

Lessard-Sams Outdoor Heritage Council

Action Agenda Item Memo

DATE December 13, 2011

SUBJECT: 2012 Legislative Appropriation Recommendation Bill

Background

At the November 15th Council meeting members reviewed the draft accomplishment plans that reflected accomplishments anticipated with Outdoor Heritage Fund dollars appropriated at the September 20th meeting.

The bill language reflects accomplishments outlined by project managers in those plans as well as additional Council notes reflected at the meeting.

The bill also codifies in M.S. 97A.056 features of prior OHF session law.

Motion

“Motion to approve the recommended appropriation language as presented/amended and forward to legislative leaders for consideration during the 2012 session.”

Agenda Item 11

1 **Bill Draft, 2012 Session**

2 **Article I Outdoor Heritage**

3
4 **Section 1. Outdoor Heritage Appropriation**

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6 The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the
7 purposes specified in this article. The appropriations are from the outdoor heritage fund and are
8 available for the fiscal years indicated for each purpose. The figures "2012" and "2013" used in this
9 article means that the appropriations listed under the figure are available for the fiscal year ending June
10 30, 2012, or June 30, 2013, respectively. "The first year" is fiscal year 2012. "The second year" is fiscal
11 year 2013 "The biennium" is fiscal years 2012 and 2013. The appropriations in this article are one-time.
12

13 **Section 2. OUTDOOR HERITAGE**

14 **Subdivision 1. Total Appropriation** **\$97,420,000**

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

17 **Subdivision 2. Prairies** **\$24,640,000**

18 **2(a) Minnesota Buffers for Water and Wildlife Programs, Phase II** **\$2,090,000**

19 \$2,090,000 in the second year is to the Board of Water and Soil Resources in cooperation with
20 Pheasants Forever to acquire permanent conservation easements to enhance habitat by expanding
21 Clean Water Fund riparian wildlife buffers on private land. A list of proposed land acquisitions must be
22 provided as part of the required accomplishment plan. The accomplishment plan must include an
23 easement stewardship plan. Up to \$90,000 is for establishing a monitoring and enforcement fund as
24 approved in the accomplishment plan and subject to new Minnesota Statutes, section 97A.056,
25 subdivision 16. An annual financial report is required for any monitoring and enforcement fund
26 established, including expenditures from the fund and a description of annual monitoring and
27 enforcement activities.

28 **2(b) Minnesota Prairie Recovery Act Program, Phase III** **\$4,610,000**

29 \$4,610,000 in the second year is to the commissioner of natural resources for an agreement with The
30 Nature Conservancy to acquire native prairie and savanna and restore and enhance grasslands and
31 savanna. A list of proposed land acquisitions must be provided as part of the required accomplishment
32 plan. Annual income statements and balance sheets for income and expenses from land acquired with
33 this appropriation must be submitted to the Lessard-Sams Outdoor Heritage Council no later than 180
34 days following the close of The Nature Conservancy's fiscal year.

35 **2(c) Cannon River Headwater Complex Program, Phase II** **\$1,760,000**

1 \$1,760,000 in the second year is to the commissioner of natural resources for an agreement with The
2 Trust for Public Land to acquire and restore lands in the Cannon River watershed for wildlife
3 management area purposes under Minnesota Statutes, section 86A.05, subdivision 8, or aquatic
4 management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. A list of
5 proposed land acquisitions must be provided as part of the required accomplishment plan.

6 **2(d) DNR Wildlife Management Area Acquisition** \$2,900,000

7 \$2,900,000 in the second year is to the commissioner of natural resources to acquire land in fee for
8 wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. A list of
9 proposed land acquisitions must be provided as part of the required accomplishment plan.

10 **2(e) Northern Tallgrass Prairie National Wildlife Refuge Land Acquisition Program, Phase IV** 1,580,000

11 \$1,583,000 in the second year is to the commissioner of natural resources for an agreement with The
12 Nature Conservancy in cooperation with the United States Fish and Wildlife Service to acquire in fee
13 land or permanent conservation easements within the Northern Tallgrass Prairie Habitat Preservation
14 Area in western Minnesota for addition to the Northern Tallgrass Prairie National Wildlife Refuge. A list
15 of proposed land acquisitions must be provided as part of the required final accomplishment plan. The
16 accomplishment plan must include an easement monitoring and enforcement plan.

