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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1781

03/12/2015 Authored by Torkelson

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

1.1 A bill for an act
1.2 relating to clean water; appropriating money from the clean water fund; modifying
1.3 membership of the Clean Water Council; amending Minnesota Statutes 2014,
1.4 section 114D.30, subdivision 2; Laws 2013, chapter 137, article 2, section 6.

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

1.6 Section 1. CLEAN WATER FUND APPROPRIATIONS.

1.7 The sums shown in the columns marked "Appropriations" are appropriated to the
1.8 agencies and for the purposes specified in this act. The appropriations are from the clean
1.9 water fund and are available for the fiscal years indicated for allowable activities under
1.10 the Minnesota Constitution, article XI, section 15. The figures "2016" and "2017" used
1.11 in this act mean that the appropriations listed under them are available for the fiscal year
1.12 ending June 30, 2016, or June 30, 2017, respectively. "The first year" is fiscal year 2016.
1.13 "The second year" is fiscal year 2017. "The biennium" is fiscal years 2016 and 2017.
1.14 The appropriations in this act are onetime.

Table with 2 columns: APPROPRIATIONS Available for the Year Ending June 30, 2016 and 2017.

1.19 Sec. 2. CLEAN WATER

1.20 Subdivision 1. Total Appropriation \$ 110,160,000 \$ 109,955,000

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

1.24 Subd. 2. Availability of Appropriation

2.1 Money appropriated in this article may
 2.2 not be spent on activities unless they are
 2.3 directly related to and necessary for a
 2.4 specific appropriation. Money appropriated
 2.5 in this article must be spent in accordance
 2.6 with Minnesota Management and Budget's
 2.7 Guidance to Agencies on Legacy Fund
 2.8 Expenditure. Notwithstanding Minnesota
 2.9 Statutes, section 16A.28, and unless
 2.10 otherwise specified in this article, fiscal year
 2.11 2016 appropriations are available until June
 2.12 30, 2017, and fiscal year 2017 appropriations
 2.13 are available until June 30, 2018. If a project
 2.14 receives federal funds, the time period of
 2.15 the appropriation is extended to equal the
 2.16 availability of federal funding.

2.17 **Sec. 3. DEPARTMENT OF AGRICULTURE \$ 5,834,000 \$ 5,832,000**

2.18 (a) \$350,000 the first year and \$350,000 the
 2.19 second year are to increase monitoring for
 2.20 pesticides and pesticide degradates in surface
 2.21 water and groundwater and to use data
 2.22 collected to assess pesticide use practices.

2.23 (b) \$2,586,000 the first year and \$2,585,000
 2.24 the second year are for monitoring and
 2.25 evaluating trends in the concentration of
 2.26 nitrate in groundwater in areas vulnerable
 2.27 to groundwater degradation; monitoring
 2.28 for pesticides when nitrate is detected;
 2.29 promoting, developing, and evaluating
 2.30 regional and crop-specific nutrient best
 2.31 management practices; assessing best
 2.32 management practice adoption; education
 2.33 and technical support from University of
 2.34 Minnesota Extension; and other actions to
 2.35 protect groundwater from degradation from

3.1 nitrate. This appropriation is available until
3.2 June 30, 2018.

3.3 (c) \$75,000 the first year and \$75,000 the
3.4 second year are for administering clean water
3.5 funds managed through the agriculture best
3.6 management practices loan program. Any
3.7 unencumbered balance at the end of the
3.8 second year shall be added to the corpus of
3.9 the loan fund.

3.10 (d) \$1,125,000 the first year and \$1,125,000
3.11 the second year are for technical assistance,
3.12 research, and demonstration projects on
3.13 proper implementation of best management
3.14 practices and more precise information on
3.15 nonpoint contributions to impaired waters.
3.16 This appropriation is available until June 30,
3.17 2020.

3.18 (e) \$788,000 the first year and \$787,000 the
3.19 second year are for research to quantify and
3.20 reduce agricultural contributions to impaired
3.21 waters and for development and evaluation
3.22 of best management practices to protect and
3.23 restore water resources. This appropriation
3.24 is available until June 30, 2020.

3.25 (f) \$50,000 the first year and \$50,000 the
3.26 second year are for a research inventory
3.27 database containing water-related research
3.28 activities. Costs for information technology
3.29 development or support for this research
3.30 inventory database may be paid to the Office
3.31 of MN.IT Services. This appropriation is
3.32 available until June 30, 2018.

3.33 (g) \$500,000 the first year and \$500,000 the
3.34 second year are to implement the Minnesota
3.35 agricultural water quality certification

4.1 program statewide. This appropriation is
4.2 available until June 30, 2020.

4.3 (h) \$110,000 the first year and \$110,000 the
4.4 second year are to provide funding for a
4.5 regional irrigation water quality specialist
4.6 through University of Minnesota Extension.

