy generating system installed under this section in the
400.17 electric service area of a public utility subject to section 116C.779 are the property of the
400.18 public utility for the life of the solar energy generating system.

400.19 Sec. 8. **[216C.377] SOLAR GRANT PROGRAM; PUBLIC BUILDINGS.**

400.20 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
400.21 the meanings given.

400.22 (b) "Developer" means an entity that applies for a grant on behalf of a public building
400.23 under this section to install a solar energy generating system on the public building.

400.24 (c) "Local unit of government" means:

400.25 (1) a county, statutory or home rule charter city, town, or other local government
400.26 jurisdiction, excluding a school district eligible to receive financial assistance under section
400.27 216C.375 or 216C.376; or

400.28 (2) a federally recognized Indian Tribe in Minnesota.

400.29 (d) "Municipal electric utility" means a utility that (1) provides electric service to retail
400.30 customers in Minnesota, and (2) is governed by a city council or a local utilities commission.

400.31 (e) "Public building" means:

400.32 (1) a building owned and operated by a local unit of government; or

401.1 (2) a building owned by a federally recognized Indian Tribe in Minnesota whose primary
401.2 purpose is Tribal government operations.

401.3 (f) "Solar energy generating system" has the meaning given in section 216E.01,
401.4 subdivision 9a.

401.5 Subd. 2. **Establishment; purpose.** A solar on public buildings grant program is
401.6 established in the department. The purpose of the program is to provide grants to stimulate
401.7 the installation of solar energy generating systems on public buildings.

401.8 Subd. 3. **Establishment of account.** A solar on public buildings grant program account
401.9 is established in the special revenue fund. Money received from the general fund and the
401.10 renewable development account established in section 116C.779, subdivision 1, must be
401.11 transferred to the commissioner of commerce and credited to the account. Earnings, including
401.12 interest, dividends, and any other earnings arising from the assets of the account, must be
401.13 credited to the account. Earnings remaining in the account at the end of a fiscal year do not
401.14 cancel to the general fund or renewable development account but remain in the account
401.15 until expended. The commissioner must manage the account.

401.16 Subd. 4. **Appropriation; expenditures.** Money in the account established under
401.17 subdivision 3 is appropriated to the commissioner for the purposes of this section and must
401.18 be used only:

401.19 (1) for grant awards made under this section; and

401.20 (2) to pay the reasonable costs of the department to administer this section.

401.21 Subd. 5. **Eligible system.** (a) A grant may be awarded to a local unit of government
401.22 under this section only if the solar energy generating system that is the subject of the grant:

401.23 (1) is installed (i) on or adjacent to a public building that consumes the electricity
401.24 generated by the solar energy generating system, and (ii) on property within the service
401.25 territory of the utility currently providing electric service to the public building; and

401.26 (2) has a capacity that does not exceed the lesser of 40 kilowatts or 120 percent of the
401.27 average annual electricity consumption, measured over the most recent three calendar years,
401.28 of the public building at which the solar energy generating system is installed.

401.29 (b) A public building that receives a rebate or other financial incentive under section
401.30 216B.241 for a solar energy generating system is eligible for a grant under this section for
401.31 the same solar energy generating system.

402.1 (c) Before filing an application for a grant under this section, a local unit of government
402.2 or public building that is served by a municipal electric utility must inform the municipal
402.3 electric utility of the local unit of government's or public building's intention to do so. A
402.4 municipal electric utility may, under an agreement with a local unit of government, own
402.5 and operate a solar energy generating system awarded a grant under this section on behalf
402.6 of and for the benefit of the local unit of government.

402.7 Subd. 6. **Application process.** (a) The commissioner must issue a request for proposals
402.8 to utilities, local units of government, and developers who may wish to apply for a grant
402.9 under this section on behalf of a public building.

402.10 (b) A utility or developer must submit an application to the commissioner on behalf of
402.11 a public building on a form prescribed by the commissioner. The form must include, at a
402.12 minimum, the following information:

402.13 (1) the capacity of the proposed solar energy generating system and the amount of
402.14 electricity that is expected to be generated;

402.15 (2) the current energy demand of the public building on which the solar energy generating
402.16 system is to be installed, information regarding any distributed energy resource that currently
402.17 provides electricity to the public building, and the size of the public building's subscription
402.18 to a community solar garden, if applicable;

402.19 (3) information sufficient to estimate the energy and monetary savings that are projected
402.20 to result from installation of the solar energy generating system over the system's useful
402.21 life;

402.22 (4) the total cost to purchase and install the solar energy system and the solar energy
402.23 system's life cycle cost, including removal and disposal at the end of the system's life;

402.24 (5) a copy of the proposed contract agreement between the local unit of government and
402.25 the utility or developer that includes provisions addressing responsibility for maintenance,
402.26 removal, and disposal of the solar energy generating system; and

402.27 (6) if the applicant is other than the utility providing electric service to the public building
402.28 at which the solar energy generating system is to be installed, a written statement from that
402.29 utility that no issues that would prevent interconnection of the solar energy generating
402.30 system as proposed are foreseen.

402.31 (c) The commissioner must administer an open application process under this section
402.32 at least twice annually.

403.1 (d) The commissioner must develop administrative procedures governing the application
403.2 and grant award process under this section.

403.3 Subd. 7. **Energy conservation review.** At the commissioner's request, a local unit of
403.4 government awarded a grant under this section must provide the commissioner with
403.5 information regarding energy conservation measures implemented at the public building
403.6 where the solar energy generating system is to be installed. The commissioner may make
403.7 recommendations to the local unit of government regarding cost-effective conservation
403.8 measures the local unit of government can implement and may provide technical assistance
403.9 and direct the local unit of government to available financial assistance programs.

403.10 Subd. 8. **Technical assistance.** The commissioner must provide technical assistance to
403.11 local units of government to develop and execute projects under this section.

403.12 Subd. 9. **Grant payments.** The commissioner must award a grant from the account
403.13 established under subdivision 3 to a local unit of government for the necessary and reasonable
403.14 costs associated with the purchase and installation of a solar energy generating system. In
403.15 determining the amount of a grant award, the commissioner shall take into consideration
403.16 the financial capacity of the local unit of government awarded the grant.

403.17 Subd. 10. **Application deadline.** An application must not be submitted under this section
403.18 after June 30, 2026.

403.19 Subd. 11. **Contractor conditions.** A contractor or subcontractor performing construction
403.20 work on a project supported by a grant awarded under this section:

403.21 (1) must pay employees working on the project no less than the prevailing wage rate,
403.22 as defined in section 177.42; and

403.23 (2) is subject to the requirements and enforcement provisions of sections 177.27, 177.30,
403.24 177.32, 177.41 to 177.435, and 177.45.

403.25 Subd. 12. **Reporting.** Beginning January 15, 2024, and each year thereafter until January
403.26 15, 2027, the commissioner must report to the chairs and ranking minority members of the
403.27 legislative committees with jurisdiction over energy finance and policy regarding grants
403.28 and amounts awarded to local units of government under this section during the previous
403.29 year and any remaining balances available in the account established under this section.

403.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

404.1 Sec. 9. [216C.379] DISTRIBUTED ENERGY RESOURCES SYSTEM UPGRADE
404.2 PROGRAM.

404.3 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
404.4 the meanings given.

404.5 (b) "Capacity constrained location" means a location on an electric utility's distribution
404.6 system that the utility has reasonably determined requires significant distribution or network
404.7 upgrades before additional distributed energy resources can interconnect.

404.8 (c) "Distribution upgrades" means the additions, modifications, and upgrades made to
404.9 an electric utility's distribution system to facilitate interconnection of distributed energy
404.10 resources.

404.11 (d) "Interconnection" means the process governed by the Minnesota Distributed Energy
404.12 Resources Interconnection Process and Agreement, as approved in the Minnesota Public
404.13 Utilities Commission's order issued April 19, 2019.

404.14 (e) "Net metered facility" has the meaning given in section 216B.164.

404.15 (f) "Network upgrades" means additions, modifications, and upgrades to the transmission
404.16 system required at or beyond the point at which the distributed energy resource interconnects
404.17 with an electric utility's distribution system to accommodate the interconnection of the
404.18 distributed energy resource with the electric utility's distribution system. Network upgrades
404.19 do not include distribution upgrades.

404.20 Subd. 2. Establishment; purpose. A distributed energy resources system upgrade
404.21 program is established in the department. The purpose of the program is to provide funding
404.22 to the utility subject to section 116C.779 to complete infrastructure upgrades necessary to
404.23 enable electricity customers to interconnect distributed energy resources. The program must
404.24 be designed to achieve the following goals to the maximum extent feasible:

404.25 (1) make upgrades at capacity constrained locations on the utility's distribution system
404.26 so that the number and capacity of distributed energy resources projects with a capacity of
404.27 up to 40 kilowatts alternating current that can be interconnected is sufficient to serve projected
404.28 demand;

404.29 (2) enable all distributed energy resources projects with a nameplate capacity of up to
404.30 40 kilowatts alternating current to be reviewed and approved by the utility within 43 business
404.31 days;

404.32 (3) minimize interconnection barriers for electricity customers seeking to construct net
404.33 metered facilities for on-site electricity use; and

405.1 (4) advance innovative solutions that can minimize the cost of distribution and network
405.2 upgrades required for interconnection, including but not limited to energy storage, control
405.3 technologies, smart inverters, distributed energy resources management systems, and other
405.4 innovative technologies and programs.