17 **2(f) Accelerating the Wildlife Management Area Program, Phase IV** \$3,300,000

18 \$3,300,000 in the second year is to the commissioner of natural resources for an agreement with
19 Pheasants Forever to acquire land in fee for wildlife management area purposes under Minnesota
20 Statutes, section 86A.05, subdivision 8. A list of proposed land acquisitions must be provided as part of
21 the required accomplishment plan.

22 **2(g) Green Corridor Legacy Program, Phase IV** \$1,730,000

23 \$1,730,000 in the second year is to the commissioner of natural resources for an agreement with the
24 Redwood Area Development Corporation to acquire land in fee for wildlife management area purposes
25 under Minnesota Statutes, section 86A.05, subdivision 8. A list of proposed land acquisitions must be
26 provided as part of the required accomplishment plan.

27 **2(h) DNR Prairie Grassland Habitat Restoration and Enhancement, Phase IV** \$4,300,000

28 \$4,300,000 in the second year is to the commissioner of natural resources to accelerate the restoration
29 and enhancement on wildlife management areas, scientific and natural areas, and land under native
30 prairie bank easements. A list of proposed projects, describing types and locations of restorations and
31 enhancements, must be provided as part of the required accomplishment plan.

32 **2(i) Habitat Restoration and Enhancement in the Anoka Sandplain Program, Phase II** \$1,050,000

33 \$1,050,000 in the second year is to the commissioner of natural resources for agreements to restore and
34 enhance habitat on public lands in the Anoka Sand Plain and along the Rum River as follows: \$558,750 to

1 Great River Greening; \$99,400 to Anoka Conservation District; and \$391,850 to the National Wild Turkey
2 Federation. A list of proposed projects, describing types and locations of restorations and
3 enhancements, must be provided as part of the required accomplishment plan.

4 **2(j) Enhanced Public Grasslands** \$1,320,000

5 \$1,320,000 in the second year is to the commissioner of natural resources for an agreement with
6 Pheasants Forever in cooperation with the Minnesota Prairie Chicken Society to restore and enhance
7 habitat on public lands. The criteria for selection of projects must be included in the accomplishment
8 plan. A list of proposed projects, describing types and locations of restorations and enhancements,
9 must be provided as part of the required accomplishment plan.

10 **Subdivision 3. Forests** \$17,300,000

11 **3(a) Protecting Mississippi River Corridor Habitat ACUB Partnership Program, Phase II** \$480,000

12 \$480,000 in the second year is to the Board of Water and Soil Resources to acquire permanent
13 conservation easements on land adjacent to the Nokasippi River and the boundaries of the Minnesota
14 National Guard Army compatible use buffer (ACUB) program. A list of proposed land acquisitions must
15 be provided as part of the required accomplishment plan. The accomplishment plan must include an
16 easement stewardship plan. Up to \$4,800 is for establishing a monitoring and enforcement fund as
17 approved in the accomplishment plan and subject to new Minnesota Statutes, section 97A.056,
18 subdivision 16. An annual financial report is required for any monitoring and enforcement fund
19 established, including expenditures from the fund and a description of annual monitoring and
20 enforcement activities.

21 **3(b) Mississippi Northwoods Habitat Complex Protection** \$14,040,000

22 \$14,040,000 to the commissioner of natural resources for an agreement with Crow Wing County to
23 acquire land in fee along the Mississippi River in Crow Wing County to be added to the county forest
24 system. The purchase price must not exceed the appraised fair market value of the property as reviewed
25 and approved under established procedures and in compliance with the "Uniform Standards of
26 Professional Appraisal Practice" and the Department of Natural Resources' "Supplemental Appraisal and
27 Appraisal Review Guidelines (7/15/09)." A land description must be provided as part of the required
28 accomplishment plan. Development of a state trail on land acquired under this paragraph constitutes an
29 alteration of the intended use of the interest in real property and must be handled in accordance with
30 the provisions established under new Minnesota Statutes, section 97A.056, subdivision 14 and any plan,
31 including trail alignment, for the development of a state trail must be submitted to the Lessard-Sams
32 Outdoor Heritage Council for approval. No state trail development or state trail use is allowed unless it is
33 specified in the plan for trail use and alignment approved by the Lessard-Sams Outdoor Heritage
34 Council.