4.7 (i) \$250,000 the first year and \$250,000 the
4.8 second year are for a perennial and cover crop
4.9 research program to develop perennial and
4.10 cover cropping systems specific to Minnesota
4.11 that are necessary to protect and restore the
4.12 state's surface and groundwater resources
4.13 while increasing efficiency, profitability, and
4.14 productivity of Minnesota farmers. This
4.15 appropriation is available until June 30, 2018.

4.16 **Sec. 4. PUBLIC FACILITIES AUTHORITY \$ 9,250,000 \$ 9,250,000**

4.17 (a) \$9,000,000 the first year and \$9,000,000
4.18 the second year are for the point source
4.19 implementation grants program under
4.20 Minnesota Statutes, section 446A.073. This
4.21 appropriation is available until June 30, 2020.

4.22 (b) \$250,000 the first year and \$250,000
4.23 the second year are for small community
4.24 wastewater treatment grants and loans under
4.25 Minnesota Statutes, section 446A.075. This
4.26 appropriation is available until June 30, 2020.

4.27 (c) If there are any uncommitted funds at
4.28 the end of each fiscal year under paragraph
4.29 (a) or (b), the Public Facilities Authority
4.30 may transfer the remaining funds to eligible
4.31 projects under any of the programs listed
4.32 in this section based on their priority rank
4.33 on the Pollution Control Agency's project
4.34 priority list.

- 5.1 Sec. 5. POLLUTION CONTROL AGENCY \$ 26,250,000 \$ 26,248,000
- 5.2 (a) \$8,250,000 the first year and \$8,250,000
- 5.3 the second year are for completion of 20
- 5.4 percent of the needed statewide assessments
- 5.5 of surface water quality and trends. If the
- 5.6 amount in the first year is insufficient, the
- 5.7 amount in the second year is available in the
- 5.8 first year.
- 5.9 (b) \$9,795,000 the first year and \$9,795,000
- 5.10 the second year are to develop watershed
- 5.11 restoration and protection strategies
- 5.12 (WRAPS), which include total maximum
- 5.13 daily load (TMDL) studies and TMDL
- 5.14 implementation plans for waters listed on
- 5.15 the Unites States Environmental Protection
- 5.16 Agency approved impaired waters list in
- 5.17 accordance with Minnesota Statutes, chapter
- 5.18 114D. The agency shall complete an average
- 5.19 of ten percent of the TMDLs each year over
- 5.20 the biennium.
- 5.21 (c) \$1,182,000 the first year and \$1,181,000
- 5.22 the second year are for groundwater
- 5.23 assessment, including enhancing the
- 5.24 ambient monitoring network, modeling, and
- 5.25 evaluating trends, including the reassessment
- 5.26 of groundwater that was assessed ten to 15
- 5.27 years ago and found to be contaminated.
- 5.28 (d) \$750,000 the first year and \$750,000
- 5.29 the second year are for water quality
- 5.30 improvements in the lower St. Louis River
- 5.31 and Duluth harbor within the St. Louis River
- 5.32 System Area of Concern. This appropriation
- 5.33 must be matched at a rate of 65 percent
- 5.34 nonstate money to 35 percent state money.

6.1 (e) \$275,000 the first year and \$275,000 the
6.2 second year are for storm water research and
6.3 guidance.

6.4 (f) \$1,150,000 the first year and \$1,150,000
6.5 the second year are for TMDL research and
6.6 database development.

6.7 (g) \$900,000 the first year and \$900,000
6.8 the second year are for national pollutant
6.9 discharge elimination system wastewater and
6.10 storm water TMDL implementation efforts.

6.11 (h) \$3,623,000 the first year and \$3,622,000
6.12 the second year are for enhancing the
6.13 county-level delivery systems for subsurface
6.14 sewage treatment system (SSTS) activities
6.15 necessary to implement Minnesota Statutes,
6.16 sections 115.55 and 115.56, for protection
6.17 of groundwater, including base grants
6.18 for all counties with SSTS programs and
6.19 competitive grants to counties with specific
6.20 plans to significantly reduce water pollution
6.21 by reducing the number of systems that
6.22 are an imminent threat to public health or
6.23 safety or are otherwise failing. Counties that
6.24 receive base grants must report the number
6.25 of sewage noncompliant properties upgraded
6.26 through SSTS replacement, connection
6.27 to a centralized sewer system, or other
6.28 means, including property abandonment
6.29 or buy-out. Counties also must report
6.30 the number of existing SSTS compliance
6.31 inspections conducted in areas under county
6.32 jurisdiction. These required reports are to
6.33 be part of established annual reporting for
6.34 SSTS programs. Counties that conduct SSTS
6.35 inventories or those with an ordinance in

7.1 place that requires an SSTS to be inspected
7.2 as a condition of transferring property or as a
7.3 condition of obtaining a local permit must be
7.4 given priority for competitive grants under
7.5 this paragraph. Of this amount, \$750,000
7.6 each year is available to counties for grants to
7.7 low-income landowners to address systems
7.8 that pose an imminent threat to public health
7.9 or safety or fail to protect groundwater. A
7.10 grant awarded under this paragraph may not
7.11 exceed \$500,000 for the biennium. A county
7.12 receiving a grant under this paragraph must
7.13 submit a report to the agency listing the
7.14 projects funded, including an account of the
7.15 expenditures.

