



BWSR Legislative Summary

June 2015

While Minnesota Legislature officially adjourned on May 18, 2015, incomplete and vetoed bills required a special session to complete work. The Special Session started June 12, 2015 to address these items and was completed in the early morning hours of June 13th. Governor Dayton signed the Special Session bills into law on June 13, 2015. This document summarizes key items that impact BWSR from the Regular and Special Sessions.

General Fund

Current bill language (2015 Session Laws, Special Session, Chapter 4) contains continuation of general funding at current levels, a 1.8% increase to administrative operations to help cover inflation-based administrative costs, one-time support to help with known retirements and their associated costs, and an increase to Wetland Conservation Act operations.

BWSR General Fund Budget Comparison *(all numbers in thousands)*

Program Area	2014-2015	2016-2017
Natural Resource Block Grants	6,846	6,846
Conservation Delivery Grants	6,232	6,232
Cost Share Grants	3,120	3,120
WCA BWSR Operations	772	1,550
Drainage Assist Operations	332	332
Red River Basin Commission	200	200
MN River Area II	240	280
Admin/Internal Controls	7,540	7,540
Administrative Base Adjustment*	-	282
Sec 404 Permitting Study*	-	270
Total Appropriations	25,282	26,652

*2016-2017 Change items

- \$6.846M for [Natural Resource Block Grants \(NRBG\)](#) for grants to counties for programs that protect and improve water resources, including comprehensive local water management, and shoreland management. MPCA subsurface sewage treatment program grants will be allocated through the NRBG for fiscal year 2016.
- \$6.232M for [Conservation Delivery Grants](#) for grants to Soil and Water Conservation Districts for general administration and operation of the district, nonpoint engineering, and implementation of the Reinvest in Minnesota (RIM) Reserve program.
- \$3.12M for [Erosion Control and Water Management Cost Share Grants](#) to Soil and Water Conservation Districts for practices that protect and improve water and soil resources, including:
 - \$520,000 for feedlot water quality grants.
 - \$2,400,000 for erosion control and vegetative buffers.

- \$200,000 for cooperative weed management programs.
- \$1.55M for [Wetland Conservation Act](#) implementation, enforcement and to provide oversight of the Wetland Conservation Act (WCA). This represents an increase over the previous biennium.
- \$332K for [Drainage Management](#) for technical assistance to local drainage management authorities and facilitation of the Drainage Work Group.
- \$200K for [Red River Basin Commission](#) for water quality and floodplain management.
- \$280K for [Minnesota River Area II](#) for floodplain management.
- \$270K to study the feasibility of the state assuming administration of the Federal Clean Water Act Section 404 permitting. This is a one-time appropriation.
- \$282K which includes both a 1.8% increase in Administrative Base Adjustment to help cover inflation-based administrative costs and \$93K in one-time support to help with known retirements and their associated costs.

Clean Water Fund

The Omnibus Legacy Bill (2015 Session Laws, Special Session, Chapter 2) appropriates to BWSR \$113.163M from the Clean Water Fund (CWF) for the biennium. [BWSR's Clean Water Fund](#) work will be targeted to critical source areas using the best available scientific assessments, including MPCA's Watershed Restoration and Protection Strategies (WRAPS). Additional CWF policies include increased compliance and eligibility requirements, modifications to the Clean Water Council membership, and the Soil Health and One Watershed, One Plan policies (outlined below in the BWSR Policy Initiatives section).

BWSR Clean Water Fund Budget Comparison *(all numbers in thousands)*

Program Area	2014-2015	2016-2017
Projects and Practices	20,461	20,375
Targeted Watersheds	12,000	9,750
Accelerated Implementation	8,000	12,000
Drainage and Soil Loss	3,400	-
Conservation Drainage	-	1,500
Riparian Buffer Compliance	-	5,000
Community Partners	3,000	1,500
RIM – Riparian Buffers	13,000	9,750
RIM – Wellhead Protection	2,600	3,500
RIM – Critical Shorelands	-	2,000
RIM – Conservation Reserve	-	18,000
Measures & Results	1,900	1,900
Restoration Evaluations	84	84
One Watershed, One Plan	900	4,200
Soil and Water Conservation Districts	-	22,000
Erosion Transects	-	1,000
Grey Cloud Slough	-	520
Total Appropriations	65,429	113,163

