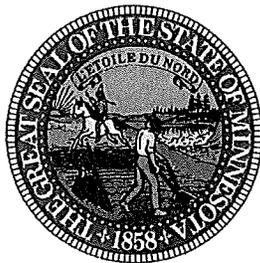


12 - 0123



Lessard-Sams Outdoor Heritage Council
The State of Minnesota

State Office Building, Room G95 100 Dr. Rev. Martin Luther King Jr. Blvd. Saint Paul, Minnesota 55155

January 11, 2012

The Honorable Mark Dayton
Governor of Minnesota
130 State Capitol
St. Paul, MN 55155

Dear Governor Dayton,

On behalf of the Lessard-Sams Outdoor Heritage Council, it is my honor to present a bill jacketed for introduction incorporating the Lessard-Sams Outdoor Heritage Council's recommendations for FY 13 appropriations from the Outdoor Heritage Fund. By law, the Council is required to make annual recommendations for appropriations from the Outdoor Heritage Fund and present them to the Speaker of the House and the Senate Majority Leader. The jacketed bills have been presented to legislative leadership under separate cover.

This proposed legislation contains the Council's fourth annual appropriation recommendations to protect, enhance, and restore Minnesota's prairies, wetlands, forests, and habitat for fish game and wildlife. These recommendations are consistent with and effectively address the Council's strategic statewide and regionally-based conservation and habitat priorities from the Outdoor Heritage Fund's 25-Year Framework.

The Council received 43 requests totaling over \$207 million from a cross-section of public and non-profit organizations. The Council's FY13 recommendations include 30 proposed appropriations with expenditures totaling \$97 million.

The Council's recommendations are consistent with the constitutionally-specified uses of the Outdoor Heritage Fund and promise to have lasting and positive impact on the state's natural resources.

Associated with these recommendations are the following outcomes:

- 5,560 acres of forest land protected, restored, and enhanced;
- 19,347 acres of wetland and wetland systems protected, restored, and enhanced;
- 99,431 acres of prairie and prairie systems protected, restored, and enhanced;
- The smallest annual PILT obligation to-date of lands acquired with OHF (\$87,000); and
- Broad geographic distribution across the state, with projects represented in at least 78 counties.

The Council recommends just over \$6 million of the Outdoor Heritage Fund be held in reserve to accommodate cash flow and possible further downturns in projected sales tax collections during the fiscal year. Minnesota Management and Budget staff have advised the Council to maintain a healthy reserve between five and ten percent to protect the integrity of the fund.

Enhancement of public lands accounts for the majority of activity recommended for funding. Over 108,000 acres are to be affected and will improve habitat for a range of species, from duck habitat in the Prairie Pothole region to pheasants in the tall grass regions to trout streams in the southeast to moose in the boreal forests of northeastern Minnesota. Enhancement activity puts money on-the-ground by creating and supporting jobs in local economies.

One of the Council's largest recommendations, *The Reinvest in Minnesota Reserve -Wetlands Reserve Program Partnership* (\$13.8 million), will protect and restore over 9,000 acres of previously drained wetlands. The program has been a national leader in converting marginal farmland to a thriving wetland-upland habitat complex, while providing economic benefit to the private landholder. This recommended appropriation will leverage \$24.6 million of federal funds, bringing a total state and federal investment in this program to \$38.4 million.

The Mississippi River Northwoods Habitat Complex is the result of a remarkable coalition of stakeholders from state agencies, nonprofits, and local governments. The \$14 million program will protect over 2,000 acres of wetland and forest/upland habitat along 2.7 miles of the Mississippi River. The land will be held by Crow Wing County as state forest land and will provide outdoor recreational opportunities for a variety of purposes. This important acquisition will incur no PILT obligations by the state.

The Lessard-Sams Outdoor Heritage Council is confident its recommendations will be broadly supported by the citizens of Minnesota. The Council stands prepared to provide any assistance and additional information necessary during the legislative session.

On behalf of the Lessard-Sams Outdoor Heritage Council, I thank you for the opportunity to serve the people of Minnesota in improving our state's great outdoors.

Sincerely,



David Hartwell

Chair, Lessard-Sams Outdoor Heritage Council

Attachment

c: Members and staff, Lessard-Sams Outdoor Heritage Council

A bill for an act

relating to natural resources; appropriating money from the outdoor heritage fund; modifying requirements for outdoor heritage fund appropriations; amending Minnesota Statutes 2010, section 97A.056, by adding subdivisions.