7.16 (i) \$275,000 the first year and \$275,000
7.17 the second year are for a storm water
7.18 best management practice performance
7.19 evaluation and technology transfer program
7.20 to enhance data and information management
7.21 of storm water best management practices;
7.22 evaluate best management performance
7.23 and effectiveness to support meeting total
7.24 maximum daily loads; develop standards
7.25 and incorporate state of the art guidance
7.26 using minimal impact design standards as
7.27 the model; and implement a knowledge
7.28 and technology transfer system across
7.29 local government, industry, and regulatory
7.30 sectors for pass-through to the University of
7.31 Minnesota. This appropriation is available
7.32 until June 30, 2018.

7.33 (j) \$50,000 the first year and \$50,000 the
7.34 second year are to support activities of the
7.35 Clean Water Council according to Minnesota
7.36 Statutes, section 114D.30, subdivision 1.

8.1 (k) Notwithstanding Minnesota Statutes,
 8.2 section 16A.28, the appropriations in this
 8.3 section encumbered on or before June 30,
 8.4 2017, as grants or contracts are available
 8.5 until June 30, 2020.

8.6 **Sec. 6. DEPARTMENT OF NATURAL**
 8.7 **RESOURCES** **\$ 8,500,000 \$ 8,500,000**

8.8 (a) \$2,000,000 the first year and \$2,000,000
 8.9 the second year are for stream flow
 8.10 monitoring.

8.11 (b) \$1,300,000 the first year and \$1,300,000
 8.12 the second year are for lake Index of
 8.13 Biological Integrity (IBI) assessments.

8.14 (c) \$135,000 the first year and \$135,000
 8.15 the second year are for assessing mercury
 8.16 and other contaminants of fish, including
 8.17 monitoring to track the status of impaired
 8.18 waters over time.

8.19 (d) \$1,940,000 the first year and \$1,940,000
 8.20 the second year are for developing targeted,
 8.21 science-based watershed restoration and
 8.22 protection strategies.

8.23 (e) \$1,375,000 the first year and \$1,375,000
 8.24 the second year are for water supply planning,
 8.25 aquifer protection, and monitoring activities.

8.26 (f) \$500,000 the first year and \$500,000 the
 8.27 second year are for technical assistance to
 8.28 support local implementation of nonpoint
 8.29 source restoration and protection activities,
 8.30 including water quality protection in forested
 8.31 watersheds.

8.32 (g) \$675,000 the first year and \$675,000 the
 8.33 second year are for applied research and tools,
 8.34 including watershed hydrologic modeling;

9.1 maintaining and updating spatial data for
 9.2 watershed boundaries, streams, and water
 9.3 bodies and integrating high-resolution digital
 9.4 elevation data; assessing effectiveness of
 9.5 forestry best management practices for water
 9.6 quality; and developing a biomonitoring
 9.7 database.

9.8 (h) \$250,000 the first year and \$250,000
 9.9 the second year are for developing county
 9.10 geologic atlases.

9.11 (i) \$325,000 the first year and \$325,000 the
 9.12 second year are for color infrared imagery
 9.13 and analysis to determine the extent of
 9.14 permanent vegetation in riparian areas.

9.15 **Sec. 7. BOARD OF WATER AND SOIL**
 9.16 **RESOURCES**

\$ 55,088,000 \$ 55,088,000

9.17 (a) \$8,929,000 the first year and \$8,929,000
 9.18 the second year are for grants to local
 9.19 government units organized for the
 9.20 management of water in a watershed or
 9.21 subwatershed that have multiyear plans
 9.22 that will result in a significant reduction in
 9.23 water pollution in a selected subwatershed.

9.24 The grants may be used for establishment
 9.25 of riparian buffers; practices to store
 9.26 water for natural treatment and infiltration,
 9.27 including rain gardens; capturing storm
 9.28 water for reuse; stream bank, shoreland, and
 9.29 ravine stabilization; enforcement activities;
 9.30 and implementation of best management
 9.31 practices for feedlots within riparian areas
 9.32 and other practices demonstrated to be
 9.33 most effective in protecting, enhancing, and
 9.34 restoring water quality in lakes, rivers, and
 9.35 streams and protecting groundwater from

10.1 degradation. Grant recipients must identify
10.2 a nonstate match and may use other legacy
10.3 funds to supplement projects funded under
10.4 this paragraph. Grants awarded under this
10.5 paragraph are available for four years and
10.6 priority must be given to the best designed
10.7 plans each year.