- \$20.375 for Surface and Drinking Water Protection/Restoration (Projects and Practices) to protect, enhance, and restore water quality in lakes, rivers and streams and to protect groundwater and drinking water. Grants will be targeted toward priorities identified in local water plans.
- \$9.750M for Selected Watersheds with Multi-Year Plans (Targeted Watershed) Focuses on watersheds where the amount of change necessary to improve water quality is known, the actions needed to achieve results are identified, those actions can be implemented within a four-year time period, and are capable of achieving a measurable outcome.
- \$12M for Targeted Local Resource Protection and Enhancement (Accelerated Implementation) for non-structural practices and activities that will enhance the capacity of local governments to accelerate implementation of projects and activities that supplement or exceed current state standards for protection, enhancement, and restoration of water quality in lakes, rivers, streams, and groundwater. Activities include: 1) increase technical assistance through regional technical service areas, 2) technical training and certification, 3) inventories of potential restoration or protection sites, and 4) Using analytical targeting tools that fill an identified gap.
- \$5M for Riparian Buffer Compliance to enhance compliance with riparian buffer or alternative practice requirements.
- \$1.5M for Conservation Drainage for technical assistance and implementation of conservation drainage and multipurpose drainage management practices on public drainage systems and in their drainagesheds.
- \$1.5M for Community Partners Program to increase citizen participation in implementing structural and vegetative practices to reduce stormwater runoff and retain water on the land to increase long term sustainability of water resources. The efforts and resources of active and engaged community groups, such as lake associations, non-profits, and conservation groups, will be supported through this program. This effort will be delivered through local governments using a ‘small grants’ program.
- \$33.25M for Long-Term Water Quality Protection through the [RIM Reserve Easement Program](#).
 - \$9.750M for riparian buffers: purchase and restore permanent conservation easements on riparian lands adjacent to public water lakes, rivers, and streams. These easements will keep water on the land to reduce sediment, pollutant and nutrient transport, reduce hydrologic impacts to surface water and increase infiltration for groundwater recharge. This program is coordinated and matched with Outdoor Heritage Funds.
 - \$3.5M for wellhead protection: for permanent conservation easements or grants to implement best management practices in wellhead protection areas on land with high or very high vulnerability of drinking water supply contamination.
 - \$18M for the Conservation Reserve Enhancement Program for an interagency effort to implement a CREP aimed at restoring surface water quality in areas targeted for nutrient reductions and protecting sensitive groundwater and drinking water resources.
 - \$2M for Critical Shoreland Areas for purchase of permanent conservation easements to protect lands adjacent to threatened public waters.
- \$1.9M for Measures, Results and Accountability for quality assurance by providing oversight, assessment, assistance and reporting of local government performance and results.
- \$168K for Restoration Evaluations on up to ten restoration projects as required by MS114.50.

- \$1M for Erosion Transects to systematically collect data and produce county, watershed, and statewide estimates of soil erosion in the 67 counties with greater than 30% of land in agricultural row crop production.
- \$4.2M for One Watershed, One Plan to accelerate the implementation of the State's Watershed Approach that is synchronized with Watershed Restoration and Protection Strategies (WRAPS). This initiative will allow BWSR to assist local governments with the transition to a watershed-based planning approach and work in a concerted fashion with our partner agencies to build and implement the next generation of local water management plans.
- \$22M for Soil and Water Conservation Districts for the purposes of increased organizational capacity and operational funding. Each District will receive an increase of \$100K per year and remaining money will go towards matching grants based on county allocations to Districts. This funding will shift to general fund in the 2018-2019 biennium.
- \$520K for Washington County for a project to restore an essential backwater area of the Mississippi River by reconnecting Grey Cloud Slough to the main channel.

Outdoor Heritage Fund

BWSR has three programs identified below that will receive funding from the Outdoor Heritage Fund (OHF) also in the Omnibus Legacy bill and as recommended by the Lessard-Sams Outdoor Heritage Council. A few additional policies for OHF include: a requirement to provide GIS files to the Council for certain lands acquired in fee, increased compliance and eligibility requirements, making progress towards greater disability access to programs and publications, and encouragement to promote monarch butterfly habitat.

- \$4.544M for Minnesota Buffers for Wildlife and Water Quality. This continuation program complements the Clean Water Fund riparian buffers by expanding buffer widths to enhance wildlife habitat.
- \$1.469M for Wild Rice Shoreland Protection. This Phase IV partnership project with Ducks Unlimited has the goal to permanently protect sensitive wild rice lake shoreland habitat in northern lakes.
- \$1.5M for the Camp Ripley Partnership. This is a continuation of the partnership with Morrison Co. SWCD, Camp Ripley, and DNR to protect high quality wildlife habitat and forest communities along the Mississippi River.

