



2025 Legislative Summary

July 15, 2025

Executive Summary

This document provides a summary of 2025 legislation impacting the Minnesota Board of Water and Soil Resources (BWSR). Legislative changes outlined in this summary include those that affect BWSR's external partners, such as soil and water conservation districts, watershed districts, municipalities, counties, Tribal Governments and joint powers organizations.

The Legislature passes a biennial budget during odd-numbered years. BWSR's general fund budget for fiscal years 2026 and 2027 (FY26-27) reflects a balanced approach to the state's priorities. Most of the legislative changes passed during the regular 2025 Legislative Session and a June 9 Special Session that affect BWSR were included in the Legacy Omnibus Bill (Laws 2025, [Chapter 36](#)) and in the Environment and Natural Resources omnibus bill (Laws 2025, 1st Special Session, [Chapter 1](#)).

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2025 General Fund Programs

Laws 2025, 1st Special Session, [Chapter 1](#), Article 1, section 4

The 2025 Legislature enacted a budget for the agency that reflects a more modest approach to the state's priorities given an unclear budget outlook. Programs that received continued funding this biennium (and were funded in the previous biennium) included Soil and Water Conservation District (SWCD) conservation delivery grants, SWCD program and practices, invasive species and weed management, technical assistance for the Minnesota Drainage Work Group, pass-through funding for some areas, and soil health practices administration. New this legislative year includes a one-time funding of

\$200,000 in fiscal year 2026 for a "Keep it Clean" program "for agreements with local units of government to implement local programs to prevent water pollution due to garbage and human waste left on the ice of state waters during winter-use activities."

FY 26-27 General Fund Grants/Programs	Total for the biennium (\$)
SWCD Conservation Delivery	6,232,000
SWCD Program and Practices	2,920,000
Invasive Species and Weed Mgmt.	200,000
Drainage Work Group Tech Assistance	332,000
Red River Basin Commission (pass-through)	200,000
SW MN - Area II Floodplain (pass-through)	280,000
Lower Minnesota River WD (pass-through)	480,000
Soil Health Practices (103F.06)	406,000
County Natural Resources Block Grants	6,846,000
Keep it Clean	200,000

Legislation also reduced 2023 appropriations to reflect not-yet-expended amounts, so that those monies can no longer be spent from the prior appropriation. This included \$582,000 from soil and water conservation delivery grants and \$2,848,000 from Reinvest in Minnesota (RIM) grassland easements (Laws 2025, Chapter 1, Article 1, section 18).

Repeal of Redundant Reporting for Ditch Buffer Strips (103E.067)

Laws 2025, 1st Special Session, [Chapter 1](#), Article 4, section 28

Language repeals a report required under M.S. 103E.067, eliminating a redundant reporting requirement.

History: In 2007, section 103E.067, "Ditch Buffer Strip; Annual Reporting" was added to the Chapter 103E Drainage law. This provision required county, joint county, and watershed district drainage authorities to annually submit a report to BWSR providing information about public drainage ditch buffer strip establishment, inspection, and enforcement that was conducted during the previous calendar year. The intention of that reporting requirement was initially tied to collection of data to better understand the pace of progress for related riparian protection implementation and establishment which was triggered by the various provisions of drainage law.

With the current implementation of the M.S. 103F.48 Riparian Protections and Water Quality Practices requirements and M.S. Chapter 103C Soil and Water Conservation Districts, there is ongoing comprehensive reporting related to the implementation of riparian buffers. The statutory requirements in M.S. 103F.48, subd. 3, paragraph (a), item (2) refers to the requirements found under M.S. 103E. The level of detail

associated with buffer installation which is gathered under M.S. 103F.48 requires greater resolution and spatial detail than the data which is captured under the current requirements in M.S. 103E.067.

In addition to redundancy between M.S. 103F.48 and M.S. 103C reporting requirements, there is a difference in overall public value from the specific data which is collected. While the requirements established in M.S. 103E.067 have fulfilled the objectives set in 2007, they provide fewer substantive data and are no longer needed due to the duplicative nature with those now utilized under M.S. 103F.48 and M.S. 103C.

This repeal recognizes the duplicative reporting by local partners of less impactful data, while retaining more specific, beneficial data reported to BWSR. This repeal was a consensus item of the Drainage Work Group.