10.8 (b) \$14,775,000 the first year and
10.9 \$14,775,000 the second year are for grants
10.10 to protect and restore surface water and
10.11 drinking water; to keep water on the land; to
10.12 protect, enhance, and restore water quality
10.13 in lakes, rivers, and streams; and to protect
10.14 groundwater and drinking water, including
10.15 feedlot water quality and subsurface sewage
10.16 treatment system projects and stream bank,
10.17 stream channel, shoreline restoration,
10.18 and ravine stabilization projects. The
10.19 projects must use practices demonstrated
10.20 to be effective, be of long-lasting public
10.21 benefit, include a match, and be consistent
10.22 with total maximum daily load (TMDL)
10.23 implementation plans, watershed restoration
10.24 and protection strategies (WRAPS), or local
10.25 water management plans or their equivalents.

10.26 (c) \$6,000,000 the first year and \$6,000,000
10.27 the second year are for targeted local
10.28 resource protection and enhancement grants
10.29 and statewide program enhancements for
10.30 technical assistance, citizen and community
10.31 outreach, and training and certification, as
10.32 well as projects, practices, and programs that
10.33 supplement or otherwise exceed current state
10.34 standards for protection, enhancement, and
10.35 restoration of water quality in lakes, rivers,

11.1 and streams or that protect groundwater from
11.2 degradation, including compliance.

11.3 (d) \$950,000 the first year and \$950,000
11.4 the second year are to provide state
11.5 oversight and accountability, evaluate
11.6 results, provide implementation tools, and
11.7 measure the value of conservation program
11.8 implementation by local governments,
11.9 including submission to the legislature by
11.10 March 1 each even-numbered year a biennial
11.11 report prepared by the board, in consultation
11.12 with the commissioners of natural resources,
11.13 health, agriculture, and the Pollution Control
11.14 Agency, detailing the recipients, the projects
11.15 funded under this section, and the amount of
11.16 pollution reduced.

11.17 (e) \$1,000,000 the first year and \$1,000,000
11.18 the second year are for grants to local units
11.19 of government to enhance compliance
11.20 with Minnesota Statutes, sections 103F.401
11.21 to 103F.455, and Minnesota Rules, part
11.22 6120.3300, subpart 7, including enforcement
11.23 efforts.

11.24 (f) \$7,500,000 the first year and \$7,500,000
11.25 the second year are to restore or preserve
11.26 permanent conservation on riparian buffers
11.27 adjacent to lakes, rivers, streams, and
11.28 tributaries, to keep water on the land in order
11.29 to decrease sediment, pollutant, and nutrient
11.30 transport; reduce hydrologic impacts to
11.31 surface waters; and increase infiltration for
11.32 groundwater recharge. This appropriation
11.33 may be used for restoration of riparian
11.34 buffers permanently protected by easements
11.35 purchased with this appropriation or contracts

12.1 to achieve permanent protection for riparian
 12.2 buffers or stream bank restorations when the
 12.3 riparian buffers have been restored. Up to
 12.4 \$344,000 is for deposit in a monitoring and
 12.5 enforcement account.

12.6 (g) \$1,750,000 the first year and \$1,750,000
 12.7 the second year are for permanent
 12.8 conservation easements on wellhead
 12.9 protection areas under Minnesota Statutes,
 12.10 section 103F.515, subdivision 2, paragraph
 12.11 (d), or for grants to local units of government
 12.12 for fee title acquisition to permanently
 12.13 protect groundwater supply sources on
 12.14 wellhead protection areas or for otherwise
 12.15 assuring long-term protection of groundwater
 12.16 supply sources as described under alternative
 12.17 management tools in the Department
 12.18 of Agriculture's Nitrogen Fertilizer
 12.19 Management Plan, including low nitrogen
 12.20 cropping systems or implementing nitrogen
 12.21 fertilizer best management practices. Priority
 12.22 must be placed on land that is located where
 12.23 the vulnerability of the drinking water supply
 12.24 is designated as high or very high by the
 12.25 commissioner of health and where drinking
 12.26 water protection plans have identified
 12.27 specific activities that will achieve long-term
 12.28 protection. Up to \$52,500 is for deposit in a
 12.29 monitoring and enforcement account.