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

Section 1. **OUTDOOR HERITAGE APPROPRIATION.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this act. The appropriations are from the outdoor heritage fund and are available for the fiscal years indicated for each purpose. The figures "2012" and "2013" used in this act means that the appropriations listed under the figure are available for the fiscal year ending June 30, 2012, or June 30, 2013, respectively. "The first year" is fiscal year 2012. "The second year" is fiscal year 2013. "The biennium" is fiscal years 2012 and 2013. The appropriations in this act are onetime.

| | | |
|--|--------------------------------------|--------------------|
| | <u>APPROPRIATIONS</u> | |
| | <u>Available for the Year</u> | |
| | <u>Ending June 30</u> | |
| | <u>2012</u> | <u>2013</u> |

Sec. 2. **OUTDOOR HERITAGE**

| | | | | |
|--|------------------|-------------------|------------------|--------------------------|
| <u>Subdivision 1. Total Appropriation</u> | <u>\$</u> | <u>-0-</u> | <u>\$</u> | <u>97,420,000</u> |
|--|------------------|-------------------|------------------|--------------------------|

This appropriation is from the outdoor heritage fund. The amounts that may be spent for each purpose are specified in the following subdivisions.

| | | | | |
|---------------------------------|--|-------------------|--|--------------------------|
| <u>Subd. 2. Prairies</u> | | <u>-0-</u> | | <u>24,640,000</u> |
|---------------------------------|--|-------------------|--|--------------------------|

2.1 (a) Minnesota Buffers for Wildlife and Water
2.2 - Phase II

2.3 \$2,090,000 in the second year is to the
2.4 Board of Water and Soil Resources in
2.5 cooperation with Pheasants Forever to
2.6 acquire permanent conservation easements
2.7 to enhance habitat by expanding clean water
2.8 fund riparian wildlife buffers on private land.

2.9 A list of proposed permanent conservation
2.10 easements must be provided as part of the
2.11 final report. The accomplishment plan must
2.12 include an easement stewardship plan. Up
2.13 to \$90,000 is for establishing a monitoring
2.14 and enforcement fund as approved in
2.15 the accomplishment plan and subject to
2.16 Minnesota Statutes, section 97A.056,
2.17 subdivision 17. An annual financial report is
2.18 required for any monitoring and enforcement
2.19 fund established, including expenditures
2.20 from the fund and a description of annual
2.21 monitoring and enforcement activities.

2.22 (b) Minnesota Prairie Recovery Project - Phase
2.23 III

2.24 \$4,610,000 in the second year is to the
2.25 commissioner of natural resources for an
2.26 agreement with The Nature Conservancy to
2.27 acquire native prairie and savanna and restore
2.28 and enhance grasslands and savanna. A list of
2.29 proposed land acquisitions must be provided
2.30 as part of the required accomplishment plan.
2.31 Annual income statements and balance sheets
2.32 for income and expenses from land acquired
2.33 with this appropriation must be submitted to
2.34 the Lessard-Sams Outdoor Heritage Council
2.35 no later than 180 days following the close of
2.36 The Nature Conservancy's fiscal year.

3.1 (c) Cannon River Headwaters Habitat
 3.2 Complex - Phase II

3.3 \$1,760,000 in the second year is to the
 3.4 commissioner of natural resources for an
 3.5 agreement with The Trust for Public Land
 3.6 to acquire and restore lands in the Cannon
 3.7 River watershed for wildlife management
 3.8 area purposes under Minnesota Statutes,
 3.9 section 86A.05, subdivision 8, or aquatic
 3.10 management area purposes under Minnesota
 3.11 Statutes, sections 86A.05, subdivision
 3.12 14, and 97C.02. A list of proposed land
 3.13 acquisitions must be provided as part of the
 3.14 required accomplishment plan.

3.15 (d) Wildlife Management Area Acquisition

3.16 \$2,900,000 in the second year is to the
 3.17 commissioner of natural resources to acquire
 3.18 land in fee for wildlife management area
 3.19 purposes under Minnesota Statutes, section
 3.20 86A.05, subdivision 8. A list of proposed
 3.21 land acquisitions must be provided as part of
 3.22 the required accomplishment plan.

3.23 (e) Northern Tallgrass Prairie National
 3.24 Wildlife Refuge Land Acquisition - Phase IV

3.25 \$1,580,000 in the second year is to the
 3.26 commissioner of natural resources for an
 3.27 agreement with The Nature Conservancy
 3.28 in cooperation with the United States Fish
 3.29 and Wildlife Service to acquire land in
 3.30 fee or permanent conservation easements
 3.31 within the Northern Tallgrass Prairie Habitat
 3.32 Preservation Area in western Minnesota for
 3.33 addition to the Northern Tallgrass Prairie
 3.34 National Wildlife Refuge. A list of proposed
 3.35 land acquisitions must be provided as part

4.1 of the required accomplishment plan. The
 4.2 accomplishment plan must include an
 4.3 easement monitoring and enforcement plan.

4.4 **(f) Accelerating the Wildlife Management Area**
 4.5 **Program - Phase IV**

4.6 \$3,300,000 in the second year is to the
 4.7 commissioner of natural resources for an
 4.8 agreement with Pheasants Forever to acquire
 4.9 land in fee for wildlife management area
 4.10 purposes under Minnesota Statutes, section
 4.11 86A.05, subdivision 8. A list of proposed
 4.12 land acquisitions must be provided as part of
 4.13 the required accomplishment plan.

4.14 **(g) Green Corridor Legacy Program - Phase IV**

4.15 \$1,730,000 in the second year is to the
 4.16 commissioner of natural resources for
 4.17 an agreement with the Redwood Area
 4.18 Development Corporation to acquire land in
 4.19 fee for wildlife management area purposes
 4.20 under Minnesota Statutes, section 86A.05,
 4.21 subdivision 8, and for aquatic management
 4.22 areas under Minnesota Statutes, sections
 4.23 86A.05, subdivision 14, and 97C.02. A list of
 4.24 proposed land acquisitions must be provided
 4.25 as part of the required accomplishment plan.