35 **3(c) Northeastern Minnesota Sharp-tailed Grouse Habitat Partnership Program, Phase III** \$1,340,000

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

6 **3(d) Protect Key Forest Habitat Lands in Cass County Program, Phase III** \$480,000

7 \$480,000 in the second year is to the commissioner of natural resources for an agreement with Cass
8 County to acquire land in fee in Cass County for forest wildlife habitat. A list of proposed land
9 acquisitions must be provided as part of the required accomplishment plan.

10 **3(e) Minnesota Moose Habitat Collaborative** \$960,000

11 \$960,000 in the second year is to the commissioner of natural resources for an agreement with the
12 Minnesota Deer Hunters Association to restore and enhance public forest lands in northeastern
13 Minnesota for moose habitat purposes. A list of proposed projects, describing types and locations of
14 restorations and enhancements, must be provided as part of the required accomplishment plan.

15 **Subdivision 4. Wetlands** \$31,140,000

16 **4(a) The RIM-WRP Partnership Program, Phase IV** \$13,810,000

17 \$13,810,000 in the second year is to the Board of Water and Soil Resources to acquire permanent
18 conservation easements and restore wetlands and associated upland habitat in cooperation with the
19 United States Department of Agriculture Wetlands Reserve Program. A list of land acquisitions must be
20 provided as part of the required final accomplishment plan. The accomplishment plan must include an
21 easement stewardship plan. Up to \$180,000 is for establishing a monitoring and enforcement fund as
22 approved in the accomplishment plan and subject to new Minnesota Statutes, section 97A.056,
23 subdivision 16. An annual financial report is required for any monitoring and enforcement fund
24 established, including expenditures from the fund and a description of annual monitoring and
25 enforcement activities.

26 **4(b) Accelerating the Waterfowl Production Area Program, Phase IV** \$5,400,000

27 \$5,400,000 in the second year is to the commissioner of natural resources for an agreement with
28 Pheasants Forever to acquire land in fee to be managed and designated as waterfowl production areas
29 in Minnesota, in cooperation with the United States Fish and Wildlife Service. A list of proposed land
30 acquisitions must be provided as part of the required accomplishment plan.

31 **4(c) Columbus Lake Conservation Area** \$940,000

32 \$940,000 in the second year to the commissioner of natural resources for an agreement with Anoka
33 County to acquire in fee land for conservation purposes that connect wetlands and shallow lakes to the

1 Lamprey Pass WMA. A list of proposed land acquisitions must be provided as part of the required
2 accomplishment plan.

3 **4(d) Living Shallow Lakes and Wetlands Initiative Program, Phase II** \$4,490,000

4 \$4,490,000 in the second year to the commissioner of natural resources for an agreement with Ducks
5 Unlimited to assess, restore, and enhance shallow lakes and wetlands, including technical assistance,
6 survey, design, and engineering to develop new enhancement and restoration projects for future
7 implementation. A list of proposed restorations and enhancements, describing types and locations,
8 must be provided as part of the required accomplishment plan.

9 **4(e) Accelerated Wetland and Shallow Lake Enhancement Program, Phase IV** \$3,870,000

10 \$3,870,000 in the second year to the commissioner of natural resources to develop engineering designs
11 and complete construction to enhance shallow lakes and wetlands. A list of proposed restorations and
12 enhancements, describing types and locations, must be provided as part of the required
13 accomplishment plan. Work must be completed within three years of final enactment.

14 **4(f) Marsh Lake Enhancement** \$2,630,000

15 \$2,630,000 in the second year to the commissioner of natural resources to complete design and
16 construction to modify the dam at Marsh Lake and return the historic outlet of the Pomme de Terre
17 River to Lac Qui Parle.

18 **Subdivision 5. Habitats** \$24,120,000

19 **5(a) DNR Aquatic Habitat Program, Phase IV** \$3,480,000

20 \$3,480,000 in the second year to the commissioner of natural resources to acquire interests in land in
21 fee or permanent conservation easements for aquatic management areas under Minnesota Statutes,
22 sections 86A.05, subdivision 14, and 97C.02, and to restore and enhance aquatic habitat. A list of
23 proposed land acquisitions must be provided as part of the required accomplishment plan. The
24 accomplishment plan must include an easement stewardship plan. Up to \$25,000 is for establishing a
25 monitoring and enforcement fund as approved in the accomplishment plan and subject to new
26 Minnesota Statutes, section 97A.056, subdivision 16. An annual financial report is required for any
27 monitoring and enforcement fund established, including expenditures from the fund and a description
28 of annual monitoring and enforcement activities.