12.30 (h) \$750,000 the first year and \$750,000
 12.31 the second year are for community partner
 12.32 grants to local units of government for:
 12.33 (1) structural or vegetative management
 12.34 practices that reduce storm water runoff
 12.35 from developed or disturbed lands to reduce
 12.36 the movement of sediment, nutrients, and

13.1 pollutants for restoration, protection, or
13.2 enhancement of water quality in lakes, rivers,
13.3 and streams and to protect groundwater
13.4 and drinking water; and (2) installation
13.5 of proven and effective water retention
13.6 practices including, but not limited to, rain
13.7 gardens and other vegetated infiltration
13.8 basins and sediment control basins in order
13.9 to keep water on the land. The projects must
13.10 be of long-lasting public benefit, include a
13.11 local match, and be consistent with TMDL
13.12 implementation plans, watershed restoration
13.13 and protection strategies (WRAPS), or local
13.14 water management plans or their equivalents.
13.15 Local government unit costs may be used as
13.16 a match.

13.17 (i) \$84,000 the first year and \$84,000 the
13.18 second year are for a technical evaluation
13.19 panel to conduct ten restoration evaluations
13.20 under Minnesota Statutes, section 114D.50,
13.21 subdivision 6.

13.22 (j) \$2,100,000 the first year and \$2,100,000
13.23 the second year are for assistance, oversight,
13.24 and grants to local governments to transition
13.25 local water management plans to a watershed
13.26 approach as provided for in Minnesota
13.27 Statutes, chapters 103B, 103C, 103D, and
13.28 114D.

13.29 (k) \$750,000 the first year and \$750,000
13.30 the second year are for technical assistance
13.31 and grants for the conservation drainage
13.32 program in consultation with the Drainage
13.33 Work Group, coordinated under Minnesota
13.34 Statutes, section 103B.101, subdivision
13.35 13, that includes projects to improve

- 14.1 multipurpose water management under
14.2 Minnesota Statutes, section 103E.015.
- 14.3 (l) \$9,000,000 the first year and \$9,000,000
14.4 the second year are to purchase and restore
14.5 permanent conservation sites via easements
14.6 or contracts to treat and store water on the
14.7 land for water quality improvement purposes.
14.8 This work must be done in cooperation with
14.9 the United States Department of Agriculture
14.10 with a first priority use to accomplish
14.11 a conservation reserve enhancement
14.12 program, or equivalent, in the state. Up to
14.13 \$1,285,000 is for deposit in a monitoring and
14.14 enforcement account.
- 14.15 (m) \$1,000,000 the first year and \$1,000,000
14.16 the second year are to purchase permanent
14.17 conservation easements to protect lands
14.18 adjacent to public waters with good water
14.19 quality but threatened with degradation. Up
14.20 to \$190,000 is for deposit in a monitoring
14.21 and enforcement account.
- 14.22 (n) \$500,000 the first year and \$500,000
14.23 the second year are for a program to
14.24 systematically collect data and produce
14.25 county, watershed, and statewide estimates
14.26 of soil erosion caused by water and wind
14.27 along with tracking adoption of conservation
14.28 measures to address erosion.
- 14.29 (o) The board shall contract for delivery
14.30 of services with Conservation Corps
14.31 Minnesota for restoration, maintenance, and
14.32 other activities under this section for up to
14.33 \$500,000 the first year and up to \$500,000
14.34 the second year.

15.1 (p) The board may shift grant or cost-share
 15.2 funds in this section and may adjust the
 15.3 technical and administrative assistance
 15.4 portion of the funds to leverage federal or
 15.5 other nonstate funds or to address oversight
 15.6 responsibilities or high-priority needs
 15.7 identified in local water management plans.

15.8 (q) The board shall require grantees to
 15.9 specify the outcomes that will be achieved
 15.10 by the grants prior to any grant awards.

15.11 (r) The appropriations in this section are
 15.12 available until June 30, 2020. Returned grant
 15.13 funds are available until expended and shall
 15.14 be regranted consistent with the purposes of
 15.15 this section.

15.16 **Sec. 8. DEPARTMENT OF HEALTH \$ 4,013,000 \$ 3,812,000**

15.17 (a) \$1,100,000 the first year and \$1,100,000
 15.18 the second year are for addressing public
 15.19 health concerns related to contaminants
 15.20 found in Minnesota drinking water for which
 15.21 no health-based drinking water standards
 15.22 exist, including accelerating the development
 15.23 of health risk limits and improving the
 15.24 capacity of the department's laboratory to
 15.25 analyze unregulated contaminants. The
 15.26 commissioner shall contract with the Board
 15.27 of Regents of the University of Minnesota
 15.28 to provide an independent review of the
 15.29 department's drinking water contaminants
 15.30 of emerging concern program. The review
 15.31 must include an assessment and ranking of
 15.32 contaminants that are threats to drinking
 15.33 water supplies and include benchmarking
 15.34 that compares efforts at the department with
 15.35 efforts by other states and the United States

16.1 Environmental Protection Agency. The
16.2 review must be submitted to the Clean Water
16.3 Council and the chairs and ranking minority
16.4 members of the house of representatives
16.5 and senate committees and divisions with
16.6 jurisdiction over environment and natural
16.7 resources by June 1, 2016.