4.26 **(h) Accelerated Prairie Restoration and**
 4.27 **Enhancement on DNR Lands - Phase IV**

4.28 \$4,300,000 in the second year is to the
 4.29 commissioner of natural resources to
 4.30 accelerate the restoration and enhancement
 4.31 of wildlife management areas, scientific
 4.32 and natural areas, and land under native
 4.33 prairie bank easements. A list of proposed
 4.34 restorations and enhancements must

5.1 be provided as part of the required
5.2 accomplishment plan.

5.3 **(i) Anoka Sand Plain Habitat Restoration and**
5.4 **Enhancement - Phase II**

5.5 \$1,050,000 in the second year is to the
5.6 commissioner of natural resources for
5.7 agreements to restore and enhance habitat on
5.8 public lands in the Anoka Sand Plain and
5.9 along the Rum River as follows: \$558,750 to
5.10 Great River Greening; \$99,400 to the Anoka
5.11 Conservation District; and \$391,850 to the
5.12 National Wild Turkey Federation. A list
5.13 of proposed restorations and enhancements
5.14 must be provided as part of the required
5.15 accomplishment plan.

5.16 **(j) Enhanced Public Grasslands**

5.17 \$1,320,000 in the second year is to the
5.18 commissioner of natural resources for
5.19 an agreement with Pheasants Forever in
5.20 cooperation with the Minnesota Prairie
5.21 Chicken Society to restore and enhance
5.22 habitat on public lands. The criteria for
5.23 selection of projects must be included in the
5.24 accomplishment plan. A list of proposed
5.25 restorations and enhancements must be
5.26 provided as part of the final report.

5.27 **Subd. 3. Forests**

-0-

17,300,000

5.28 **(a) Protecting Mississippi River Corridor**
5.29 **Habitat ACUB Partnership - Phase II**

5.30 \$480,000 in the second year is to the
5.31 Board of Water and Soil Resources to
5.32 acquire permanent conservation easements
5.33 on land adjacent to the Nokasippi River
5.34 and the boundaries of the Minnesota
5.35 National Guard Army compatible use buffer

6.1 (ACUB). A list of proposed land acquisitions
6.2 must be provided as part of the required
6.3 accomplishment plan. The accomplishment
6.4 plan must include an easement stewardship
6.5 plan. Up to \$4,800 is for establishing
6.6 a monitoring and enforcement fund as
6.7 approved in the accomplishment plan and
6.8 subject to Minnesota Statutes, section
6.9 97A.056, subdivision 17. An annual financial
6.10 report is required for any monitoring and
6.11 enforcement fund established, including
6.12 expenditures from the fund and a description
6.13 of annual monitoring and enforcement
6.14 activities.

6.15 **(b) Mississippi Northwoods Habitat Complex**
6.16 **Protection**

6.17 \$14,040,000 in the second year is to the
6.18 commissioner of natural resources for an
6.19 agreement with Crow Wing County to
6.20 acquire land in fee along the Mississippi
6.21 River in Crow Wing County to be added
6.22 to the county forest system. The purchase
6.23 price must not exceed the appraised fair
6.24 market value of the property as reviewed
6.25 and approved under established procedures
6.26 in compliance with the Uniform Standards
6.27 of Professional Appraisal Practice and
6.28 the Department of Natural Resources'
6.29 Supplemental Appraisal and Appraisal
6.30 Review Guidelines (effective July 15, 2009).

6.31 A land description must be provided as
6.32 part of the required accomplishment plan.

6.33 Development of a state trail on land acquired
6.34 under this paragraph constitutes an alteration
6.35 of the intended use of the interest in real
6.36 property and must be handled according

7.1 to Minnesota Statutes, section 97A.056,
7.2 subdivision 15. Any plan, including trail
7.3 alignment, for the development of a state
7.4 trail must be submitted to the Lessard-Sams
7.5 Outdoor Heritage Council for approval. No
7.6 state trail development or state trail use is
7.7 allowed unless it is specified in the plan
7.8 for trail use and alignment approved by the
7.9 Lessard-Sams Outdoor Heritage Council.

7.10 **(c) Northeastern Minnesota Sharp-Tailed**
7.11 **Grouse Habitat Partnership - Phase III**

7.12 \$1,340,000 in the second year is to the
7.13 commissioner of natural resources for
7.14 an agreement with Pheasants Forever in
7.15 cooperation with the Minnesota Sharp-Tailed
7.16 Grouse Society to acquire and enhance
7.17 lands for wildlife management area purposes
7.18 under Minnesota Statutes, section 86A.05,
7.19 subdivision 8. A list of proposed land
7.20 acquisitions must be provided as part of the
7.21 required accomplishment plan.

7.22 **(d) Protect Key Forest Habitat Lands in Cass**
7.23 **County - Phase III**

7.24 \$480,000 in the second year is to the
7.25 commissioner of natural resources for an
7.26 agreement with Cass County to acquire land
7.27 in fee in Cass County for forest wildlife
7.28 habitat. A list of proposed land acquisitions
7.29 must be provided as part of the required
7.30 accomplishment plan.

