

2019 BWSR Legislative Session Wrap-Up

Legislative action in 2019 created positive steps forward for conservation in Minnesota. During a one-day special session on May 25, lawmakers passed 13 budget bills that Gov. Tim Walz signed into law May 31. The budget deal and other legislative initiatives passed this year set the stage for the work of the Minnesota Board of Water and Soil Resources (BWSR) for the next two years.

General Fund

The Legislature appropriated BWSR’s general fund budget for fiscal years 2020 and 2021. It includes several grant programs, agency operations, easement stewardship and Wetland Conservation Act implementation (see box below for a detailed breakdown.) All general fund grant programs will continue at the same funding levels.

Clean Water Fund

BWSR will receive more than \$138 million from the Clean Water Fund this biennium, with nearly 90 percent directed to local governments to implement conservation initiatives (see box on page 2 for details). The



success of Clean Water Fund efforts can be attributed to a highly integrated and collaborative system for water resource management. That includes a holistic approach to managing surface water and groundwater, along with comprehensive planning that supports local implementation.

SWCD capacity funding: While lawmakers strongly acknowledged that soil and water conservation districts

need a consistent funding source, the Legislature did not act on proposals to use the general fund, local tax levy authority or an increase in solid waste fees for this purpose. As a result, SWCD capacity will continue to be funded this biennium through the Clean Water Fund. The distribution formula calls for each SWCD to receive \$100,000 per year. The remaining funds are distributed based on county allocations, the amount of private lands and the amount of public waters.

Outdoor Heritage Fund

BWSR will receive funding for three projects recommended by the Lessard-Sams Outdoor Heritage Council:

- **Wild rice protection:** \$937,000 to establish permanent conservation easements to protect native wild rice beds.
- **Lower Wild Rice River habitat:** \$2.75 million will fund voluntary conservation easements to restore rivers and related habitat in the Wild Rice River corridor.

FY20-21 General Fund Grants/Programs	2019 Appropriation
County natural resources block grant	\$6.8 million
SWCD conservation delivery grant	\$6.2 million
SWCD cost-share grant	\$2.4 million
WCA implementation	\$1.5 million
Feedlots cost-share (RCPP match)	\$520,000
Cooperative weed management grants	\$200,000
Drainage technical assistance	\$332,000
Lower Minnesota watershed district dredge spoil sites (pass-through)	\$480,000
SW MN Area 2 floodplain (pass-through)	\$280,000
Red River Basin Commission (pass-through)	\$200,000

• Reinvest in Minnesota (RIM)

Reserve — grasslands: Nearly \$2.28 million will focus on restoring and enhancing grassland habitat through permanent conservation easements.

Environment and Natural Resources Trust Fund

Lawns to Legumes: The \$900,000 program will pay homeowners to convert residential lawns to native vegetation, pollinator-friendly forbs and legumes that benefit a range of pollinator species. BWSR is required to establish criteria. The program may award up to 75 percent of project costs — or 90 percent in areas where there is a high potential to benefit the rusty patched bumble bee, which recently became the official state bee, and other at-risk species. More information [here](#).

Policy changes affecting BWSR

Several policy provisions related to BWSR’s work were signed into law this session:

• SWCD duties: Changes passed this year codify and clarify the duties of soil and water conservation districts.

They also lists services SWCDs provide in carrying out their duties — such as providing technical expertise, information and outreach, and administering projects and programs.

• Coordinated water management:

Changes passed this year update and align the state’s Clean Water Legacy Act (Chapter 114D) with the state’s Water Planning and Implementation Chapter (Chapter 103B) to:

- o increase the pace of progress
- o align and use plans and reports
- o provide flexibility and support local action
- o better link surface and ground water.

• Compensation: The daily compensation cap for watershed district managers increased from \$75 to \$125.

• Wetland banking fees: Wetland banking fees now must be based on BWSR’s actual cost of implementing associated activities. (This is already BWSR’s standard practice, it is now codified into law.)

• Wetland replacement; frameworks

for in-lieu fee program: New legislation gives BWSR the authority to complete planning frameworks and other application requirements for federal approval of an in-lieu fee program for wetland replacement.

• Animal units: A revision to state law increases the size of feedlots eligible for the Feedlot Water Quality cost-sharing program from less than 300 animal units to less than 500 animal units. This makes feedlot permitting thresholds consistent across multiple funding sources.

• Drainage: The stakeholder Drainage Work Group provided two sets of recommendations to the 2019 Legislature; both were signed into law mid-May:

o The first set of recommendations focused on streamlining Chapter 103E drainage system acquisition and compensation of ditch buffer strips.

o The second set of recommendations adds a runoff- and sediment-based option in Chapter 103E drainage law for drainage system repair cost apportionment.

Clean Water Fund Programs	Current (FY 18-19)	New (FY 20-21)
Water management transition (One Watershed, One Plan)	\$3,990,000	\$4,000,000
Watershed-based funding grants	\$9,750,000	\$26,966,000
Accelerated implementation	\$7,600,000	\$8,000,000
Projects and practices grants	\$19,500,000	\$32,000,000
Conservation drainage management	\$1,500,000	\$1,700,000
MN CREP	\$3,000,000	\$17,250,000
Critical shoreland easements	\$2,000,000	\$3,000,000
Wellhead easements	\$3,500,000	\$4,000,000
Riparian buffer easements	\$9,750,000	\$9,500,000
Measures, results, and accountability	\$1,900,000	\$2,000,000
Riparian buffer cost-share and alternative practices	\$5,000,000	\$0
Riparian protection and soil loss assistance	\$5,000,000	\$5,000,000
Tillage and erosion transects	\$850,000	\$850,000
Technical evaluation	\$168,000	\$168,000
SWCD capacity funding	\$22,000,000	\$24,000,000
Total	\$95,508,000	\$138,434,000