16.8 (b) \$1,900,000 the first year and \$1,900,000
16.9 the second year are for protection of drinking
16.10 water sources.

16.11 (c) \$113,000 the first year and \$112,000 the
16.12 second year are for cost-share assistance to
16.13 public and private well owners for up to 50
16.14 percent of the cost of sealing unused wells.

16.15 (d) \$125,000 the first year and \$125,000
16.16 the second year are to develop and deliver
16.17 groundwater restoration and protection
16.18 strategies for use on a watershed scale for use
16.19 in local water planning efforts and to provide
16.20 resources to local governments for drinking
16.21 water source protection activities.

16.22 (e) \$325,000 the first year and \$325,000 the
16.23 second year are for studying the occurrence
16.24 and magnitude of contaminants in private
16.25 wells and developing guidance to ensure
16.26 that new well placement minimizes the
16.27 potential for risks, in cooperation with the
16.28 commissioner of agriculture.

16.29 (f) \$275,000 the first year and \$75,000
16.30 the second year are for development
16.31 and implementation of a groundwater
16.32 virus monitoring plan, including an
16.33 epidemiological study to determine the
16.34 association between groundwater virus
16.35 concentration and community illness rates.

17.1 (g) \$175,000 the first year and \$175,000 the
 17.2 second year are to prepare a comprehensive
 17.3 study of and recommendations for regulatory
 17.4 and nonregulatory approaches to water reuse
 17.5 for use in the development of state policy for
 17.6 water reuse in Minnesota.

17.7 (h) Unless otherwise specified, the
 17.8 appropriations in this section are available
 17.9 until June 30, 2019.

17.10 Sec. 9. **METROPOLITAN COUNCIL** **\$** **1,225,000** **\$** **1,225,000**

17.11 (a) \$975,000 the first year and \$975,000
 17.12 the second year are to implement projects
 17.13 that address emerging drinking water supply
 17.14 threats, provide cost-effective regional
 17.15 solutions, leverage interjurisdictional
 17.16 coordination, support local implementation
 17.17 of water supply reliability projects, and
 17.18 prevent degradation of groundwater
 17.19 resources in the metropolitan area. These
 17.20 projects will provide to communities:

17.21 (1) potential solutions to leverage regional
 17.22 water use through utilization of surface water,
 17.23 storm water, wastewater, and groundwater;

17.24 (2) an analysis of infrastructure requirements
 17.25 for different alternatives;

17.26 (3) development of planning level cost
 17.27 estimates, including capital cost and
 17.28 operation cost;

17.29 (4) identification of funding mechanisms
 17.30 and an equitable cost-sharing structure
 17.31 for regionally beneficial water supply
 17.32 development projects; and

17.33 (5) development of subregional groundwater
 17.34 models.

18.1 (b) \$250,000 the first year and \$250,000
 18.2 the second year are for the water demand
 18.3 reduction grant program to encourage
 18.4 implementation of water demand reduction
 18.5 measures by municipalities in the
 18.6 metropolitan area to ensure the reliability and
 18.7 protection of drinking water supplies.

18.8 Sec. 10. Minnesota Statutes 2014, section 114D.30, subdivision 2, is amended to read:

18.9 Subd. 2. **Membership; appointment.** (a) The commissioners of natural resources,
 18.10 agriculture, health, and the Pollution Control Agency, ~~and~~ the executive director of the
 18.11 Board of Water and Soil Resources, the Board of Regents of the University of Minnesota,
 18.12 and the Metropolitan Council shall each appoint one person from their respective ~~agency~~
 18.13 entity to serve as a nonvoting member of the council. Two members of the house of
 18.14 representatives, including one member from the majority party and one member from the
 18.15 minority party, appointed by the speaker and two senators, including one member from
 18.16 the majority party and one member from the minority party, appointed according to the
 18.17 rules of the senate shall serve at the pleasure of the appointing authority as nonvoting
 18.18 members of the council. ~~Agency and legislative~~ Members appointed under this paragraph
 18.19 serve as nonvoting members of the council.