7.31 **(e) Minnesota Moose Habitat Collaborative**

7.32 \$960,000 in the second year is to the
7.33 commissioner of natural resources for an
7.34 agreement with the Minnesota Deer Hunters
7.35 Association to restore and enhance public

8.1 forest lands in northeastern Minnesota
 8.2 for moose habitat purposes. A list of
 8.3 proposed restorations and enhancements
 8.4 must be provided as part of the required
 8.5 accomplishment plan.

8.6 **Subd. 4. Wetlands** -0- 31,140,000

8.7 **(a) Reinvest in Minnesota Wetlands Reserve**
 8.8 **Program Partnership - Phase IV**

8.9 \$13,810,000 in the second year is to the
 8.10 Board of Water and Soil Resources to
 8.11 acquire permanent conservation easements
 8.12 and restore wetlands and associated upland
 8.13 habitat in cooperation with the United
 8.14 States Department of Agriculture Wetlands
 8.15 Reserve Program. A list of land acquisitions
 8.16 must be provided as part of the final report.

8.17 The accomplishment plan must include
 8.18 an easement stewardship plan. Up to
 8.19 \$180,000 is for establishing a monitoring
 8.20 and enforcement fund as approved in
 8.21 the accomplishment plan and subject to
 8.22 Minnesota Statutes, section 97A.056,
 8.23 subdivision 17. An annual financial report is
 8.24 required for any monitoring and enforcement
 8.25 fund established, including expenditures
 8.26 from the fund and a description of annual
 8.27 monitoring and enforcement activities.

8.28 **(b) Accelerating the Waterfowl Production**
 8.29 **Area Program - Phase IV**

8.30 \$5,400,000 in the second year is to the
 8.31 commissioner of natural resources for an
 8.32 agreement with Pheasants Forever to acquire
 8.33 land in fee to be managed and designated as
 8.34 waterfowl production areas in Minnesota,
 8.35 in cooperation with the United States Fish
 8.36 and Wildlife Service. A list of proposed land

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

9.3 **(c) Columbus Lake Conservation Area**

9.4 \$940,000 in the second year is to the
9.5 commissioner of natural resources for an
9.6 agreement with Anoka County to acquire
9.7 land in fee for conservation purposes that
9.8 connect wetlands and shallow lakes to
9.9 the Lamprey Pass Wildlife Management
9.10 Area. A list of proposed land acquisitions
9.11 must be provided as part of the required
9.12 accomplishment plan.

9.13 **(d) Living Shallow Lakes and Wetlands**
9.14 **Initiative - Phase II**

9.15 \$4,490,000 in the second year is to the
9.16 commissioner of natural resources for an
9.17 agreement with Ducks Unlimited to assess,
9.18 restore, and enhance shallow lakes and
9.19 wetlands, including technical assistance,
9.20 survey, design, and engineering to develop
9.21 new enhancement and restoration projects
9.22 for future implementation. A list of
9.23 proposed restorations and enhancements
9.24 must be provided as part of the required
9.25 accomplishment plan.

9.26 **(e) Accelerated Shallow Lakes and Wetlands**
9.27 **Enhancement - Phase IV**

9.28 \$3,870,000 in the second year is to the
9.29 commissioner of natural resources to
9.30 develop engineering designs and complete
9.31 construction to enhance shallow lakes and
9.32 wetlands. A list of proposed restorations and
9.33 enhancements must be provided as part of
9.34 the required accomplishment plan. Work

10.1 must be completed within three years of the
10.2 effective date of this act.

10.3 **(f) Marsh Lake Enhancement**

10.4 \$2,630,000 in the second year is to the
10.5 commissioner of natural resources to
10.6 complete design and construction to modify
10.7 the dam at Marsh Lake and return the historic
10.8 outlet of the Pomme de Terre River to Lac
10.9 Qui Parle.

10.10 **Subd. 5. Habitats** -0- 24,120,000

10.11 **(a) DNR Aquatic Habitat - Phase IV**

10.12 \$3,480,000 in the second year is to the
10.13 commissioner of natural resources to
10.14 acquire interests in land in fee or permanent
10.15 conservation easements for aquatic
10.16 management areas under Minnesota Statutes,
10.17 sections 86A.05, subdivision 14, and
10.18 97C.02, and to restore and enhance aquatic
10.19 habitat. A list of proposed land acquisitions
10.20 must be provided as part of the required
10.21 accomplishment plan. The accomplishment
10.22 plan must include an easement stewardship
10.23 plan. Up to \$25,000 is for establishing
10.24 a monitoring and enforcement fund as
10.25 approved in the accomplishment plan and
10.26 subject to Minnesota Statutes, section
10.27 97A.056, subdivision 17. An annual financial
10.28 report is required for any monitoring and
10.29 enforcement fund established, including
10.30 expenditures from the fund and a description
10.31 of annual monitoring and enforcement
10.32 activities.