Environment and Natural Resource Trust Fund (ENRTF)

BWSR has three programs that will receive funding from the ENRTF (2015 Session Law, Regular Session, Chapter 76) as recommended by the Legislative-Citizen Commission on Minnesota Resources (LCCMR):

- \$1M for Acceleration of Minnesota Conservation Assistance/Farm Bill Assistance. This program provides grants to local governments to work one-on-one with landowners to re-enroll expiring CRP acres or participate in other conservation programs or projects.
- \$253K for Southeast Minnesota Cover Crop and Soil Health Initiative. This program will promote cover crops as a means of protecting soil and water quality in southeastern Minnesota through training and education for local practitioners, economic analysis of implementation, and on-farm demonstration sites.

- [\\$950K for Multi-benefit Watershed Scale Conservation on North Central Lakes](#). The program will secure permanent conservation easements on at least 450 acres of high-quality habitat in Crow Wing and Cass Counties.

Disaster Recovery

It has been a year since the widespread June 2014 floods that resulted in 37 Minnesota counties being declared a major disaster by President Obama. Two primary actions were taken this session to address this [disaster](#):

- [\\$2.476M Disaster Recovery \(2015 Session Law, Regular Session, Chapter 2\)](#). The Governor signed this initial flood bill into law on January 27, 2015 which appropriates funds to address the State's portion of estimated damages to existing practices.
- [\\$15.3M Disaster Recovery – New Damages \(2015 Session Law, Special Session, Chapter 5\)](#).
 - \$10.6M for Erosion, Sediment, and Water Quality Control Cost Share. For estimated costs on flood damaged areas where new conservation practices are needed to control erosion and sedimentation; and where left untreated presents a continuing pollution, erosion, and sedimentation problem.
 - \$4.7M for Reinvest in Minnesota (RIM) Conservation Easements. For riparian and floodplain areas including marginal croplands that were damaged by widespread flooding, sedimentation, and/or erosion, and are prone to repeat damage because of their landscape location.

BWSR Policy Initiatives

BWSR staff pursued three primary policy initiatives during this session and all advanced successfully.

- [One Watershed, One Plan](#) and Soil Health. This initiative provides a framework for creation of comprehensive watershed management (One Watershed, One Plan authority granted in 2012,). The initiative:
 - Defines and articulates the purposes of a comprehensive watershed management plan;
 - Outlines plan content items that must be considered during development of a comprehensive watershed management plan;
 - Defines the coordination role and responsibilities of BWSR in regards to planning boundaries, local government participation;
 - Requires BWSR to develop and adopt a transition plan with a goal of statewide transition to comprehensive local watershed management by 2025; and
 - Provides language to ensure existing local government authorities are maintained when adopting a comprehensive watershed management plan.

In addition, the initiative also includes statutory changes to define and clarify that Soil Health is part of the State's Soil and Water Policy and establish that nonstructural land management practices are eligible for cost share. Language can be found in 2015 Session Laws, Special Session, Chapter 2.
- [Wetland Conservation Act](#). This initiative includes statute, rule and administrative changes to improve public value benefits from wetland mitigation required by WCA resulting from: significant stakeholder involvement, a BWSR report based on Executive Order 12-04 that focused on supporting and strengthening the state's no-net-loss wetland policy, and an interagency report that addressed mitigation for wetlands impacts occurring in Northeast Minnesota. The initiative's most significant elements include:
 - Promotion of watershed-based wetland mitigation;
 - Improved targeting of wetland mitigation; and

- Diversification and enhancement of mitigation mechanisms. Language can be found in 2015 Session Laws, Special Session, Chapter 4.
- Conservation Stewardship Investment Account. This legislation creates two special revenue accounts to cover the costs of managing RIM and wetland banking easements held by BWSR, and provides direction on the methods for contributing to and spending from the accounts. Language can be found in 2015 Session Laws, Special Session, Chapter 4.

Governor's Buffer Initiative

Governor Dayton's buffer initiative has resulted in new laws that require perennial vegetation strips of at least 30 feet in width and averaging 50 feet along public waters, and a minimum of 16.5 feet or alternative practices on public drainage systems (2015 Minnesota Session Laws, Special Session, Chapter 4, Senate File 5). Soil and Water Conservation Districts are charged with local implementation and assistance. The law also provides local and state authority for \$500 Administrative Penalty Orders for compliance with the requirements as well as modifies the state Soil Erosion statutes for statewide applicability. Funding for this initiative can be found in the Clean Water Fund portion of the Legacy Bill.

Additional details can be found at: www.dnr.state.mn.us/buffers/index.html.

Other Policy and Funding Provisions

- Camp Ripley Sentinel Landscapes. Formalizes the relationship between the State and Army National Guard through designating Camp Ripley as a Sentinel Landscape and establishment of a coordinating committee (2015 Session Law, Regular Session, Chapter 24).
- Area II Minnesota River Basin. \$1M to acquire, design, and construct floodwater retention systems (2015 Session Law, Special Session, Chapter 5, House File 2).

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