405.5 Subd. 3. **Required plan.** (a) By November 1, 2023, the utility subject to section 116C.779
405.6 must file with the commissioner a plan for the distributed energy resources system upgrade
405.7 program. The plan must contain:

405.8 (1) a description of how the utility proposes to use money in the distributed energy
405.9 resources system upgrade program account to upgrade the utility's distribution system so
405.10 that the number and capacity of distributed energy resources that can be interconnected is
405.11 sufficient to serve projected demand;

405.12 (2) the locations where the utility proposes to make investments under the program;

405.13 (3) the number and capacity of distributed energy resources projects the utility expects
405.14 to interconnect as a result of the program;

405.15 (4) a plan for reporting on the program's outcomes; and

405.16 (5) any additional information required by the commissioner.

405.17 (b) The utility subject to section 116C.779 is prohibited from implementing the program
405.18 until the commissioner approves the plan submitted under this subdivision. No later than
405.19 March 31, 2024, the commissioner must approve a plan under this subdivision that the
405.20 commissioner determines is in the public interest. Any proposed modification to the plan
405.21 approved under this subdivision must be approved by the commissioner.

405.22 Subd. 4. **Project priorities.** In developing the plan required by subdivision 3, the utility
405.23 must prioritize making investments under this program:

405.24 (1) at capacity constrained locations on the distribution grid;

405.25 (2) in communities with demonstrated customer interest in distributed energy resources
405.26 as measured by completed, pending, and anticipated interconnection applications; and

405.27 (3) in communities with a climate action plan, clean energy goal, or policies that:

405.28 (i) seek to mitigate the impacts of climate change on the city; or

405.29 (ii) reduce the city's contributions to the causes of climate change.

406.1 Subd. 5. **Eligible costs.** The commissioner may pay the following reasonable costs of
406.2 the utility subject to section 116C.779 under a plan approved in accordance with subdivision
406.3 3 from money available in the distributed energy resources system upgrade program account:

406.4 (1) distribution upgrades and network upgrades;

406.5 (2) energy storage; control technologies, including but not limited to a distributed energy
406.6 resources management system; or other innovative technology used to achieve the purposes
406.7 of this section;

406.8 (3) pilot programs operated by the utility to implement innovative technology solutions;
406.9 and

406.10 (4) costs incurred by the department to administer this section.

406.11 Subd. 6. **Capacity reserved.** The utility subject to section 116C.779 must reserve any
406.12 increase in capacity made available by upgrades paid for under this section for net metered
406.13 facilities and distributed energy resources with a nameplate capacity of up to 40 kilowatts
406.14 alternating current. The commissioner may modify the requirements of this subdivision
406.15 when the commissioner finds doing so is in the public interest.

406.16 Subd. 7. **Establishment of account.** (a) A distributed energy resources system upgrade
406.17 program account is established in the special revenue fund. Earnings, including interest,
406.18 dividends, and any other earnings arising from the assets of the account, must be credited
406.19 to the account. Earnings remaining in the account at the end of a fiscal year do not cancel
406.20 to the general fund or renewable development account but remain in the account until
406.21 expended. The commissioner must manage the account.

406.22 (b) Money from the account is appropriated to the commissioner for the purposes of this
406.23 section.

406.24 Subd. 8. **Reporting of certain incidents.** The utility subject to section 116C.779 must
406.25 report to the commissioner within 60 days if any distributed energy resources project with
406.26 a capacity up to 40 kilowatts alternating current is unable to interconnect at a location for
406.27 which upgrade funding was provided under this program due to safety or reliability issues,
406.28 or the additional cost of distribution or network upgrades required. The utility must make
406.29 available to the commissioner all engineering analyses, studies, and information related to
406.30 any such instances. The commissioner may modify or waive this requirement after December
406.31 31, 2025.

407.1 Sec. 10. **[500.216] LIMITS ON CERTAIN RESIDENTIAL SOLAR ENERGY**
407.2 **SYSTEMS PROHIBITED.**

407.3 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this
407.4 subdivision have the meanings given.

407.5 (b) "Private entity" means a homeowners association, community association, or other
407.6 association that is subject to a homeowners association document.

407.7 (c) "Homeowners association document" means a document containing the declaration,
407.8 articles of incorporation, bylaws, or rules and regulations of:

407.9 (1) a common interest community, as defined in section 515B.1-103, regardless of
407.10 whether the common interest community is subject to chapter 515B; and

407.11 (2) a residential community that is not a common interest community.

407.12 (d) "Solar energy system" has the meaning given in section 216C.06, subdivision 17.

407.13 Subd. 2. **Applicability.** This section applies to:

407.14 (1) single-family detached dwellings whose owner is the sole owner of the entire building
407.15 in which the dwelling is located and who is solely responsible for the maintenance, repair,
407.16 replacement, and insurance of the entire building; and

407.17 (2) multifamily attached dwellings whose owner is the sole owner of the entire building
407.18 in which the dwelling is located and who is solely responsible for the maintenance, repair,
407.19 replacement, and insurance of the entire building.

407.20 Subd. 3. **General rule.** Except as otherwise provided in this section and notwithstanding
407.21 any covenant, restriction, or condition contained in a deed, security instrument, homeowners
407.22 association document, or any other instrument affecting the transfer, sale of, or an interest
407.23 in real property, a private entity must not prohibit or refuse to permit the owner of a
407.24 single-family dwelling to install, maintain, or use a roof-mounted solar energy system.

407.25 Subd. 4. **Allowable conditions.** (a) A private entity may require that:

407.26 (1) a licensed contractor install a solar energy system;

407.27 (2) a roof-mounted solar energy system not extend above the peak of a pitched roof or
407.28 beyond the edge of the roof;

407.29 (3) the owner or installer of a solar energy system indemnify or reimburse the private
407.30 entity or the private entity's members for loss or damage caused by the installation,
407.31 maintenance, use, repair, or removal of a solar energy system;

408.1 (4) the owner and each successive owner of a solar energy system list the private entity
408.2 as a certificate holder on the homeowner's insurance policy; or

408.3 (5) the owner and each successive owner of a solar energy system be responsible for
408.4 removing the system if reasonably necessary to repair, perform maintenance, or replace
408.5 common elements or limited common elements, as defined in section 515B.1-103.

408.6 (b) A private entity may impose other reasonable restrictions on installing, maintaining,
408.7 or using solar energy systems, provided that the restrictions do not: (1) decrease the solar
408.8 energy system's projected energy generation by more than ten percent; or (2) increase the
408.9 solar energy system's cost by more than (i) 20 percent for a solar water heater, or (ii) \$1,000
408.10 for a solar photovoltaic system, when compared with the solar energy system's energy
408.11 generation and the cost of labor and materials originally proposed without the restrictions,
408.12 as certified by the solar energy system's designer or installer. A private entity may obtain
408.13 an alternative bid and design from a solar energy system designer or installer for the purposes
408.14 of this paragraph.

408.15 (c) A solar energy system must meet applicable standards and requirements imposed by
408.16 the state and by governmental units, as defined in section 462.384.

408.17 (d) A solar energy system for heating water must be certified by the Solar Rating
408.18 Certification Corporation or an equivalent certification agency. A solar energy system for
408.19 producing electricity must meet: (1) all applicable safety and performance standards
408.20 established by the National Electrical Code, the Institute of Electrical and Electronics
408.21 Engineers, and accredited testing laboratories, including but not limited to Underwriters
408.22 Laboratories; and (2) where applicable, rules of the Public Utilities Commission regarding
408.23 safety and reliability.

408.24 (e) If approval by a private entity is required prior to installing or using a solar energy
408.25 system, the application for approval (1) must be processed and approved in the same manner
408.26 as an application for approval of an architectural modification to the property, and (2) must
408.27 not be willfully avoided or delayed. In no event does a private entity have less than 60 days
408.28 to approve or disapprove an application for a solar energy system.

408.29 (f) An application for approval must be made in writing and must contain certification
408.30 that the applicant must meet any conditions required by a private entity under subdivision
408.31 4. An application must include a copy of the interconnection application submitted to the
408.32 applicable electric utility.

408.33 (g) A private entity must approve or deny an application in writing. If an application is
408.34 not denied in writing within 60 days of the date the application was received, the application

409.1 is deemed approved unless the delay is the result of a reasonable request for additional
409.2 information. If a private entity determines that additional information is needed from the
409.3 applicant in order to approve or disapprove the application, the private entity must request
409.4 the additional information in writing within 60 days from the date of receipt of the
409.5 application. If the private entity makes a request for additional information within 15 days
409.6 from the date the private entity initially received the application, the private entity shall
409.7 have 60 days from the date of receipt of the additional information in which to approve or
409.8 disapprove the application. If the private entity makes a written request to the applicant for
409.9 additional information more than 15 days after the private entity initially received the
409.10 application, the private entity has 15 days after the private entity receives the additional
409.11 information requested from the applicant in which to approve or disapprove the application,
409.12 but in no event does the private entity have less than 60 days from the date the private entity
409.13 initially received the application in which to approve or disapprove the application.