29 **5(b) Metro Big Rivers Program, Phase III**

30 \$3,680,000

31 \$3,680,000 in the second year to the commissioner of natural resources for agreements to acquire
32 interests in land in fee or permanent conservation easements and to restore and enhance natural
33 systems associated with the Mississippi, Minnesota, and St. Croix Rivers as follows: \$1,000,000 to the
34 Minnesota Valley National Wildlife Refuge Trust, Inc.; \$375,000 to the Friends of the Mississippi;

1 \$375,000 to Great River Greening; \$930,000 to The Minnesota Land Trust; and \$1,000,000 to The Trust
2 for Public Land. A list of proposed acquisitions, restorations, and enhancements, describing types and
3 locations, must be provided as part of the required accomplishment plan. The accomplishment plan
4 must include an easement stewardship plan. Up to \$51,000 is for establishing a monitoring and
5 enforcement fund as approved in the accomplishment plan and subject to new Minnesota Statutes,
6 section 97A.056, subdivision 16. An annual financial report is required for any monitoring and
7 enforcement fund established, including expenditures from the fund and a description of annual
8 monitoring and enforcement activities.

9 **5(c) Riparian and Lakeshore Protection and Management in Dakota County Program, Phase III**
10 \$480,000

11 \$480,000 in the second year to the commissioner of natural resources for an agreement with Dakota
12 County for acquisition of permanent conservation easements and to restore and enhance habitats along
13 the Mississippi, Cannon, and Vermillion Rivers. A list of proposed acquisitions, restorations, and
14 enhancements, describing types and locations, must be provided as part of the required
15 accomplishment plan. The accomplishment plan must include an easement stewardship plan. Up to
16 \$20,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan
17 and subject to new Minnesota Statutes, section 97A.056, subdivision 16. An annual financial report is
18 required for any monitoring and enforcement fund established, including expenditures from the fund
19 and a description of annual monitoring and enforcement activities.

20 **5(d) Lower St. Louis River Habitat Restoration** \$3,670,000

21 \$3,670,000 in the second year to the commissioner of natural resources to restore habitat in the Lower
22 St. Louis River Estuary. A list of proposed projects, describing types and locations of restorations must be
23 provided as part of the required accomplishment plan.

24 **5(e) Minnesota Trout Unlimited Coldwater Habitat Enhancement Program, Phase IV** \$2,120,000

25 \$2,120,000 in the second year to the commissioner of natural resources for an agreement with Trout
26 Unlimited to restore and enhance cold water river and stream habitats in Minnesota. A list of proposed
27 restorations and enhancements, describing types and locations, must be provided as part of the
28 required accomplishment plan.

29 **5(f) Grand Marais Creek Outlet Restoration** \$2,320,000

30 \$2,320,000 in the second year to the commissioner of natural resources for an agreement with the Red
31 Lake Watershed District to restore and enhance stream and related habitat in Grand Marais Creek. A list
32 of proposed restorations and enhancements, describing types and locations, must be provided as part of
33 the required accomplishment plan.

34 **5(g) Knife River Habitat Restoration** \$380,000

1 \$380,000 in the second year to the commissioner of natural resources for an agreement with the Lake
2 Superior Steelhead Association to restore trout habitat in the Upper Knife River Watershed. A list of
3 proposed restorations, describing types and locations, must be provided as part of the required
4 accomplishment plan.

5 **5(h) Protect Aquatic Habitat from Asian Carp** \$3,000,000

6 \$3,000,000 in the second year is to the commissioner of natural resources to control Asian carp to
7 protect Minnesota’s aquatic habitat. The use of these funds requires a one-to-one match for projects on
8 state boundary waters.