10.33 **(b) Metro Big Rivers Habitat - Phase III**

11.1 \$3,680,000 in the second year is to the
11.2 commissioner of natural resources for
11.3 agreements to acquire interests in land in
11.4 fee or permanent conservation easements
11.5 and to restore and enhance natural systems
11.6 associated with the Mississippi, Minnesota,
11.7 and St. Croix Rivers as follows: \$1,000,000
11.8 to the Minnesota Valley National Wildlife
11.9 Refuge Trust, Inc.; \$375,000 to the Friends
11.10 of the Mississippi; \$375,000 to Great River
11.11 Greening; \$930,000 to The Minnesota
11.12 Land Trust; and \$1,000,000 to The Trust
11.13 for Public Land. A list of proposed
11.14 acquisitions, restorations, and enhancements
11.15 must be provided as part of the required
11.16 accomplishment plan. The accomplishment
11.17 plan must include an easement stewardship
11.18 plan. Up to \$51,000 is for establishing
11.19 a monitoring and enforcement fund as
11.20 approved in the accomplishment plan and
11.21 subject to Minnesota Statutes, section
11.22 97A.056, subdivision 17. An annual financial
11.23 report is required for any monitoring and
11.24 enforcement fund established, including
11.25 expenditures from the fund and a description
11.26 of annual monitoring and enforcement
11.27 activities.

11.28 **(c) Dakota County Riparian and Lakeshore**
11.29 **Protection and Management - Phase III**

11.30 \$480,000 in the second year is to the
11.31 commissioner of natural resources for an
11.32 agreement with Dakota County to acquire
11.33 permanent conservation easements and
11.34 restore and enhance habitats along the
11.35 Mississippi, Cannon, and Vermillion Rivers.
11.36 A list of proposed acquisitions, restorations,

12.1 and enhancements must be provided as
12.2 part of the required accomplishment plan.
12.3 The accomplishment plan must include
12.4 an easement stewardship plan. Up to
12.5 \$20,000 is for establishing a monitoring
12.6 and enforcement fund as approved in
12.7 the accomplishment plan and subject to
12.8 Minnesota Statutes, section 97A.056,
12.9 subdivision 17. An annual financial report is
12.10 required for any monitoring and enforcement
12.11 fund established, including expenditures
12.12 from the fund and a description of annual
12.13 monitoring and enforcement activities.

12.14 **(d) Lower St. Louis River Habitat Restoration**

12.15 \$3,670,000 in the second year is to the
12.16 commissioner of natural resources to restore
12.17 habitat in the lower St. Louis River estuary.
12.18 A list of proposed projects must be provided
12.19 as part of the required accomplishment plan.

12.20 **(e) Coldwater Fish Habitat Enhancement -**
12.21 **Phase IV**

12.22 \$2,120,000 in the second year is to the
12.23 commissioner of natural resources for an
12.24 agreement with Minnesota Trout Unlimited
12.25 to restore and enhance coldwater fish river
12.26 and stream habitats in Minnesota. A list
12.27 of proposed restorations and enhancements
12.28 must be provided as part of the required
12.29 accomplishment plan.

12.30 **(f) Grand Marais Creek Outlet Restoration**

12.31 \$2,320,000 in the second year is to the
12.32 commissioner of natural resources for an
12.33 agreement with the Red Lake Watershed
12.34 District to restore and enhance stream and
12.35 related habitat in Grand Marais Creek. A list

13.1 of proposed restorations and enhancements
13.2 must be provided as part of the required
13.3 accomplishment plan.

13.4 **(g) Knife River Habitat Restoration**

13.5 \$380,000 in the second year is to the
13.6 commissioner of natural resources for an
13.7 agreement with the Lake Superior Steelhead
13.8 Association to restore trout habitat in the
13.9 Upper Knife River Watershed. A list of
13.10 proposed restorations must be provided as
13.11 part of the required accomplishment plan.

13.12 **(h) Protect Aquatic Habitat from Asian Carp**

13.13 \$3,000,000 in the second year is to the
13.14 commissioner of natural resources to
13.15 control Asian carp to protect Minnesota's
13.16 aquatic habitat. Use of this money requires
13.17 a one-to-one match for projects on state
13.18 boundary waters.

13.19 **(i) Outdoor Heritage Conservation Partners**
13.20 **Grant Program - Phase IV**

13.21 \$4,990,000 in the second year is to the
13.22 commissioner of natural resources for a
13.23 program to provide competitive, matching
13.24 grants of up to \$400,000 to local, regional,
13.25 state, and national organizations for
13.26 enhancing, restoring, or protecting forests,
13.27 wetlands, prairies, and habitat for fish, game,
13.28 or wildlife in Minnesota. Grants shall not
13.29 be made for activities required to fulfill
13.30 the duties of owners of lands subject to
13.31 conservation easements. Grants shall not be
13.32 made from appropriations in this paragraph
13.33 for projects that have a total project cost
13.34 exceeding \$575,000. \$366,000 of this
13.35 appropriation may be spent for personnel