409.14 Sec. 11. Minnesota Statutes 2022, section 515B.2-103, is amended to read:

409.15 **515B.2-103 CONSTRUCTION AND VALIDITY OF DECLARATION AND**
409.16 **BYLAWS.**

409.17 (a) All provisions of the declaration and bylaws are severable.

409.18 (b) The rule against perpetuities may not be applied to defeat any provision of the
409.19 declaration or this chapter, or any instrument executed pursuant to the declaration or this
409.20 chapter.

409.21 (c) In the event of a conflict between the provisions of the declaration and the bylaws,
409.22 the declaration prevails except to the extent that the declaration is inconsistent with this
409.23 chapter.

409.24 (d) The declaration and bylaws must comply with ~~section~~ sections 500.215 and 500.216.

409.25 Sec. 12. Minnesota Statutes 2022, section 515B.3-102, is amended to read:

409.26 **515B.3-102 POWERS OF UNIT OWNERS' ASSOCIATION.**

409.27 (a) Except as provided in subsections (b), (c), (d), and (e), and subject to the provisions
409.28 of the declaration or bylaws, the association shall have the power to:

409.29 (1) adopt, amend and revoke rules and regulations not inconsistent with the articles of
409.30 incorporation, bylaws and declaration, as follows: (i) regulating the use of the common
409.31 elements; (ii) regulating the use of the units, and conduct of unit occupants, which may
409.32 jeopardize the health, safety or welfare of other occupants, which involves noise or other

410.1 disturbing activity, or which may damage the common elements or other units; (iii) regulating
410.2 or prohibiting animals; (iv) regulating changes in the appearance of the common elements
410.3 and conduct which may damage the common interest community; (v) regulating the exterior
410.4 appearance of the common interest community, including, for example, balconies and patios,
410.5 window treatments, and signs and other displays, regardless of whether inside a unit; (vi)
410.6 implementing the articles of incorporation, declaration and bylaws, and exercising the
410.7 powers granted by this section; and (vii) otherwise facilitating the operation of the common
410.8 interest community;

410.9 (2) adopt and amend budgets for revenues, expenditures and reserves, and levy and
410.10 collect assessments for common expenses from unit owners;

410.11 (3) hire and discharge managing agents and other employees, agents, and independent
410.12 contractors;

410.13 (4) institute, defend, or intervene in litigation or administrative proceedings (i) in its
410.14 own name on behalf of itself or two or more unit owners on matters affecting the common
410.15 elements or other matters affecting the common interest community or, (ii) with the consent
410.16 of the owners of the affected units on matters affecting only those units;

410.17 (5) make contracts and incur liabilities;

410.18 (6) regulate the use, maintenance, repair, replacement, and modification of the common
410.19 elements and the units;

410.20 (7) cause improvements to be made as a part of the common elements, and, in the case
410.21 of a cooperative, the units;

410.22 (8) acquire, hold, encumber, and convey in its own name any right, title, or interest to
410.23 real estate or personal property, but (i) common elements in a condominium or planned
410.24 community may be conveyed or subjected to a security interest only pursuant to section
410.25 515B.3-112, or (ii) part of a cooperative may be conveyed, or all or part of a cooperative
410.26 may be subjected to a security interest, only pursuant to section 515B.3-112;

410.27 (9) grant or amend easements for public utilities, public rights-of-way or other public
410.28 purposes, and cable television or other communications, through, over or under the common
410.29 elements; grant or amend easements, leases, or licenses to unit owners for purposes authorized
410.30 by the declaration; and, subject to approval by a vote of unit owners other than declarant
410.31 or its affiliates, grant or amend other easements, leases, and licenses through, over or under
410.32 the common elements;

411.1 (10) impose and receive any payments, fees, or charges for the use, rental, or operation
411.2 of the common elements, other than limited common elements, and for services provided
411.3 to unit owners;

411.4 (11) impose interest and late charges for late payment of assessments and, after notice
411.5 and an opportunity to be heard before the board or a committee appointed by it, levy
411.6 reasonable fines for violations of the declaration, bylaws, and rules and regulations of the
411.7 association;

411.8 (12) impose reasonable charges for the review, preparation and recordation of
411.9 amendments to the declaration, resale certificates required by section 515B.4-107, statements
411.10 of unpaid assessments, or furnishing copies of association records;

411.11 (13) provide for the indemnification of its officers and directors, and maintain directors'
411.12 and officers' liability insurance;

411.13 (14) provide for reasonable procedures governing the conduct of meetings and election
411.14 of directors;

411.15 (15) exercise any other powers conferred by law, or by the declaration, articles of
411.16 incorporation or bylaws; and

411.17 (16) exercise any other powers necessary and proper for the governance and operation
411.18 of the association.

411.19 (b) Notwithstanding subsection (a) the declaration or bylaws may not impose limitations
411.20 on the power of the association to deal with the declarant which are more restrictive than
411.21 the limitations imposed on the power of the association to deal with other persons.

411.22 (c) Notwithstanding subsection (a), powers exercised under this section must comply
411.23 with ~~section~~ sections 500.215 and 500.216.

411.24 (d) Notwithstanding subsection (a)(4) or any other provision of this chapter, the
411.25 association, before instituting litigation or arbitration involving construction defect claims
411.26 against a development party, shall:

411.27 (1) mail or deliver written notice of the anticipated commencement of the action to each
411.28 unit owner at the addresses, if any, established for notices to owners in the declaration and,
411.29 if the declaration does not state how notices are to be given to owners, to the owner's last
411.30 known address. The notice shall specify the nature of the construction defect claims to be
411.31 alleged, the relief sought, and the manner in which the association proposes to fund the cost
411.32 of pursuing the construction defect claims; and

412.1 (2) obtain the approval of owners of units to which a majority of the total votes in the
412.2 association are allocated. Votes allocated to units owned by the declarant, an affiliate of the
412.3 declarant, or a mortgagee who obtained ownership of the unit through a foreclosure sale
412.4 are excluded. The association may obtain the required approval by a vote at an annual or
412.5 special meeting of the members or, if authorized by the statute under which the association
412.6 is created and taken in compliance with that statute, by a vote of the members taken by
412.7 electronic means or mailed ballots. If the association holds a meeting and voting by electronic
412.8 means or mailed ballots is authorized by that statute, the association shall also provide for
412.9 voting by those methods. Section 515B.3-110(c) applies to votes taken by electronic means
412.10 or mailed ballots, except that the votes must be used in combination with the vote taken at
412.11 a meeting and are not in lieu of holding a meeting, if a meeting is held, and are considered
412.12 for purposes of determining whether a quorum was present. Proxies may not be used for a
412.13 vote taken under this paragraph unless the unit owner executes the proxy after receipt of
412.14 the notice required under subsection (d)(1) and the proxy expressly references this notice.

412.15 (e) The association may intervene in a litigation or arbitration involving a construction
412.16 defect claim or assert a construction defect claim as a counterclaim, crossclaim, or third-party
412.17 claim before complying with subsections (d)(1) and (d)(2) but the association's complaint
412.18 in an intervention, counterclaim, crossclaim, or third-party claim shall be dismissed without
412.19 prejudice unless the association has complied with the requirements of subsection (d) within
412.20 90 days of the association's commencement of the complaint in an intervention or the
412.21 assertion of the counterclaim, crossclaim, or third-party claim.

412.22 **Sec. 13. TRANSFER OF UNENCUMBERED WITHHELD FUNDS.**

412.23 Any unencumbered funds withheld by the public utility subject to Minnesota Statutes,
412.24 section 116C.779, subdivision 1, to provide financial assistance to schools to purchase and
412.25 install solar energy systems, as required under Minnesota Statutes 2022, section 216C.376,
412.26 subdivision 5, paragraph (a), that are unexpended as of the effective date of this act must
412.27 be transferred to the solar for schools program account established under Minnesota Statutes,
412.28 section 216C.375, subdivision 3.

412.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

412.30 **Sec. 14. REPEALER.**

412.31 Minnesota Statutes 2022, section 216C.376, is repealed.

412.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

ARTICLE 16

MISCELLANEOUS

413.1

413.2

413.3 Section 1. Minnesota Statutes 2022, section 116C.779, subdivision 1, is amended to read:

413.4 Subdivision 1. **Renewable development account.** (a) The renewable development
413.5 account is established as a separate account in the special revenue fund in the state treasury.
413.6 Appropriations and transfers to the account shall be credited to the account. Earnings, such
413.7 as interest, dividends, and any other earnings arising from assets of the account, shall be
413.8 credited to the account. Funds remaining in the account at the end of a fiscal year are not
413.9 canceled to the general fund but remain in the account until expended. The account shall
413.10 be administered by the commissioner of management and budget as provided under this
413.11 section.