9 **5(i) Conservation Partners Legacy Grant Program, Phase IV** \$4,990,000

10 \$4,990,000 in the second year is to the commissioner of natural resources for a program to provide
11 competitive, matching grants of up to \$400,000 to local, regional, state, and national organizations for
12 enhancement, restoration, or protection of forests, wetlands, prairies, and habitat for fish, game, or
13 wildlife in Minnesota. Grants shall not be made for activities required to fulfill the duties of owners of
14 lands subject to conservation easements. Grants shall not be made from appropriations in this
15 paragraph for projects that have a total project cost exceeding \$575,000. \$366,000 of this appropriation
16 may be spent for personnel costs and other administrative costs. Grantees may acquire land or interests
17 in land. Easements must be permanent. Land acquired in fee must be open to hunting and fishing during
18 the open season unless otherwise provided by state law. The program shall require a match of at least
19 ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant
20 applications of \$25,000 or less, the commissioner shall provide a separate, simplified application
21 process. Subject to Minnesota Statutes, the commissioner of natural resources shall give priority to
22 organizations that have a history of receiving or charter to receive private contributions for local
23 conservation or habitat projects when evaluating projects of equal value. If acquiring land or a
24 conservation easement, priority shall be given to projects associated with existing wildlife management
25 areas under Minnesota Statutes, section 86A.05, subdivision 8; scientific and natural areas under
26 Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; and aquatic management areas under
27 Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. All restoration or enhancement
28 projects must be on land permanently protected by a conservation easement or public ownership or in
29 public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority shall be given
30 to restoration and enhancement projects on public lands. New Minnesota Statutes, section 97A.056,
31 Subd. 12 applies to grants awarded under this paragraph. This appropriation is available until June 30,
32 2016. No less than five percent of the amount of each grant must be held back from reimbursement
33 until the grant recipient has completed a grant accomplishment report by the deadline and in the form
34 prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner shall
35 provide notice of the grant program in the game and fish law summaries that are prepared under
36 Minnesota statutes, section 97A.051, subdivision 2.

37 **Subdivision 6. Administration** \$220,000

38 **6(a) Contract Management** \$175,000

1 \$175,000 in the second year is to the commissioner of natural resources for contract management
2 duties assigned in this section. The commissioner shall provide a work program in the form specified by
3 the Lessard-Sams Outdoor Heritage Council on the expenditure of this appropriation. No money may be
4 expended prior to Lessard-Sams Outdoor Heritage Council approval of the work program.

5 **6(b) Technical Evaluation Panel** \$45,000

6 \$45,000 in the second year is to the commissioner of natural resources for a technical evaluation panel
7 to conduct up to ten restoration evaluations under Minnesota Statutes, section 97A.056, subdivision 10.

8 **Subdivision 7. Availability of Appropriation**

9 Money appropriated in this section may not be spent on activities unless they are directly related to and
10 necessary for a specific appropriation and are specified in the Lessard-Sams Outdoor Heritage Fund
11 approved accomplishment plan. Money appropriated in this section must not be spent on indirect costs
12 or other institutional overhead charges that are not directly related to and necessary for a specific
13 appropriation. Unless otherwise provided, the amounts in this section are available until June 30, 2015,
14 when projects must be completed and final accomplishments reported. Funds for restoration or
15 enhancement are available until June 30, 2017, or four years after acquisition, whichever is later, in
16 order to complete initial restoration or enhancement work. If a project receives federal funds, the time
17 period of the appropriation is extended to equal the availability of federal funding. Funds appropriated
18 for fee title acquisition of land may be used to restore, enhance, and provide for the public use of land
19 acquired with the appropriation. Public use facilities must have a minimal impact on habitat on acquired
20 lands.

21 **Subdivision 9. Payment Conditions and Capital Equipment Expenditures**

22 All agreements referred to in this section must be administered on a reimbursement basis unless
23 otherwise provided in this section. Notwithstanding Minnesota Statutes, section 16A.41, expenditures
24 directly related to each appropriation's purpose made on or after July 1, 2012, or the date of
25 accomplishment plan approval, whichever is later, are eligible for reimbursement unless otherwise
26 provided in this section. Periodic reimbursement must be made upon receiving documentation that the
27 items articulated in the Lessard-Sams Outdoor Heritage Council approved accomplishment plan have
28 been achieved, including partial achievements as evidenced by Lessard-Sams Outdoor Heritage Council
29 approved progress reports. Reasonable amounts may be advanced to projects to accommodate cash
30 flow needs, support future management of acquired lands, or match a federal share. The advances must
31 be approved as part of the accomplishment plan. Capital equipment expenditures for specific items in
32 excess of \$10,000 must be itemized in and approved as part of the accomplishment plan.