14.1 costs and other direct and necessary
14.2 administrative costs. Grantees may acquire
14.3 land or interests in land. Easements must be
14.4 permanent. Land acquired in fee must be
14.5 open to hunting and fishing during the open
14.6 season unless otherwise provided by state
14.7 law. The program shall require a match of
14.8 at least ten percent from nonstate sources
14.9 for all grants. The match may be cash or
14.10 in-kind resources. For grant applications
14.11 of \$25,000 or less, the commissioner shall
14.12 provide a separate, simplified application
14.13 process. Subject to Minnesota Statutes, the
14.14 commissioner of natural resources shall,
14.15 when evaluating projects of equal value,
14.16 give priority to organizations that have a
14.17 history of receiving or charter to receive
14.18 private contributions for local conservation
14.19 or habitat projects. If acquiring land or a
14.20 conservation easement, priority shall be
14.21 given to projects associated with existing
14.22 wildlife management areas under Minnesota
14.23 Statutes, section 86A.05, subdivision 8;
14.24 scientific and natural areas under Minnesota
14.25 Statutes, sections 84.033 and 86A.05,
14.26 subdivision 5; and aquatic management areas
14.27 under Minnesota Statutes, sections 86A.05,
14.28 subdivision 14, and 97C.02. All restoration
14.29 or enhancement projects must be on land
14.30 permanently protected by a conservation
14.31 easement or public ownership or in public
14.32 waters as defined in Minnesota Statutes,
14.33 section 103G.005, subdivision 15. Priority
14.34 shall be given to restoration and enhancement
14.35 projects on public lands. Minnesota Statutes,
14.36 section 97A.056, subdivision 12, applies

15.1 to grants awarded under this paragraph.
 15.2 This appropriation is available until June
 15.3 30, 2016. No less than five percent of the
 15.4 amount of each grant must be held back from
 15.5 reimbursement until the grant recipient has
 15.6 completed a grant accomplishment report by
 15.7 the deadline and in the form prescribed by
 15.8 and satisfactory to the Lessard-Sams Outdoor
 15.9 Heritage Council. The commissioner shall
 15.10 provide notice of the grant program in
 15.11 the game and fish law summaries that are
 15.12 prepared under Minnesota Statutes, section
 15.13 97A.051, subdivision 2.

15.14 **Subd. 6. Administration**

-0-

220,000

15.15 **(a) Contract Management**

15.16 \$175,000 in the second year is to the
 15.17 commissioner of natural resources for
 15.18 contract management duties assigned in this
 15.19 section. The commissioner shall provide a
 15.20 work program in the form specified by the
 15.21 Lessard-Sams Outdoor Heritage Council
 15.22 on the expenditure of this appropriation.
 15.23 No money may be expended prior to
 15.24 Lessard-Sams Outdoor Heritage Council
 15.25 approval of the work program.

15.26 **(b) Technical Evaluation Panel**

15.27 \$45,000 in the second year is to the
 15.28 commissioner of natural resources for a
 15.29 technical evaluation panel to conduct up to
 15.30 ten restoration evaluations under Minnesota
 15.31 Statutes, section 97A.056, subdivision 10.

15.32 **Subd. 7. Availability of Appropriation**

15.33 Money appropriated in this section may
 15.34 not be spent on activities unless they are

16.1 directly related to and necessary for a
16.2 specific appropriation and are specified in
16.3 the accomplishment plan approved by the
16.4 Lessard-Sams Outdoor Heritage Council.
16.5 Money appropriated in this section must not
16.6 be spent on indirect costs or other institutional
16.7 overhead charges that are not directly related
16.8 to and necessary for a specific appropriation.
16.9 Unless otherwise provided, the amounts
16.10 in this section are available until June 30,
16.11 2015, when projects must be completed and
16.12 final accomplishments reported. Funds for
16.13 restoration or enhancement are available
16.14 until June 30, 2017, or four years after
16.15 acquisition, whichever is later, in order to
16.16 complete initial restoration or enhancement
16.17 work. If a project receives federal funds, the
16.18 time period of the appropriation is extended
16.19 to equal the availability of federal funding.
16.20 Funds appropriated for fee title acquisition
16.21 of land may be used to restore, enhance, and
16.22 provide for public use of the land acquired
16.23 with the appropriation. Public use facilities
16.24 must have a minimal impact on habitat in
16.25 acquired lands.

16.26 **Subd. 8. Payment Conditions and Capital**
16.27 **Equipment Expenditures**

16.28 All agreements referred to in this section must
16.29 be administered on a reimbursement basis
16.30 unless otherwise provided in this section.
16.31 Notwithstanding Minnesota Statutes, section
16.32 16A.41, expenditures directly related to each
16.33 appropriation's purpose made on or after July
16.34 1, 2012, or the date of accomplishment plan
16.35 approval, whichever is later, are eligible for
16.36 reimbursement unless otherwise provided in

17.1 this section. Periodic reimbursement must
17.2 be made upon receiving documentation that
17.3 the items articulated in the accomplishment
17.4 plan approved by the Lessard-Sams Outdoor
17.5 Heritage Council have been achieved,
17.6 including partial achievements as evidenced
17.7 by progress reports approved by the
17.8 Lessard-Sams Outdoor Heritage Council.
17.9 Reasonable amounts may be advanced to
17.10 projects to accommodate cash flow needs,
17.11 support future management of acquired
17.12 lands, or match a federal share. The
17.13 advances must be approved as part of the
17.14 accomplishment plan. Capital equipment
17.15 expenditures for specific items in excess of
17.16 \$10,000 must be itemized in and approved as
17.17 part of the accomplishment plan.