413.12 (b) On July 1, 2017, the public utility that owns the Prairie Island nuclear generating
413.13 plant must transfer all funds in the renewable development account previously established
413.14 under this subdivision and managed by the public utility to the renewable development
413.15 account established in paragraph (a). Funds awarded to grantees in previous grant cycles
413.16 that have not yet been expended and unencumbered funds required to be paid in calendar
413.17 year 2017 under paragraphs (f) and (g), and sections 116C.7792 and 216C.41, are not subject
413.18 to transfer under this paragraph.

413.19 (c) Except as provided in subdivision 1a, beginning January 15, 2018, and continuing
413.20 each January 15 thereafter, the public utility that owns the Prairie Island nuclear generating
413.21 plant must transfer to the renewable development account \$500,000 each year for each dry
413.22 cask containing spent fuel that is located at the Prairie Island power plant for each year the
413.23 plant is in operation, and \$7,500,000 each year the plant is not in operation if ordered by
413.24 the commission pursuant to paragraph (i). The fund transfer must be made if nuclear waste
413.25 is stored in a dry cask at the independent spent-fuel storage facility at Prairie Island for any
413.26 part of a year. Each year, the amount the public utility must transfer to the renewable
413.27 development account under this paragraph must be reduced by the amount of any per-cask
413.28 payment made by the public utility to the Prairie Island Indian Community under section
413.29 216B.1645, subdivision 4.

413.30 (d) Except as provided in subdivision 1a, beginning January 15, 2018, and continuing
413.31 each January 15 thereafter, the public utility that owns the Monticello nuclear generating
413.32 plant must transfer to the renewable development account \$350,000 each year for each dry
413.33 cask containing spent fuel that is located at the Monticello nuclear power plant for each
413.34 year the plant is in operation, and \$5,250,000 each year the plant is not in operation if ordered

414.1 by the commission pursuant to paragraph (i). The fund transfer must be made if nuclear
414.2 waste is stored in a dry cask at the independent spent-fuel storage facility at Monticello for
414.3 any part of a year.

414.4 (e) Each year, the public utility shall withhold from the funds transferred to the renewable
414.5 development account under paragraphs (c) and (d) the amount necessary to pay its obligations
414.6 under paragraphs (f) and (g), and sections 116C.7792 and 216C.41, for that calendar year.

414.7 (f) If the commission approves a new or amended power purchase agreement, the
414.8 termination of a power purchase agreement, or the purchase and closure of a facility under
414.9 section 216B.2424, subdivision 9, with an entity that uses poultry litter to generate electricity,
414.10 the public utility subject to this section shall enter into a contract with the city in which the
414.11 poultry litter plant is located to provide grants to the city for the purposes of economic
414.12 development on the following schedule: \$4,000,000 in fiscal year 2018; \$6,500,000 each
414.13 fiscal year in 2019 and 2020; and \$3,000,000 in fiscal year 2021. The grants shall be paid
414.14 by the public utility from funds withheld from the transfer to the renewable development
414.15 account, as provided in paragraphs (b) and (e).

414.16 (g) If the commission approves a new or amended power purchase agreement, or the
414.17 termination of a power purchase agreement under section 216B.2424, subdivision 9, with
414.18 an entity owned or controlled, directly or indirectly, by two municipal utilities located north
414.19 of Constitutional Route No. 8, that was previously used to meet the biomass mandate in
414.20 section 216B.2424, the public utility that owns a nuclear generating plant shall enter into a
414.21 grant contract with such entity to provide \$6,800,000 per year for five years, commencing
414.22 30 days after the commission approves the new or amended power purchase agreement, or
414.23 the termination of the power purchase agreement, and on each June 1 thereafter through
414.24 2021, to assist the transition required by the new, amended, or terminated power purchase
414.25 agreement. The grant shall be paid by the public utility from funds withheld from the transfer
414.26 to the renewable development account as provided in paragraphs (b) and (e).

414.27 (h) The collective amount paid under the grant contracts awarded under paragraphs (f)
414.28 and (g) is limited to the amount deposited into the renewable development account, and its
414.29 predecessor, the renewable development account, established under this section, that was
414.30 not required to be deposited into the account under Laws 1994, chapter 641, article 1, section
414.31 10.

414.32 (i) After discontinuation of operation of the Prairie Island nuclear plant or the Monticello
414.33 nuclear plant and each year spent nuclear fuel is stored in dry cask at the discontinued
414.34 facility, the commission shall require the public utility to pay \$7,500,000 for the discontinued

415.1 Prairie Island facility and \$5,250,000 for the discontinued Monticello facility for any year
415.2 in which the commission finds, by the preponderance of the evidence, that the public utility
415.3 did not make a good faith effort to remove the spent nuclear fuel stored at the facility to a
415.4 permanent or interim storage site out of the state. This determination shall be made at least
415.5 every two years.

415.6 (j) Funds in the account may be expended only for any of the following purposes:

415.7 (1) to stimulate research and development of renewable electric energy technologies;

415.8 (2) to encourage grid modernization, including, but not limited to, projects that implement
415.9 electricity storage, load control, and smart meter technology; and

415.10 (3) to stimulate other innovative energy projects that reduce demand and increase system
415.11 efficiency and flexibility.

415.12 Expenditures from the fund must benefit Minnesota ratepayers receiving electric service
415.13 from the utility that owns a nuclear-powered electric generating plant in this state or the
415.14 Prairie Island Indian community or its members.

415.15 The utility that owns a nuclear generating plant is eligible to apply for grants under this
415.16 subdivision.

415.17 (k) For the purposes of paragraph (j), the following terms have the meanings given:

415.18 (1) "renewable" has the meaning given in section 216B.2422, subdivision 1, paragraph
415.19 (c), clauses (1), (2), (4), and (5); and

415.20 (2) "grid modernization" means:

415.21 (i) enhancing the reliability of the electrical grid;

415.22 (ii) improving the security of the electrical grid against cyberthreats and physical threats;
415.23 and

415.24 (iii) increasing energy conservation opportunities by facilitating communication between
415.25 the utility and its customers through the use of two-way meters, control technologies, energy
415.26 storage and microgrids, technologies to enable demand response, and other innovative
415.27 technologies.

415.28 (l) A renewable development account advisory group that includes, among others,
415.29 representatives of the public utility and its ratepayers, and includes at least one representative
415.30 of the Prairie Island Indian community appointed by that community's tribal council, shall
415.31 develop recommendations on account expenditures. The advisory group must design a
415.32 request for proposal and evaluate projects submitted in response to a request for proposals.

416.1 The advisory group must utilize an independent third-party expert to evaluate proposals
416.2 submitted in response to a request for proposal, including all proposals made by the public
416.3 utility. A request for proposal for research and development under paragraph (j), clause (1),
416.4 may be limited to or include a request to higher education institutions located in Minnesota
416.5 for multiple projects authorized under paragraph (j), clause (1). The request for multiple
416.6 projects may include a provision that exempts the projects from the third-party expert review
416.7 and instead provides for project evaluation and selection by a merit peer review grant system.
416.8 In the process of determining request for proposal scope and subject and in evaluating
416.9 responses to request for proposals, the advisory group must strongly consider, where
416.10 reasonable, potential benefit to Minnesota citizens and businesses and the utility's ratepayers.

416.11 (m) The advisory group shall submit funding recommendations to the public utility,
416.12 which has full and sole authority to determine which expenditures shall be submitted by
416.13 the advisory group to the legislature. The commission may approve proposed expenditures,
416.14 may disapprove proposed expenditures that it finds not to be in compliance with this
416.15 subdivision or otherwise not in the public interest, and may, if agreed to by the public utility,
416.16 modify proposed expenditures. The commission shall, by order, submit its funding
416.17 recommendations to the legislature as provided under paragraph (n).

416.18 (n) The commission shall present its recommended appropriations from the account to
416.19 the senate and house of representatives committees with jurisdiction over energy policy and
416.20 finance annually by February 15. Expenditures from the account must be appropriated by
416.21 law. In enacting appropriations from the account, the legislature:

416.22 (1) may approve or disapprove, but may not modify, the amount of an appropriation for
416.23 a project recommended by the commission; and

416.24 (2) may not appropriate money for a project the commission has not recommended
416.25 funding.

416.26 (o) A request for proposal for renewable energy generation projects must, when feasible
416.27 and reasonable, give preference to projects that are most cost-effective for a particular energy
416.28 source.

416.29 (p) The advisory group must annually, by February 15, report to the chairs and ranking
416.30 minority members of the legislative committees with jurisdiction over energy policy on
416.31 projects funded by the account for the prior year and all previous years. The report must,
416.32 to the extent possible and reasonable, itemize the actual and projected financial benefit to
416.33 the public utility's ratepayers of each project.

417.1 (q) By February 1, 2018, and each February 1 thereafter, the commissioner of
417.2 management and budget shall submit a written report regarding the availability of funds in
417.3 and obligations of the account to the chairs and ranking minority members of the senate
417.4 and house committees with jurisdiction over energy policy and finance, the public utility,
417.5 and the advisory group.