33 Section 2. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

34 **Subdivision 12: Accomplishment Plans**

35 It is a condition of acceptance of appropriations from the outdoor heritage fund that the agency or
36 entity using the appropriation submits to the Lessard-Sams Outdoor Heritage Council an
37 accomplishment plan and periodic accomplishment reports in the form determined by the council. The

1 accomplishment plan must identify the project manager responsible for expending the appropriation
2 and the final product. The accomplishment plan must account for the use of the appropriation and
3 outcomes of the expenditure in measures of wetlands, prairies, forests, and fish, game, and wildlife
4 habitat restored, protected, and enhanced. The plan must include an evaluation of results. None of the
5 money provided in this section may be expended unless the council has approved the pertinent
6 accomplishment plan.

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

8 **Subd. 13. Project requirements.** (a) As a condition of accepting money appropriated from the outdoor
9 heritage fund, an agency or entity receiving money from an appropriation must comply with this
10 subdivision for any project funded in whole or in part with funds from the appropriation.

11 (b) All conservation easements acquired with money appropriated from the outdoor heritage fund must:
12 (1) be permanent; (2) specify the parties to the easement; (3) specify all of the provisions of an
13 agreement that are permanent; (4) specify the habitat types and location being protected; (5) where
14 appropriate for conservation or water protection outcomes, require the grantor to employ practices
15 retaining water on the eased land as long as practicable; (6) specify the responsibilities of the parties for
16 habitat enhancement and restoration and the associated costs of these activities; (7) be sent to the
17 office of the Lessard-Sams Outdoor Heritage Council; (8) include a long-term stewardship plan and
18 identify the sources and amount of funding for monitoring and enforcing the easement agreement; and
19 (9) identify the parties responsible for monitoring and enforcing the easement agreement.

20 (c) For all restorations, a recipient must prepare and retain an ecological restoration and management
21 plan that, to the degree practicable, is consistent with current conservation science and ecological goals
22 for the restoration site. Consideration should be given to soil, geology, topography, and other relevant
23 factors that would provide the best chance for long-term success and durability of the restoration
24 projects. The plan must include the proposed timetable for implementing the restoration, including, but
25 not limited to, site preparation, establishment of diverse plant species, maintenance, and additional
26 enhancement to establish the restoration; identify long-term maintenance and management needs of
27 the restoration and how the maintenance, management, and enhancement will be financed; and use
28 current conservation science to achieve the best restoration.

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

31 (e) To ensure public accountability for the use of public funds, a recipient must provide to the Lessard-
32 Sams Outdoor Heritage Council documentation of the process used to select parcels acquired in fee or
33 as permanent conservation easements and must provide the council with documentation of all related
34 transaction costs, including, but not limited to, appraisals, legal fees, recording fees, commissions, other
35 similar costs, and donations. This information must be provided for all parties involved in the
36 transaction. The recipient must also report to the Lessard-Sams Outdoor Heritage Council any difference
37 between the acquisition amount paid to the seller and the state-certified or state-reviewed appraisal, if
38 a state-certified or state-reviewed appraisal was conducted. Acquisition data such as appraisals may
39 remain private during negotiations but must ultimately be made public according to chapter 13.

40 (f) Except as otherwise provided in the appropriation, all restoration and enhancement projects funded
41 with money appropriated from the outdoor heritage fund must be on land permanently protected by a

1 conservation easement or public ownership or in public waters as defined in section 103G.005,
2 subdivision 15.

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

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

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

14

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

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

20

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

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

26 (b) A recipient of funding who acquires an interest in real property subject to this subdivision may not
27 alter the intended use of the interest in real property or convey any interest in the real property
28 acquired with the appropriation without the prior review and approval of the Lessard-Sams Outdoor
29 Heritage Council or its successor. The council shall notify the chairs and ranking minority members of the
30 legislative committees and divisions with jurisdiction over the outdoor heritage fund at least 15 business
31 days before approval under this paragraph. The council shall establish procedures to review requests
32 from recipients to alter the use of or convey an interest in real property. These procedures shall allow
33 for the replacement of the interest in real property with another interest in real property meeting the
34 following criteria: (1) the interest must be at least equal in fair market value, as certified by the
35 commissioner of natural resources, to the interest being replaced; and (2) the interest must be in a
36 reasonably equivalent location and have a reasonably equivalent useful conservation purpose compared
37 to the interest being replaced, taking into consideration all effects from fragmentation of the whole
38 habitat.