18.20 (b) ~~Nineteen~~ Seventeen voting members of the council shall be appointed by the
 18.21 governor as follows:

- 18.22 (1) two members representing statewide farm organizations;
 18.23 (2) two members representing business organizations;
 18.24 (3) two members representing environmental organizations;
 18.25 (4) one member representing soil and water conservation districts;
 18.26 (5) one member representing watershed districts;
 18.27 (6) one member representing nonprofit organizations focused on improvement of
 18.28 Minnesota lakes or streams;
 18.29 (7) two members representing organizations of county governments, one member
 18.30 representing the interests of rural counties and one member representing the interests of
 18.31 counties in the seven-county metropolitan area;
 18.32 (8) two members representing organizations of city governments;
 18.33 ~~(9) one member representing the Metropolitan Council established under section~~
 18.34 ~~473.123;~~
 18.35 ~~(10)~~ (9) one member representing township officers;

- 19.1 ~~(11)~~ (10) one member representing the interests of tribal governments;
- 19.2 ~~(12)~~ (11) one member representing statewide hunting organizations; and
- 19.3 ~~(13) one member representing the University of Minnesota or a Minnesota state~~
- 19.4 ~~university; and~~
- 19.5 ~~(14)~~ (12) one member representing statewide fishing organizations.

19.6 Members appointed under this paragraph must not be registered lobbyists or legislators.
 19.7 In making appointments, the governor must attempt to provide for geographic balance.
 19.8 The members of the council appointed by the governor are subject to the advice and
 19.9 consent of the senate.

19.10 Sec. 11. Laws 2013, chapter 137, article 2, section 6, is amended to read:

19.11 Sec. 6. **DEPARTMENT OF NATURAL**
 19.12 **RESOURCES** **\$ 12,635,000 \$ 9,450,000**

19.13 (a) \$2,000,000 the first year and \$2,000,000
 19.14 the second year are for stream flow
 19.15 monitoring, including the installation of
 19.16 additional monitoring gauges, and monitoring
 19.17 necessary to determine the relationship
 19.18 between stream flow and groundwater.

19.19 (b) \$1,300,000 the first year and \$1,300,000
 19.20 the second year are for lake Index of
 19.21 Biological Integrity (IBI) assessments.

19.22 (c) \$135,000 the first year and \$135,000
 19.23 the second year are for assessing mercury
 19.24 contamination and other contaminants of
 19.25 fish, including monitoring to track the status
 19.26 of waters impaired by mercury and mercury
 19.27 reduction efforts over time.

19.28 (d) \$1,850,000 the first year and \$1,850,000
 19.29 the second year are for developing targeted,
 19.30 science-based watershed restoration and
 19.31 protection strategies, including regional
 19.32 technical assistance for TMDL plans and
 19.33 development of a watershed assessment tool,
 19.34 in cooperation with the commissioner of the

20.1 Pollution Control Agency. By January 15,
20.2 2016, the commissioner shall submit a report
20.3 to the chairs and ranking minority members
20.4 of the senate and house of representatives
20.5 committees and divisions with jurisdiction
20.6 over environment and natural resources
20.7 policy and finance providing the outcomes
20.8 to lakes, rivers, streams, and groundwater
20.9 achieved with this appropriation and
20.10 recommendations.

20.11 (e) \$1,375,000 the first year and \$1,375,000
20.12 the second year are for water supply planning,
20.13 aquifer protection, and monitoring activities.

20.14 (f) \$1,000,000 the first year and \$1,000,000
20.15 the second year are for technical assistance
20.16 to support local implementation of nonpoint
20.17 source restoration and protection activities,
20.18 including water quality protection in forested
20.19 watersheds.

20.20 (g) \$675,000 the first year and \$675,000
20.21 the second year are for applied research
20.22 and tools, including watershed hydrologic
20.23 modeling; maintaining and updating spatial
20.24 data for watershed boundaries, streams, and
20.25 water bodies and integrating high-resolution
20.26 digital elevation data; assessing effectiveness
20.27 of forestry best management practices for
20.28 water quality; and developing an ecological
20.29 monitoring database.

20.30 (h) \$615,000 the first year and \$615,000
20.31 the second year are for developing county
20.32 geologic atlases.

20.33 (i) \$85,000 the first year is to develop design
20.34 standards and best management practices
20.35 for public water access sites to maintain and

21.1 improve water quality by avoiding shoreline
21.2 erosion and runoff.

21.3 (j) \$3,000,000 the first year is for beginning
21.4 to develop and designate groundwater
21.5 management areas under Minnesota Statutes,
21.6 section 103G.287, subdivision 4. The
21.7 commissioner, in consultation with the
21.8 commissioners of the Pollution Control
21.9 Agency, health, and agriculture, shall
21.10 establish a uniform statewide hydrogeologic
21.11 mapping system that will include designated
21.12 groundwater management areas. The
21.13 mapping system must include wellhead
21.14 protection areas, special well construction
21.15 areas, groundwater provinces, groundwater
21.16 recharge areas, and other designated or
21.17 geographical areas related to groundwater.
21.18 This mapping system shall be used to
21.19 implement all groundwater-related laws
21.20 and for reporting and evaluations. This
21.21 appropriation is available until June 30, 2017.