417.6 (r) A project receiving funds from the account must produce a written final report that
417.7 includes sufficient detail for technical readers and a clearly written summary for nontechnical
417.8 readers. The report must include an evaluation of the project's financial, environmental, and
417.9 other benefits to the state and the public utility's ratepayers.

417.10 (s) Final reports, any mid-project status reports, and renewable development account
417.11 financial reports must be posted online on a public website designated by the commissioner
417.12 of commerce.

417.13 (t) All final reports must acknowledge that the project was made possible in whole or
417.14 part by the Minnesota renewable development account, noting that the account is financed
417.15 by the public utility's ratepayers.

417.16 (u) Of the amount in the renewable development account, priority must be given to
417.17 making the payments required under section 216C.417.

417.18 (v) Construction projects receiving funds from this account are subject to the requirement
417.19 to pay the prevailing wage rate, as defined in section 177.42 and the requirements and
417.20 enforcement provisions in sections 177.27, 177.30, 177.32, 177.41 to 177.435, and 177.45.

417.21 **EFFECTIVE DATE.** This section is effective the day following final enactment and
417.22 applies to construction contracts entered into on or after that date.

417.23 Sec. 2. **[123B.662] DEFINITIONS.**

417.24 Subdivision 1. **General.** For purposes of this section and section 123B.663, the terms
417.25 in this section have the meanings given unless the language or context clearly indicates that
417.26 a different meaning is intended.

417.27 Subd. 2. **ANSI.** "ANSI" means American National Standards Institute.

417.28 Subd. 3. **ASHRAE.** "ASHRAE" means American Society of Heating Refrigeration Air
417.29 Conditioning Engineers.

417.30 Subd. 4. **Certified TAB technician.** "Certified TAB technician" means a technician
417.31 certified to perform testing, adjusting, and balancing of HVAC systems by the Associated

418.1 Air Balance Council, National Environmental Balancing Bureau, or the Testing, Adjusting
418.2 and Balancing Bureau.

418.3 Subd. 5. **HVAC.** "HVAC" means heating, ventilation, and air conditioning.

418.4 Subd. 6. **Licensed professional engineer.** "Licensed professional engineer" means a
418.5 professional engineer licensed under sections 326.02 to 326.15 who holds an active license,
418.6 is in good standing, and is not subject to any disciplinary or other actions with the Board
418.7 of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and
418.8 Interior Design.

418.9 Subd. 7. **MERV.** "MERV" means minimum efficiency reporting value established by
418.10 ASHRAE Standard 52.2-2017 - Method of Testing General Ventilation Air-Cleaning Devices
418.11 for Removal Efficiency by Particle Size.

418.12 Subd. 8. **Program.** "Program" means the air ventilation program.

418.13 Subd. 9. **Program administrator.** "Program administrator" means the commissioner
418.14 of commerce or the commissioner's representative.

418.15 Subd. 10. **Qualified adjusting personnel.** "Qualified adjusting personnel" means one
418.16 of the following:

418.17 (1) a certified TAB technician; or

418.18 (2) a skilled and trained workforce under the supervision of a certified TAB technician.

418.19 Subd. 11. **Qualified testing personnel.** "Qualified testing personnel" means one of the
418.20 following:

418.21 (1) a certified TAB technician; or

418.22 (2) a skilled and trained workforce under the supervision of a certified TAB technician.

418.23 Subd. 12. **Registered apprenticeship program.** "Registered apprenticeship program"
418.24 means an apprenticeship program that is registered under chapter 178 or Code of Federal
418.25 Regulations, title 29, part 29.

418.26 Subd. 13. **Skilled and trained workforce.** "Skilled and trained workforce" means a
418.27 workforce in which at least 80 percent of the construction workers are either graduates of
418.28 a registered apprenticeship program for the applicable occupation or are registered as
418.29 apprentices in a registered apprenticeship program for the applicable occupation.

418.30 Subd. 14. **TAB.** "TAB" means testing, adjusting, and balancing of an HVAC system.

418.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

419.1 Sec. 3. [123B.663] AIR VENTILATION PILOT PROGRAM GRANTS AND
419.2 GUIDELINES.

419.3 Subdivision 1. Grant program. The Department of Commerce shall establish and
419.4 administer the air ventilation program to award grants to school boards to reimburse the
419.5 school boards for the following activities:

419.6 (1) completion of a heating, ventilation, and air conditioning assessment report;

419.7 (2) subsequent testing, adjusting balancing work performed as a result of assessment;
419.8 and

419.9 (3) ventilation equipment upgrades, replacements, or other measures recommended by
419.10 the assessment to improve health, safety, and HVAC system efficiency.

419.11 Subd. 2. Grant awards. (a) The program administrator shall award a grant if the school
419.12 board meets the following requirements:

419.13 (1) completes a heating, ventilation, and air conditioning assessment report by qualified
419.14 testing personnel or qualified adjusting personnel. The report must be verified by a licensed
419.15 professional engineer and include costs of adjustments or repairs necessary to meet minimum
419.16 ventilation and filtration requirements and determine whether any cost-effective energy
419.17 efficiency upgrades or replacements are warranted or recommended;

419.18 (2) all work required after conducting the assessment must be performed by a skilled
419.19 and trained workforce;

419.20 (3) upon completion of the work for which a school board is seeking reimbursement,
419.21 the school board must conduct an HVAC verification report that includes the name and
419.22 address of the school facility and individual or contractor preparing and certifying the report
419.23 and a description of the assessment, maintenance, adjustment, repair, upgrade, and
419.24 replacement activities and outcomes; and

419.25 (4) verification that the school board has complied with all requirements. Verification
419.26 must include documentation that either MERV 13 filters have been installed or verification
419.27 that the maximum MERV-rated filter that the system is able to effectively handle has been
419.28 installed; documentation of the MERV rating; the verified ventilation rates for occupied
419.29 areas of the school and whether those rates meet the requirements set forth in ANSI/ASHRAE
419.30 Standard 62.1-2019, with an accompanying explanation for any ventilation rates that do not
419.31 meet applicable requirements documenting why the current system is unable to meet
419.32 requirements; the verified exhaust for occupied areas and whether those rates meet the
419.33 requirements set forth in the system design intent; documentation of system deficiencies;

420.1 recommendations for additional maintenance, replacement, or upgrades to improve energy
420.2 efficiency, safety, or performance; documentation of initial operating verifications,
420.3 adjustments, and final operating verifications; documentation of any adjustments or repairs
420.4 performed; verification of installation of carbon dioxide monitors, including the make and
420.5 model of monitors; and verification that all work has been performed by qualified personnel,
420.6 including the contractor's name, certified TAB technician name and certification number,
420.7 and verification that all construction work has been performed by a skilled and trained
420.8 workforce.

420.9 (b) Grants shall be prioritized to give direct support to schools and school children in
420.10 communities with high rates of poverty, as determined by receipt of federal Title I funding.

420.11 (c) Grants shall be awarded to reimburse schools for 50 percent of costs incurred for
420.12 work performed under paragraph (a), clauses (1) to (3), with a maximum grant award of
420.13 \$50,000.

420.14 (d) The school board shall maintain a copy of the HVAC verification report and make
420.15 it available to students, parents, school personnel, and to any member of the public or the
420.16 program administrator upon request.

420.17 Subd. 3. **Program guidelines and rules.** (a) The program administrator shall:

420.18 (1) adopt guidelines for the air ventilation program no later than March 1, 2024;

420.19 (2) establish the timing of grant funding; and

420.20 (3) ensure the air ventilation program is operating and may receive applications for
420.21 grants no later than November 1, 2023, and begin to approve applications no later than
420.22 January 1, 2024, subject to the availability of funds.

420.23 (b) The technical and reporting requirements of the air ventilation program may be
420.24 amended by the program administrator as necessary to reflect current COVID-19 guidance
420.25 or other applicable guidance, to achieve the intent of the air ventilation program, and to
420.26 ensure consistency with other related requirements and codes.

420.27 (c) The program administrator may use no more than five percent of the program funds
420.28 for administering the program, including providing technical support to program participants.

420.29 (d) The program administrator may establish rules for the air ventilation program.

420.30 Sec. 4. Minnesota Statutes 2022, section 216B.096, subdivision 11, is amended to read:

420.31 Subd. 11. **Reporting.** Annually on ~~November 1~~ October 15, a utility must electronically
420.32 file with the commission a report, in a format specified by the commission, specifying the

421.1 number of utility heating service customers whose service is disconnected or remains
 421.2 disconnected for nonpayment as of September 15 and October 1 and October 15. If customers
 421.3 remain disconnected on October ~~15~~ 1, a utility must file a report each week between
 421.4 ~~November 1~~ October 15 and the end of the cold weather period specifying:

421.5 (1) the number of utility heating service customers that are or remain disconnected from
 421.6 service for nonpayment; and

421.7 (2) the number of utility heating service customers that are reconnected to service each
 421.8 week. The utility may discontinue weekly reporting if the number of utility heating service
 421.9 customers that are or remain disconnected reaches zero before the end of the cold weather
 421.10 period.

421.11 The data reported under this subdivision are presumed to be accurate upon submission
 421.12 and must be made available through the commission's electronic filing system.