39 (c) A recipient of funding who acquires an interest in real property under paragraph (a) must separately
40 record a notice of funding restrictions in the appropriate local government office where the conveyance
41 of the interest in real property is filed. The notice of funding agreement must contain: (1) a legal
42 description of the interest in real property covered by the funding agreement; (2) a reference to the

1 underlying funding agreement; (3) a reference to this section; and (4) the following statement: "This
2 interest in real property shall be administered in accordance with the terms, conditions, and purposes of
3 the grant agreement controlling the acquisition of the property. The interest in real property, or any
4 portion of the interest in real property, shall not be sold, transferred, pledged, or otherwise disposed of
5 or further encumbered without obtaining the prior written approval of the Lessard-Sams Outdoor
6 Heritage Council or its successor. The ownership of the interest in real property shall transfer to the
7 state if: (1) the holder of the interest in real property fails to comply with the terms and conditions of
8 the grant agreement or accomplishment plan; or (2) restrictions are placed on the land that preclude its
9 use for the intended purpose as specified in the appropriation."

10
11 Sec. 6. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

12 Subd. 16. **Real property interest report.** By December 1 each year, a recipient of money appropriated
13 from the outdoor heritage fund that is used for the acquisition of an interest in real property, including,
14 but not limited to, an easement or fee title, must submit annual reports on the status of the real
15 property to the Lessard-Sams Outdoor Heritage Council or its successor in a form determined by the
16 council. The responsibility for reporting under this section may be transferred by the recipient of the
17 appropriation to another person or entity that holds the interest in the real property. To complete the
18 transfer of reporting responsibility, the recipient of the appropriation must: (1) inform the person to
19 whom the responsibility is transferred of that person's reporting responsibility; (2) inform the person to
20 whom the responsibility is transferred of the property restrictions under subdivision 13; and (3) provide
21 written notice to the council of the transfer of reporting responsibility, including contact information for
22 the person to whom the responsibility is transferred. After the transfer, the person or entity that holds
23 the interest in the real property is responsible for reporting requirements under this section.

24
25 Sec. 7. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

26 Subd. 17. **Easement monitoring and enforcement requirements.** Money appropriated from the outdoor
27 heritage fund for easement monitoring and enforcement may be spent only on activities included in an
28 easement monitoring and enforcement plan contained within the accomplishment plan. Money
29 received for monitoring and enforcement, including earnings on the money received, shall be kept in a
30 monitoring and enforcement fund held by the organization and is appropriated for monitoring and
31 enforcing conservation easements within Minnesota. Within 120 days after the close of the entity's
32 fiscal year, an entity receiving appropriations for easement monitoring and enforcement must provide
33 an annual financial report to the Lessard-Sams Outdoor Heritage Council on the easement monitoring
34 and enforcement fund as specified in the accomplishment plan. Money appropriated under this section
35 for monitoring and enforcement of easements and earnings on the money appropriated shall revert to
36 the state if: (1) the easement transfers to the state under subdivision 13; (2) the holder of the easement
37 fails to file an annual report and then fails to cure that default within 30 days of notification of the
38 default by the state; or (3) the holder of the easement fails to comply with the terms of the monitoring
39 and enforcement plan contained within the accomplishment plan and fails to cure that default within 90
40 days of notification of the default by the state.

41
42 Sec. 8. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

1 Subd. 18. **Successor organizations.** The Lessard-Sams Outdoor Heritage Council may approve the
2 continuation of a project with an organization that has adopted a new name. Continuation of a project
3 with an organization that has undergone a significant change in mission, structure, or purpose requires:
4 (1) notice to the chairs of the legislative committees and divisions with relevant jurisdiction; and (2)
5 presentation by the council of proposed legislation either ratifying or rejecting continued involvement
6 with the new organization.