

**SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION**

S.F. No. 106

(SENATE AUTHORS: DRAZKOWSKI)

DATE
01/16/2025

D-PG

Introduction and first reading
Referred to Environment, Climate, and Legacy

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to legacy; imposing additional requirements on recipients of certain
1.3 appropriations from the outdoor heritage fund or the clean water fund; amending
1.4 Minnesota Statutes 2024, sections 97A.056, subdivision 12; 114D.50, subdivision
1.5 4.

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

1.7 Section 1. Minnesota Statutes 2024, section 97A.056, subdivision 12, is amended to read:

1.8 Subd. 12. **Accomplishment plans.** (a) It is a condition of acceptance of money
1.9 appropriated from the outdoor heritage fund that the agency or entity using the appropriation
1.10 submits an accomplishment plan and periodic accomplishment reports to the Lessard-Sams
1.11 Outdoor Heritage Council in the form determined by the council. The accomplishment plan
1.12 must identify the project manager responsible for expending the appropriation and the final
1.13 product. The accomplishment plan must account for the use of the appropriation and
1.14 outcomes of the expenditure in measures of wetlands, prairies, forests, and fish, game, and
1.15 wildlife habitat restored, protected, and enhanced. The plan must include an evaluation of
1.16 results. If lands are acquired by fee with money from the outdoor heritage fund, the
1.17 accomplishment plan must include a hunting and fishing management plan for the lands
1.18 acquired by fee. No money appropriated from the outdoor heritage fund may be expended
1.19 unless the council has approved the pertinent accomplishment plan.

1.20 (b) If an appropriation from the outdoor heritage fund will result in or contribute to
1.21 restoration, enhancement, or other work on land, it is a condition of acceptance of the money
1.22 that the recipient include the following in the accomplishment plan:

1.23 (1) an assessment of the risk of damage to adjacent properties that the work may pose;

2.1 (2) an explanation of how the recipient will seek approval from adjacent property owners
2.2 if access to adjacent land is required to perform the work;

2.3 (3) the date, time, and location of a public meeting at which the recipient will explain
2.4 the project to and hear concerns from the affected community; and

2.5 (4) an explanation of how the recipient will ensure that adjacent property owners are
2.6 reimbursed for any damages caused by the work in an amount sufficient to fully restore the
2.7 damaged condition and from sources other than the outdoor heritage fund.

2.8 **EFFECTIVE DATE.** This section is effective July 1, 2025, and applies to appropriations
2.9 from the outdoor heritage fund on or after that date.

2.10 Sec. 2. Minnesota Statutes 2024, section 114D.50, subdivision 4, is amended to read:

2.11 Subd. 4. **Expenditures; accountability.** (a) A project receiving funding from the clean
2.12 water fund must meet or exceed the constitutional requirements to protect, enhance, and
2.13 restore water quality in lakes, rivers, and streams and to protect groundwater and drinking
2.14 water from degradation. Priority may be given to projects that meet more than one of these
2.15 requirements. A project receiving funding from the clean water fund shall include measurable
2.16 outcomes, as defined in section 3.303, subdivision 10; a plan for measuring and evaluating
2.17 the results; and an assessment of whether the funding celebrates cultural diversity or reaches
2.18 diverse communities in Minnesota, including reaching low- and moderate-income households.
2.19 A project must be consistent with current science and incorporate state-of-the-art technology.
2.20 If an appropriation from the clean water fund will result in or contribute to restoration,
2.21 enhancement, or other work on land, the project must also include:

2.22 (1) an assessment of the risk of damage to adjacent properties that the work may pose;

2.23 (2) an explanation of how the recipient will seek approval from adjacent property owners
2.24 if access to adjacent land is required to perform the work;

2.25 (3) the date, time, and location of a public meeting at which the recipient will explain
2.26 the project to and hear concerns from the affected community; and

2.27 (4) an explanation of how the recipient will ensure that adjacent property owners are
2.28 reimbursed for any damages caused by the work in an amount sufficient to fully restore the
2.29 damaged condition and from sources other than the outdoor heritage fund.

2.30 (b) Money from the clean water fund shall be expended to balance the benefits across
2.31 all regions and residents of the state.

3.1 (c) A state agency or other recipient of a direct appropriation from the clean water fund
3.2 must compile and submit all information for proposed and funded projects or programs,
3.3 including the proposed measurable outcomes and all other items required under section
3.4 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable
3.5 or by January 15 of the applicable fiscal year, whichever comes first. The Legislative
3.6 Coordinating Commission must post submitted information on the website required under
3.7 section 3.303, subdivision 10, as soon as it becomes available. Information classified as not
3.8 public under section 13D.05, subdivision 3, paragraph (d), is not required to be placed on
3.9 the website.

3.10 (d) Grants funded by the clean water fund must be implemented according to section
3.11 16B.98 and must account for all expenditures. Proposals must specify a process for any
3.12 regranting envisioned. Priority for grant proposals must be given to proposals involving
3.13 grants that will be competitively awarded.

3.14 (e) Money from the clean water fund may only be spent on projects that benefit Minnesota
3.15 waters.

3.16 (f) When practicable, a direct recipient of an appropriation from the clean water fund
3.17 shall prominently display on the recipient's website home page the legacy logo required
3.18 under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter
3.19 361, article 3, section 5, accompanied by the phrase "Click here for more information."
3.20 When a person clicks on the legacy logo image, the website must direct the person to a web
3.21 page that includes both the contact information that a person may use to obtain additional
3.22 information, as well as a link to the Legislative Coordinating Commission website required
3.23 under section 3.303, subdivision 10.

3.24 (g) Future eligibility for money from the clean water fund is contingent upon a state
3.25 agency or other recipient satisfying all applicable requirements in this section, as well as
3.26 any additional requirements contained in applicable session law. If the Office of the
3.27 Legislative Auditor, in the course of an audit or investigation, publicly reports that a recipient
3.28 of money from the clean water fund has not complied with the laws, rules, or regulations
3.29 in this section or other laws applicable to the recipient, the recipient must be listed in an
3.30 annual report to the legislative committees with jurisdiction over the legacy funds. The list
3.31 must be publicly available. The legislative auditor shall remove a recipient from the list
3.32 upon determination that the recipient is in compliance. A recipient on the list is not eligible
3.33 for future funding from the clean water fund until the recipient demonstrates compliance
3.34 to the legislative auditor.

4.1 (h) Money from the clean water fund may be used to leverage federal funds through
4.2 execution of formal project partnership agreements with federal agencies consistent with
4.3 respective federal agency partnership agreement requirements.

4.4 (i) Any state agency or organization requesting a direct appropriation from the clean
4.5 water fund must inform the Clean Water Council and the house of representatives and senate
4.6 committees having jurisdiction over the clean water fund, at the time the request for funding
4.7 is made, whether the request is supplanting or is a substitution for any previous funding that
4.8 was not from a legacy fund and was used for the same purpose.

4.9 **EFFECTIVE DATE.** This section is effective July 1, 2025, and applies to appropriations
4.10 from the clean water fund on or after that date.