17.18 Sec. 3. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision
17.19 to read:

17.20 Subd. 12. **Accomplishment plans.** It is a condition of acceptance of money
17.21 appropriated from the outdoor heritage fund that the agency or entity using the
17.22 appropriation submits an accomplishment plan and periodic accomplishment reports to
17.23 the Lessard-Sams Outdoor Heritage Council in the form determined by the council. The
17.24 accomplishment plan must identify the project manager responsible for expending the
17.25 appropriation and the final product. The accomplishment plan must account for the use
17.26 of the appropriation and outcomes of the expenditure in measures of wetlands, prairies,
17.27 forests, and fish, game, and wildlife habitat restored, protected, and enhanced. The plan
17.28 must include an evaluation of results. No money appropriated from the outdoor heritage
17.29 fund may be expended unless the council has approved the pertinent accomplishment plan.

17.30 Sec. 4. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision
17.31 to read:

17.32 Subd. 13. **Project requirements.** (a) As a condition of accepting money
17.33 appropriated from the outdoor heritage fund, an agency or entity receiving money from

18.1 an appropriation must comply with this subdivision for any project funded in whole or
18.2 in part with funds from the appropriation.

18.3 (b) All conservation easements acquired with money appropriated from the outdoor
18.4 heritage fund must:

18.5 (1) be permanent;

18.6 (2) specify the parties to the easement;

18.7 (3) specify all of the provisions of an agreement that are permanent;

18.8 (4) specify the habitat types and location being protected;

18.9 (5) where appropriate for conservation or water protection outcomes, require the
18.10 grantor to employ practices retaining water on the eased land as long as practicable;

18.11 (6) specify the responsibilities of the parties for habitat enhancement and restoration
18.12 and the associated costs of these activities;

18.13 (7) be sent to the office of the Lessard-Sams Outdoor Heritage Council;

18.14 (8) include a long-term stewardship plan and identify the sources and amount of
18.15 funding for monitoring and enforcing the easement agreement; and

18.16 (9) identify the parties responsible for monitoring and enforcing the easement
18.17 agreement.

18.18 (c) For all restorations, a recipient must prepare and retain an ecological restoration
18.19 and management plan that, to the degree practicable, is consistent with current
18.20 conservation science and ecological goals for the restoration site. Consideration should
18.21 be given to soil, geology, topography, and other relevant factors that would provide the
18.22 best chance for long-term success and durability of the restoration. The plan must include
18.23 the proposed timetable for implementing the restoration, including, but not limited to,
18.24 site preparation, establishment of diverse plant species, maintenance, and additional
18.25 enhancement to establish the restoration; identify long-term maintenance and management
18.26 needs of the restoration and how the maintenance, management, and enhancement will be
18.27 financed; and use current conservation science to achieve the best restoration.

18.28 (d) For new lands acquired, a recipient must prepare a restoration and management
18.29 plan in compliance with paragraph (c), including identification of sufficient funding for
18.30 implementation.

18.31 (e) To ensure public accountability for the use of public funds, a recipient must
18.32 provide to the Lessard-Sams Outdoor Heritage Council documentation of the process used
18.33 to select parcels acquired in fee or as permanent conservation easements and must provide
18.34 the council with documentation of all related transaction costs, including, but not limited
18.35 to, appraisals, legal fees, recording fees, commissions, other similar costs, and donations.
18.36 This information must be provided for all parties involved in the transaction. The recipient

19.1 must also report to the Lessard-Sams Outdoor Heritage Council any difference between
 19.2 the acquisition amount paid to the seller and the state-certified or state-reviewed appraisal,
 19.3 if a state-certified or state-reviewed appraisal was conducted. Acquisition data such as
 19.4 appraisals may remain private during negotiations but must ultimately be made public
 19.5 according to chapter 13.

19.6 (f) Except as otherwise provided in the appropriation, all restoration and
 19.7 enhancement projects funded with money appropriated from the outdoor heritage fund
 19.8 must be on land permanently protected by a conservation easement or public ownership or
 19.9 in public waters as defined in section 103G.005, subdivision 15.

19.10 (g) To the extent an appropriation is used to acquire an interest in real property,
 19.11 a recipient of an appropriation from the outdoor heritage fund must provide to the
 19.12 Lessard-Sams Outdoor Heritage Council and the commissioner of management and
 19.13 budget an analysis of increased operation and maintenance costs likely to be incurred by
 19.14 public entities as a result of the acquisition and of how the costs are to be paid.

19.15 (h) A recipient of money appropriated from the outdoor heritage fund must give
 19.16 consideration to and make timely written contact with Conservation Corps Minnesota for
 19.17 possible use of the corps' services to contract for restoration and enhancement services.
 19.18 A copy of the written contact must be filed with the Lessard-Sams Outdoor Heritage
 19.19 Council within 15 days of execution.

19.20 (i) A recipient of money appropriated from the outdoor heritage fund must erect
 19.21 signage according to Laws 2009, chapter 172, article 5, section 10.

19.22 Sec. 5. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision
 19.23 to read:

19.24 Subd. 14. **Purchase of recycled and recyclable materials.** A political subdivision,
 19.25 public or private corporation, or other entity that receives money appropriated from the
 19.26 outdoor heritage fund must use the money in compliance with sections 16B.121, regarding
 19.27 purchase of recycled, repairable, and durable materials, and 16B.122, regarding purchase
 19.28 and use of paper stock and printing.