421.13 Sec. 5. Minnesota Statutes 2022, section 216B.1645, subdivision 4, is amended to read:

421.14 Subd. 4. **Settlement with ~~Mdewakanton Dakota Tribal Council at Prairie Island~~**
 421.15 **Indian Community.** (a) The commission shall approve as a state energy policy rider a rate
 421.16 schedule providing for the automatic adjustment of charges to recover the costs or expenses
 421.17 of a settlement between the public utility that owns the Prairie Island nuclear generation
 421.18 facility and the ~~Mdewakanton Dakota Tribal Council at Prairie Island~~ Indian Community,
 421.19 resolving outstanding disputes regarding the ~~provisions of Laws 1994, chapter 641, article~~
 421.20 ~~1, section 4~~ extended operation of the Prairie Island nuclear generating facility. The rate
 421.21 schedule approved under this subdivision applies until the public utility's first base rate
 421.22 change under section 216B.16 that occurs after January 1, 2024. After the public utility's
 421.23 first base rate change that occurs after January 1, 2024, any costs and expenses under this
 421.24 subdivision must be recovered through the public utility's base rates.

421.25 (b) The settlement must provide for annual payments, ~~not to exceed \$2,500,000 annually,~~
 421.26 beginning January 1, 2024, by the public utility to the Prairie Island Indian Community;
 421.27 The annual payments must consist of: (1) a \$10,000,000 lump sum payment each year the
 421.28 Prairie Island nuclear generating facility is in operation; and (2) \$50,000 for each dry cask
 421.29 or container containing spent fuel that is located at the Prairie Island nuclear generating
 421.30 facility, each year for as long as the dry casks or containers containing spent nuclear fuel
 421.31 are stored at the Prairie Island Independent Spent Fuel Storage Installation.

421.32 (c) The payments made to the Prairie Island Indian Community under this subdivision
 421.33 may be used for, among other purposes any purpose that benefits the Prairie Island Indian

422.1 Community, including but not limited to acquiring up to 1,500 contiguous or noncontiguous
422.2 acres of land in Minnesota within 50 miles of the tribal community's reservation at Prairie
422.3 Island to be taken into trust by the federal government for the benefit of the tribal community
422.4 for housing and other residential purposes. The legislature acknowledges that the intent to
422.5 purchase land by the tribe for relocation purposes is part of the settlement agreement and
422.6 Laws 2003, First Special Session chapter 11. However, the state, through the governor,
422.7 reserves the right to support or oppose any particular application to place land in trust status.

422.8 Sec. 6. Minnesota Statutes 2022, section 216B.2425, subdivision 3, is amended to read:

422.9 Subd. 3. **Commission approval.** (a) By June 1 of each even-numbered year, the
422.10 commission shall adopt a state transmission project list and shall certify, certify as modified,
422.11 or deny certification of the transmission and distribution projects proposed under subdivision
422.12 2. Except as provided in paragraph (b), the commission may only certify a project that is a
422.13 high-voltage transmission line as defined in section 216B.2421, subdivision 2, that the
422.14 commission finds is:

422.15 (1) necessary to maintain or enhance the reliability of electric service to Minnesota
422.16 consumers;

422.17 (2) needed, applying the criteria in section 216B.243, subdivision 3; and

422.18 (3) in the public interest, taking into account electric energy system needs and economic,
422.19 environmental, and social interests affected by the project.

422.20 (b) The commission may certify a project proposed under subdivision 2, paragraph (e),
422.21 only if the commission finds the proposed project is in the public interest.

422.22 Sec. 7. Minnesota Statutes 2022, section 216B.243, subdivision 8, as amended by Laws
422.23 2023, chapter 7, section 23, is amended to read:

422.24 Subd. 8. **Exemptions.** (a) This section does not apply to:

422.25 (1) cogeneration or small power production facilities as defined in the Federal Power
422.26 Act, United States Code, title 16, section 796, paragraph (17), subparagraph (A), and
422.27 paragraph (18), subparagraph (A), and having a combined capacity at a single site of less
422.28 than 80,000 kilowatts; plants or facilities for the production of ethanol or fuel alcohol; or
422.29 any case where the commission has determined after being advised by the attorney general
422.30 that its application has been preempted by federal law;

423.1 (2) a high-voltage transmission line proposed primarily to distribute electricity to serve
423.2 the demand of a single customer at a single location, unless the applicant opts to request
423.3 that the commission determine need under this section or section 216B.2425;

423.4 (3) the upgrade to a higher voltage of an existing transmission line that serves the demand
423.5 of a single customer that primarily uses existing rights-of-way, unless the applicant opts to
423.6 request that the commission determine need under this section or section 216B.2425;

423.7 (4) a high-voltage transmission line of one mile or less required to connect a new or
423.8 upgraded substation to an existing, new, or upgraded high-voltage transmission line;

423.9 (5) conversion of the fuel source of an existing electric generating plant to using natural
423.10 gas;

423.11 (6) the modification of an existing electric generating plant to increase efficiency, as
423.12 long as the capacity of the plant is not increased more than ten percent or more than 100
423.13 megawatts, whichever is greater;

423.14 (7) a large wind energy conversion system, as defined in section 216F.01, subdivision
423.15 2, or a solar energy generating system, as defined in section 216E.01, subdivision 9a, ~~if the~~
423.16 ~~system is owned and operated by an independent power producer and the electric output of~~
423.17 ~~the system;~~ for which a site permit is submitted by an independent power producer under
423.18 chapter 216E or 216F; or

423.19 ~~(i) is not sold to an entity that provides retail service in Minnesota or wholesale electric~~
423.20 ~~service to another entity in Minnesota other than an entity that is a federally recognized~~
423.21 ~~regional transmission organization or independent system operator; or~~

423.22 ~~(ii) is sold to an entity that provides retail service in Minnesota or wholesale electric~~
423.23 ~~service to another entity in Minnesota other than an entity that is a federally recognized~~
423.24 ~~regional transmission organization or independent system operator, provided that the system~~
423.25 ~~represents solar or wind capacity that the entity purchasing the system's electric output was~~
423.26 ~~ordered by the commission to develop in the entity's most recent integrated resource plan~~
423.27 ~~approved under section 216B.2422; or~~

423.28 (8) a large wind energy conversion system, as defined in section 216F.01, subdivision
423.29 2, or a solar energy generating system that is a large energy facility, as defined in section
423.30 216B.2421, subdivision 2, engaging in a repowering project that:

423.31 (i) will not result in the system exceeding the nameplate capacity under its most recent
423.32 interconnection agreement; or

424.1 (ii) will result in the system exceeding the nameplate capacity under its most recent
424.2 interconnection agreement, provided that the Midcontinent Independent System Operator
424.3 has provided a signed generator interconnection agreement that reflects the expected net
424.4 power increase.

424.5 (b) For the purpose of this subdivision, "repowering project" means:

424.6 (1) modifying a large wind energy conversion system or a solar energy generating system
424.7 that is a large energy facility to increase its efficiency without increasing its nameplate
424.8 capacity;

424.9 (2) replacing turbines in a large wind energy conversion system without increasing the
424.10 nameplate capacity of the system; or

424.11 (3) increasing the nameplate capacity of a large wind energy conversion system.

424.12 Sec. 8. Minnesota Statutes 2022, section 216B.50, subdivision 1, is amended to read:

424.13 Subdivision 1. **Commission approval required.** No public utility shall sell, acquire,
424.14 lease, or rent any plant as an operating unit or system in this state for a total consideration
424.15 in excess of ~~\$100,000~~ \$1,000,000, or merge or consolidate with another public utility or
424.16 transmission company operating in this state, without first being authorized so to do by the
424.17 commission. Upon the filing of an application for the approval and consent of the
424.18 commission, the commission shall investigate, with or without public hearing. The
424.19 commission shall hold a public hearing, upon such notice as the commission may require.
424.20 If the commission finds that the proposed action is consistent with the public interest, it
424.21 shall give its consent and approval by order in writing. In reaching its determination, the
424.22 commission shall take into consideration the reasonable value of the property, plant, or
424.23 securities to be acquired or disposed of, or merged and consolidated.

424.24 This section does not apply to the purchase of property to replace or add to the plant of
424.25 the public utility by construction.

424.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

424.27 Sec. 9. Minnesota Statutes 2022, section 216B.62, subdivision 3b, is amended to read:

424.28 Subd. 3b. **Assessment for department regional and national duties.** ~~(a)~~ In addition
424.29 to other assessments in subdivision 3, the department may assess up to ~~\$500,000~~ \$1,000,000
424.30 per fiscal year to perform the duties under section 216A.07, subdivision 3a, and to conduct
424.31 analysis that assesses energy grid reliability at state, regional, and national levels. The
424.32 amount in this subdivision shall be assessed to energy utilities in proportion to their respective

425.1 gross operating revenues from retail sales of gas or electric service within the state during
425.2 the last calendar year and shall be deposited into an account in the special revenue fund and
425.3 is appropriated to the commissioner of commerce for the purposes of section 216A.07,
425.4 subdivision 3a. An assessment made under this subdivision is not subject to the cap on
425.5 assessments provided in subdivision 3 or any other law. For the purpose of this subdivision,
425.6 an "energy utility" means public utilities, generation and transmission cooperative electric
425.7 associations, and municipal power agencies providing natural gas or electric service in the
425.8 state.