21.22 (k) \$500,000 the first year and \$500,000
21.23 the second year are for ~~grants~~ a grant
21.24 program to help counties and other local
21.25 units of government to adopt and implement
21.26 advanced shoreland protection ~~measures~~
21.27 standards. The grants awarded under this
21.28 paragraph shall be for up to \$100,000 and
21.29 must be used to ~~restore and enhance riparian~~
21.30 areas cover the costs of developing and
21.31 adopting ordinances with advanced shoreland
21.32 protection standards or implementing
21.33 advanced shoreland protection standards to
21.34 protect, enhance, and restore water quality in
21.35 public water lakes, public water wetlands,
21.36 and public water rivers; and streams. Grant

22.1 recipients must submit a report to the
 22.2 commissioner on the outcomes achieved
 22.3 with the grant. ~~To be eligible for a grant~~
 22.4 ~~under this paragraph, a county or other local~~
 22.5 ~~unit of government must be adopting or have~~
 22.6 ~~adopted an ordinance for the subdivision,~~
 22.7 ~~use, redevelopment, and development of~~
 22.8 ~~shoreland that has been approved by the~~
 22.9 ~~commissioner of natural resources as having~~
 22.10 ~~advanced shoreland protection measures. An~~
 22.11 ~~ordinance~~ Recipients will be reimbursed for
 22.12 eligible costs upon adoption of ordinances
 22.13 and completion of implementation activities
 22.14 as provided in this paragraph and as
 22.15 stipulated in the grant agreement. Ordinances
 22.16 adopted under this grant program must be
 22.17 approved by the commissioner and meet or
 22.18 exceed the following standards:
 22.19 (1) requires new sewage treatment systems
 22.20 to be set back at least 100 feet from the
 22.21 ordinary high water level for recreational
 22.22 development lake shorelands and 75 feet for
 22.23 general development lake shorelands;
 22.24 (2) requires redevelopment and new
 22.25 development on shoreland to have at least
 22.26 a 50-foot vegetative buffer. An access path
 22.27 and recreational use area may be allowed;
 22.28 (3) requires mitigation when any variance to
 22.29 standards designed to protect public water
 22.30 lakes, public water wetlands, and public
 22.31 water rivers; and streams is granted;
 22.32 (4) requires best management practices to be
 22.33 used to control storm water and sediment as
 22.34 part of a land alteration;

- 23.1 (5) includes other ~~criteria~~ standards
- 23.2 developed by the commissioner; and
- 23.3 (6) has been adopted by July 1, ~~2015~~ 2017.
- 23.4 An ordinance that does not exceed all the
- 23.5 standards in clauses (1) to (5) is considered
- 23.6 to meet the requirement if the commissioner
- 23.7 determines that the ordinance provides
- 23.8 significantly greater protection for both
- 23.9 public waters and shoreland shorelands than
- 23.10 those standards. Implementation activities
- 23.11 funded under this grant program must meet
- 23.12 the advanced shoreland protection standards
- 23.13 and criteria described above. Grants awarded
- 23.14 under this program may not be used to
- 23.15 reimburse ordinance adoption or shoreland
- 23.16 protection implementation expenses incurred
- 23.17 prior to the date of a fully executed grant
- 23.18 agreement.
- 23.19 The commissioner of natural resources may
- 23.20 develop additional criteria for the grants
- 23.21 awarded under this ~~paragraph~~ program. In
- 23.22 developing the criteria, the commissioner
- 23.23 shall consider the proposed changes to
- 23.24 the department's shoreland rules discussed
- 23.25 during the rulemaking process authorized
- 23.26 under Laws 2007, chapter 57, article 1,
- 23.27 section 4, subdivision 3.
- 23.28 This appropriation is available until spent.
- 23.29 (1) \$100,000 the first year is for the
- 23.30 commissioner of natural resources for
- 23.31 rulemaking under Minnesota Statutes,
- 23.32 section 116G.15, subdivision 7.
- 23.33 **EFFECTIVE DATE.** This section is effective the day following final enactment.

24.1 Sec. 12. **CANCELLATION OF PRIOR APPROPRIATIONS.**

24.2 (a) The unspent balance of the appropriation to the Public Facilities Authority for the
24.3 clean water legacy phosphorus reduction grant program under Minnesota Statutes, section
24.4 446A.074, in Laws 2009, chapter 172, article 2, section 3, paragraph (b), is canceled.

24.5 (b) The unspent balance of the appropriation to the Public Facilities Authority for
24.6 the clean water legacy phosphorus reduction grant program under Minnesota Statutes,
24.7 section 446A.074, in Laws 2011, First Special Session chapter 6, article 2, section 4,
24.8 paragraph (b), is canceled.

24.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.