19.29 Sec. 6. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision
 19.30 to read:

19.31 Subd. 15. **Land acquisition restrictions.** (a) An interest in real property, including,
 19.32 but not limited to, an easement or fee title, that is acquired with money appropriated
 19.33 from the outdoor heritage fund must be used in perpetuity or for the specific term of an
 19.34 easement interest for the purpose for which the appropriation was made. The ownership

20.1 of the interest in real property transfers to the state if: (1) the holder of the interest in
20.2 real property fails to comply with the terms and conditions of the grant agreement or
20.3 accomplishment plan; or (2) restrictions are placed on the land that preclude its use for the
20.4 intended purpose as specified in the appropriation.

20.5 (b) A recipient of funding that acquires an interest in real property subject to this
20.6 subdivision may not alter the intended use of the interest in real property or convey any
20.7 interest in the real property acquired with the appropriation without the prior review and
20.8 approval of the Lessard-Sams Outdoor Heritage Council or its successor. The council
20.9 shall notify the chairs and ranking minority members of the legislative committees and
20.10 divisions with jurisdiction over the outdoor heritage fund at least 15 business days before
20.11 approval under this paragraph. The council shall establish procedures to review requests
20.12 from recipients to alter the use of or convey an interest in real property. These procedures
20.13 shall allow for the replacement of the interest in real property with another interest in real
20.14 property meeting the following criteria:

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

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

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

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

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

20.27 (3) a reference to this section; and

20.28 (4) the following statement: "This interest in real property shall be administered in
20.29 accordance with the terms, conditions, and purposes of the grant agreement controlling the
20.30 acquisition of the property. The interest in real property, or any portion of the interest in
20.31 real property, shall not be sold, transferred, pledged, or otherwise disposed of or further
20.32 encumbered without obtaining the prior written approval of the Lessard-Sams Outdoor
20.33 Heritage Council or its successor. The ownership of the interest in real property transfers to
20.34 the state if: (1) the holder of the interest in real property fails to comply with the terms and
20.35 conditions of the grant agreement or accomplishment plan; or (2) restrictions are placed
20.36 on the land that preclude its use for the intended purpose as specified in the appropriation."

21.1 Sec. 7. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision
21.2 to read:

21.3 Subd. 16. Real property interest report. (a) By December 1 each year, a recipient
21.4 of money appropriated from the outdoor heritage fund that is used for the acquisition of an
21.5 interest in real property, including, but not limited to, an easement or fee title, must submit
21.6 annual reports on the status of the real property to the Lessard-Sams Outdoor Heritage
21.7 Council or its successor in a form determined by the council. The responsibility for
21.8 reporting under this subdivision may be transferred by the recipient of the appropriation
21.9 to another person or entity that holds the interest in the real property. To complete the
21.10 transfer of reporting responsibility, the recipient of the appropriation must:

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

21.13 (2) inform the person to whom the responsibility is transferred of the property
21.14 restrictions under subdivision 15; and

21.15 (3) provide written notice to the council of the transfer of reporting responsibility,
21.16 including contact information for the person to whom the responsibility is transferred.

21.17 (b) After the transfer, the person or entity that holds the interest in the real property
21.18 is responsible for reporting requirements under this subdivision.

21.19 Sec. 8. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision
21.20 to read:

21.21 Subd. 17. Easement monitoring and enforcement requirements. Money
21.22 appropriated from the outdoor heritage fund for easement monitoring and enforcement
21.23 may be spent only on activities included in an easement monitoring and enforcement
21.24 plan contained within the accomplishment plan. Money received for monitoring and
21.25 enforcement, including earnings on the money received, shall be kept in a monitoring
21.26 and enforcement fund held by the organization and is appropriated for monitoring and
21.27 enforcing conservation easements in the state. Within 120 days after the close of the
21.28 entity's fiscal year, an entity receiving appropriations for easement monitoring and
21.29 enforcement must provide an annual financial report to the Lessard-Sams Outdoor
21.30 Heritage Council on the easement monitoring and enforcement fund as specified in the
21.31 accomplishment plan. Money appropriated from the outdoor heritage fund for monitoring
21.32 and enforcement of easements and earnings on the money appropriated shall revert
21.33 to the state if:

21.34 (1) the easement transfers to the state under subdivision 15;

22.1 (2) the holder of the easement fails to file an annual report and then fails to cure that
22.2 default within 30 days of notification of the default by the state; or

22.3 (3) the holder of the easement fails to comply with the terms of the monitoring and
22.4 enforcement plan contained within the accomplishment plan and fails to cure that default
22.5 within 90 days of notification of the default by the state.

22.6 Sec. 9. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision
22.7 to read:

22.8 Subd. 18. **Successor organizations.** The Lessard-Sams Outdoor Heritage Council
22.9 may approve the continuation of a project with an organization that has adopted a new
22.10 name. Continuation of a project with an organization that has undergone a significant
22.11 change in mission, structure, or purpose requires:

22.12 (1) notice to the chairs of the legislative committees and divisions with jurisdiction
22.13 over the outdoor heritage fund; and

22.14 (2) presentation by the council of proposed legislation either ratifying or rejecting
22.15 continued involvement with the new organization.