425.9 ~~(b) By February 1, 2023, the commissioner of commerce must submit a written report~~
425.10 ~~to the chairs and ranking minority members of the legislative committees with primary~~
425.11 ~~jurisdiction over energy policy. The report must describe how the department has used~~
425.12 ~~utility grid assessment funding under paragraph (a) and must explain the impact the grid~~
425.13 ~~assessment funding has had on grid reliability in Minnesota.~~

425.14 ~~(e) This subdivision expires June 30, 2023.~~

425.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

425.16 Sec. 10. **[216C.390] LEGISLATIVE FINDINGS.**

425.17 The legislature finds that increasing the competitiveness of Minnesota is critically
425.18 important to ensuring the state's economy is strong and growing. Increasing competitiveness
425.19 can be accomplished by improving productivity, competition, and investments.

425.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

425.21 Sec. 11. **[216C.391] MINNESOTA STATE COMPETITIVENESS FUND.**

425.22 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
425.23 the meanings given.

425.24 (b) "Competitive funds" means federal funds awarded to selected applicants based on
425.25 the grantor's evaluation of the strength of an application measured against all other
425.26 applications.

425.27 (c) "Disadvantaged community" has the meaning given by the federal agency disbursing
425.28 federal funds.

425.29 (d) "Eligible entity" means an entity located in Minnesota that is eligible to receive
425.30 federal funds, or an entity that has at least one Minnesota-based partner, as determined by
425.31 the grantor of the federal funds.

426.1 (e) "Federal funds" means federal formula or competitive funds available for award to
426.2 applicants for energy projects under the Infrastructure Investment and Jobs Act, Public Law
426.3 117-58, or the Inflation Reduction Act of 2022, Public Law 117-169.

426.4 (f) "Formula funds" means federal funds awarded to all eligible applicants on a
426.5 noncompetitive basis.

426.6 (g) "Match" means the amount of state money a successful grantee in Minnesota is
426.7 required to contribute to a project as a condition of receiving federal funds.

426.8 (h) "Political subdivision" has the meaning given in section 331A.01, subdivision 3.

426.9 (i) "Project" means the activities undertaken by an eligible entity awarded federal funds
426.10 that are located in Minnesota or directly benefit Minnesotans.

426.11 (j) "Tribal government" has the meaning given in section 116J.64, subdivision 4.

426.12 **Subd. 2. Establishment of account; eligible expenditures.** (a) A state competitiveness
426.13 fund account is created in the special revenue fund of the state treasury. The commissioner
426.14 must credit to the account appropriations and transfers to the account. Earnings, including
426.15 interest, dividends, and any other earnings arising from assets of the account, must be
426.16 credited to the account. Money remaining in the account at the end of a fiscal year does not
426.17 cancel to the general fund but remains available until June 30, 2034. The commissioner is
426.18 the fiscal agent and must manage the account.

426.19 (b) Money in the account is appropriated to the commissioner and must be used to:

426.20 (1) pay all or any portion of the state match required as a condition of receiving federal
426.21 funds, or to otherwise reduce the cost for projects that are awarded federal funds;

426.22 (2) award grants under subdivision 4 to obtain grant development assistance for eligible
426.23 entities; and

426.24 (3) pay the reasonable costs incurred by the department to assist eligible entities
426.25 successfully compete for available federal funds.

426.26 **Subd. 3. Grant awards; eligible entities; priorities.** (a) Grants may be awarded under
426.27 this section to eligible entities in accordance with the following order of priorities:

426.28 (1) federal formula funds directed to the state that require a match;

426.29 (2) federal funds directed to a political subdivision or a Tribal government that require
426.30 a match;

427.1 (3) federal funds directed to an institution of higher education, a consumer-owned utility,
427.2 a business, or a nonprofit organization that require a match;

427.3 (4) federal funds directed to investor-owned utilities that require a match;

427.4 (5) federal funds directed to an eligible entity not included in clauses (1) to (4) that
427.5 require a match; and

427.6 (6) all other grant opportunities directed to eligible entities that do not require a match
427.7 but for which the commissioner determines that a grant made under this section is likely to
427.8 enhance the likelihood of an applicant receiving federal funds, or to increase the potential
427.9 amount of federal funds received.

427.10 (b) By November 15, 2023, the commissioner must develop and publicly post, and report
427.11 to the chairs and ranking minority members of the legislative committees with jurisdiction
427.12 over energy finance, the federal energy grant funds that are eligible for state matching funds
427.13 under this section.

427.14 Subd. 4. **Grant awards; grant development assistance.** Grants may be awarded under
427.15 this section to entities with expertise and experience in grant development to assist eligible
427.16 entities to prepare grant applications for federal funds. Eligible grantees under this subdivision
427.17 include regional development commissions established in section 462.387, the West Central
427.18 Initiative Foundation, Minnesota Municipal Utilities Association, Minnesota Rural Electric
427.19 Association, consumer-owned utilities, Tribal governments, and any entity the commissioner
427.20 determines enhances the competitiveness of grant applications by disadvantaged communities
427.21 and from eligible entities located in areas not served by a regional development commission.

427.22 Subd. 5. **Grant amounts.** (a) For grants that meet the criteria in subdivision 3, paragraph
427.23 (a), clauses (1) to (3), the maximum grant award for each entity is 100 percent of the required
427.24 match.

427.25 (b) For grants that meet the criteria in subdivision 3, paragraph (a), clauses (4) and (5),
427.26 the maximum grant award is 50 percent of the required match, except that if the commissioner
427.27 determines that at least 40 percent of the direct benefits resulting from a project awarded
427.28 federal funds would be realized by residents of a disadvantaged community, the commissioner
427.29 may award up to 100 percent of the required match.

427.30 (c) For projects that meet the criteria in subdivision 3, paragraph (a), clause (6), the
427.31 commissioner may award a grant up to ten percent of the amount of federal funds requested
427.32 by the applicant, except that if the commissioner determines that at least 40 percent of the
427.33 direct benefits resulting from a project awarded federal funds would be realized by residents

428.1 of a disadvantaged community, the commissioner may award up to 20 percent of the amount
428.2 of federal funds requested.

428.3 (d) Except for the commissioner, when matching federal funds are directed to the state,
428.4 no single entity may receive as an award or subaward grants under this subdivision totaling
428.5 more than \$15,000,000.

428.6 (e) The maximum grant award for each entity under subdivision 4 is \$300,000.

428.7 Subd. 6. **Grant awards; administration.** (a) An eligible entity seeking a grant award
428.8 under subdivision 3 or an entity seeking a grant award under subdivision 4 must submit an
428.9 application to the commissioner on a form prescribed by the commissioner. The
428.10 commissioner is responsible for receiving and reviewing grant applications and awarding
428.11 grants under this section, and shall develop administrative procedures governing the
428.12 application, evaluation, and award process. The commissioner may not make a grant award
428.13 under this section unless the commissioner has determined, and has notified the applicant
428.14 in writing, that the application is complete. In awarding grants under this section, the
428.15 commissioner shall endeavor to make awards to applicants from all regions of the state.

428.16 (b) The department must provide technical assistance to applicants. Applicants may also
428.17 receive grant development assistance at no cost from entities awarded grants for that purpose
428.18 under subdivision 4.

428.19 (c) Within ten business days of determining a grant award amount to an applicant, the
428.20 commissioner must:

428.21 (1) reserve that amount for that specific grant in the state competitiveness fund account;
428.22 and

428.23 (2) notify the Legislative Advisory Commission in writing of the reserved amount, the
428.24 name of the applicant, the purpose of the project, and the unreserved balance of funds
428.25 remaining in the account.

428.26 (d) Reserved funds are committed to the grant and use specified in the notice provided
428.27 under paragraph (c) and are unavailable for reservation or appropriation for other applications
428.28 unless and until the commissioner receives written notice from (1) the applicant that the
428.29 application for federal funds has been withdrawn, or (2) the federal grantor that the
428.30 application for which funds from the account were reserved has been denied federal funds.

428.31 (e) Reserved funds may only be expended upon presentation of written notice from the
428.32 federal grantor to the commissioner stating that the applicant will receive federal funds for
428.33 the project described in the application. If the amount of federal funds awarded to an applicant

429.1 differs from the amount requested in the application, the commissioner may adjust the award
429.2 made under this section accordingly.

429.3 (f) Reserved funds must be made for projects that demonstrate the project helps meet
429.4 the state's clean energy and energy-related climate goals through renewable energy
429.5 development, energy conservation, efficiency, or energy-related greenhouse gas reduction
429.6 benefits.

429.7 (g) The commissioner must notify the chairs and ranking minority members of the
429.8 legislative committees with jurisdiction over energy finance when the unreserved balance
429.9 of the competitiveness fund account reaches the following amounts: 50 percent, unreserved;
429.10 25 percent, unreserved; 15 percent, unreserved; and five percent. The notification must be
429.11 within ten days after each level of unreserved balance is reached.

429.12 Subd. 7. **Report; audit.** Beginning February 15, 2024, and each February 15 thereafter
429.13 until February 15, 2035, the commissioner must submit a written report to the chairs and
429.14 ranking minority members of the legislative committees with jurisdiction over energy finance
429.15 on the activities taken and expenditures made under this section. The report must, at a
429.16 minimum, include the following information for the most recent calendar year:

429.17 (1) the number of applications for grants filed with the commissioner and the total amount
429.18 of grant funds requested;

429.19 (2) each grant awarded;

429.20 (3) the number of additional personnel hired for the purposes of this section;

429.21 (4) expenditures on activities conducted under this section, reported separately for these
429.22 areas:

429.23 (i) the technical assistance provided;

429.24 (ii) grants made under subdivision 4 to entities to assist applicants with grant
429.25 development;

429.26 (iii) application review and evaluation, including applicants that were denied federal or
429.27 state grant awards and the reason for the denial;

429.28 (iv) information technology activities; and

429.29 (v) other expenditures;

429.30 (5) the unreserved balance remaining in the state competitiveness fund account;

430.1 (6) a copy of a financial audit of the department's expenditures under this section
430.2 conducted by an independent auditor;

430.3 (7) recommendations for legislation to enhance the ability of eligible entities to
430.4 successfully compete for federal funds;

430.5 (8) additional available funding opportunities to obtain energy-related funding from
430.6 federal agencies; and

430.7 (9) federal grant program changes that would affect the federal funds available to the
430.8 state and eligible applicants, including changes that would affect the required match for
430.9 receiving federal funds.

430.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

430.11 **Sec. 12. [216C.51] UTILITY DIVERSITY REPORTING.**

430.12 Subdivision 1. **Public policy.** It is the public policy of this state to encourage each utility
430.13 that serves Minnesota residents to focus on and improve the diversity of the utility's
430.14 workforce and suppliers.

430.15 Subd. 2. **Definition.** As used in this section, "utility" means:

430.16 (1) a public utility;

430.17 (2) a generation and transmission electric cooperative association;

430.18 (3) a municipal power agency;

430.19 (4) a municipal utility that provides electric service to 10,000 customers or more; or

430.20 (5) a cooperative electric association that provides electric service to 10,000 members
430.21 or more.

430.22 Subd. 3. **Annual report.** (a) Beginning March 15, 2024, and each March 15 thereafter,
430.23 each utility authorized to do business in Minnesota must file an annual diversity report to
430.24 the commissioner in the public eDockets system that describes:

430.25 (1) the utility's goals and efforts to increase diversity in the workplace, including current
430.26 workforce representation numbers and percentages; and

430.27 (2) all procurement goals and actual spending for female-owned, minority-owned,
430.28 veteran-owned, and small business enterprises during the previous calendar year.

430.29 (b) The goals under paragraph (a), clause (2), must be expressed as a percentage of the
430.30 total work performed by the utility submitting the report. The actual spending for

431.1 female-owned, minority-owned, veteran-owned, and small business enterprises must also
431.2 be expressed as a percentage of the total work performed by the utility submitting the report.

431.3 Subd. 4. **Report elements.** Each utility required to report under this section must include
431.4 the following in the annual report to the department:

431.5 (1) an explanation of the plan to increase diversity in the utility's workforce and suppliers
431.6 during the next year;

431.7 (2) an explanation of the plan to increase the goals;

431.8 (3) an explanation of the challenges faced to increase workforce and supplier diversity,
431.9 including suggestions regarding actions the department could take to help identify potential
431.10 employees and vendors;

431.11 (4) a list of the certifications the company recognizes that must include the Minnesota
431.12 Unified Certification Program; the Central Certification Program recognized by Hennepin
431.13 County, Ramsey County, the city of St. Paul, and the city of Minneapolis Target Market
431.14 program; and the Minnesota Office of State Procurement program for Targeted Group,
431.15 Economically Disadvantaged and Veteran-Owned small businesses;

431.16 (5) a point of contact for a potential employee or vendor that wishes to work for or do
431.17 business with the utility; and

431.18 (6) a list of successful actions taken to increase workforce and supplier diversity, in
431.19 order to encourage other companies to emulate best practices.

431.20 Subd. 5. **State data.** Each annual report must include as much state-specific data as
431.21 possible. If the submitting utility does not submit state-specific data, the utility must include
431.22 any relevant national data the utility possesses, explain why the utility could not submit
431.23 state-specific data, and detail how the utility intends to include state-specific data in future
431.24 reports, if possible.

431.25 Subd. 6. **Publication; retention.** The department must publish an annual report on the
431.26 department's website and file the report in the public eDockets system, and must maintain
431.27 each annual report for at least five years.

431.28 Subd. 7. **Annual workshop.** Beginning in 2024, and continuing annually thereafter, the
431.29 Minnesota Public Utilities Commission must organize a workshop for utilities that is open
431.30 to members of the public and that focuses on utility efforts to (1) advance supplier diversity,
431.31 and (2) collaboratively explore solutions to advance supplier diversity.

431.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

432.1 Sec. 13. Minnesota Statutes 2022, section 237.55, is amended to read:

432.2 **237.55 ANNUAL REPORT ON TELECOMMUNICATIONS ACCESS.**

432.3 The commissioner of commerce must prepare a report for presentation to the Public
432.4 Utilities Commission by ~~January~~ March 31 of each year. Each report must review the
432.5 accessibility of telecommunications services to persons who have communication disabilities,
432.6 describe services provided, account for annual revenues and expenditures ~~for each aspect~~
432.7 ~~of the fund to date~~, and include ~~predicted program~~ anticipated future operation program
432.8 operations.

432.9 Sec. 14. Laws 2005, chapter 97, article 10, section 3, as amended by Laws 2013, chapter
432.10 85, article 7, section 9, is amended to read:

432.11 Sec. 3. **SUNSET.**

432.12 Sections 1 and 2 ~~shall expire on~~ June 30, ~~2023~~ 2028.

432.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

432.14 Sec. 15. **DECOMMISSIONING AND DEMOLITION PLAN FOR COAL-FIRED**
432.15 **PLANT.**

432.16 The public utility that owns an electric generation facility powered by coal that is located
432.17 within the St. Croix National Scenic Riverway and is scheduled for retirement in 2028 must
432.18 develop a plan and detailed schedule of activities that it proposes to undertake to
432.19 decommission and demolish the electric generation facility and to remediate pollution at
432.20 the electric generation facility site. The public utility must file the plan with the Minnesota
432.21 Public Utilities Commission as part of the public utility's next resource plan filing under
432.22 Minnesota Statutes, section 216B.2422, or in a separate filing by December 31, 2025,
432.23 whichever is earlier. A copy of the plan and schedule must be filed on the same date with
432.24 the governing body of the municipality where the electric generation facility is located.

432.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

432.26 Sec. 16. **TRIBAL ADVOCACY COUNCIL ON ENERGY; DEPARTMENT OF**
432.27 **COMMERCE SUPPORT.**

432.28 (a) The Department of Commerce must provide technical support and subject matter
432.29 expertise to assist and help facilitate any efforts taken by the 11 federally recognized Indian
432.30 Tribes in Minnesota to establish a Tribal advocacy council on energy.

433.1 (b) When providing support to a Tribal advocacy council on energy, the Department of
433.2 Commerce may assist the council to:

433.3 (1) assess and evaluate common Tribal energy issues, including (i) identifying and
433.4 prioritizing energy issues, (ii) facilitating idea sharing between the Tribes to generate
433.5 solutions to energy issues, and (iii) assisting decision making with respect to resolving
433.6 energy issues;

433.7 (2) develop new statewide energy policies or proposed legislation, including (i) organizing
433.8 stakeholder meetings, (ii) gathering input and other relevant information, (iii) assisting with
433.9 policy proposal development, evaluation, and decision making, and (iv) helping facilitate
433.10 actions taken to submit, and obtain approval for or have enacted, policies or legislation
433.11 approved by the council;

433.12 (3) make efforts to raise awareness and provide educational opportunities with respect
433.13 to Tribal energy issues by (i) identifying information resources, (ii) gathering feedback on
433.14 issues and topics the council identifies as areas of interest, and (iii) identifying topics for
433.15 educational forums and helping facilitate the forum process; and

433.16 (4) identify, evaluate, and disseminate successful energy-related practices, and develop
433.17 mechanisms or opportunities to implement the successful practices.

433.18 (c) Nothing in this section requires or otherwise obligates the 11 federally recognized
433.19 Indian Tribes in Minnesota to establish a Tribal advocacy council on energy, nor does it
433.20 require or obligate any one of the 11 federally recognized Indian Tribes in Minnesota to
433.21 participate in or implement a decision or support an effort made by an established Tribal
433.22 advocacy council on energy.

433.23 (d) Any support provided by the Department of Commerce to a Tribal advocacy council
433.24 on energy under this section may be provided only upon request of the council and is limited
433.25 to issues and areas where the Department of Commerce's expertise and assistance is
433.26 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.