Local Government Roads Wetland Replacement Program Funding

(Transportation Omnibus Bill: Laws 2025, 1st Special Session, [Chapter 8](#), Article 1, section 5; Capital Investment Bill: Laws 2025, 1st Special Session, [Chapter 15](#), Article 1, section 7, subdivision 4; and Article 1, section 9)

The legislature appropriated \$3,000,000 in fiscal year 2026 from the general fund to BWSR “to acquire land or permanent easements and to restore, create, enhance, and preserve wetlands to replace those wetlands drained or filled as a result of the repair, reconstruction, replacement, or rehabilitation of existing public roads as required by Minnesota Statutes, section 103G.222, subdivision 1, paragraphs (l) and (m) [the Local Government Roads Wetlands Replacement Program].”

The capital investment bill included \$5 million to BWSR for this same program and purposes.

Additionally, \$9 million was included in the capital investment bill for flood hazard mitigation. The capital investment language notes, “To the extent practicable and consistent with the project, recipients of appropriations for flood control projects in this subdivision shall create wetlands that are eligible for wetland replacement credit [under M.S. 103G.222 – the local government road wetland replacement program.]”

History: A 2025 LGRWRP Work Group [report](#) identified a need of up to \$19 million in BWSR’s biennial budget to provide complete program support, as well as up to \$26.5 million in one-time capital funds to increase existing available wetland credits. This appropriation is intended to address those identified needs.

Miscellaneous Changes

Carryforward of General Funds

Laws 2025, [Chapter 39, section 44](#)

General funds appropriated in fiscal years 2024-2025 that have not been spent are eligible for carryforward into the next fiscal biennium. This allows state agencies, including BWSR, to continue to use unexpended general fund appropriations in the 2026-2027 fiscal years.

Waste and Fraud Protections

Minnesota Laws 2025, [Chapter 39](#), Article 2, various sections noted below

Legislators passed language intended to provide more protection from waste and fraud in state grant

programs. Among the numerous provisions passed in this bill, here are a few items related to grants management:

- Authority for agencies to share data regarding fraud with other government entities (section 16)
- Allows agencies to withhold grant payments if there is evidence of fraud (section 22)
- An obligation for state agencies to post organization chart information on their website that includes leadership contact information (section 24)
- Requires agency staff to report misuse of public resources or data, and violations of laws or rules governing grants (section 23, section 39)
- An obligation for grantees to post the contact information for their organization leadership and grant manager on their website (section 40)
- Requires annual training for agency grant management staff before assuming grant management job duties (section 41)

Report of Extensions given for decisions regarding Wetland Conservation Rules Chapter 8420

Minnesota Laws 2025, 1st Special Session, [Chapter 1](#), Article 6, section 7)

BWSR is required to collect information and provide a one-time report to the Legislature on the number of extensions for decisions made by local governments and other government units related to Minnesota Rules Chapter 8420 (Wetland Conservation). The tracking period is during calendar years 2026 and 2027, with a legislative report due on March 1, 2028. Information collected will include the date of submission of a complete wetland boundary and type or wetland replacement plan application and the date of approval or denial of the application.

Data Centers - Permitting

Minnesota Laws 2025, 1st Special Session, [Chapter 12](#), Section 2

BWSR is required to take reasonable steps to ensure that agency permitting staff are aware of the state policy to also refer inquiries related to the permitting of data centers to the Minnesota Business First Stop Program administered by the Department of Employment and Economic Development (DEED). BWSR must also ensure that agency permitting staff have the resources to efficiently refer those inquiries.

Conservation Property Tax Valuation in Metropolitan Communities

Minnesota Laws 2025, 1st Special Session, [Chapter 13](#), Article 2, section 6

This provision modifies Minnesota Statute, section 273.117 to allow metropolitan county assessors to consider the impact of a conservation easement on the valuation of real property if the county adopts, by resolution, a program to protect farmland or natural areas and authorizes the assessor to consider the impact of the conservation easement on the property's value for property tax purposes. Note that this does not necessarily mean a property's taxable value will decrease or increase, but this allows the assessor to further analyze the impact to valuation of a conservation easement.

Counties that may adopt this resolution include Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington counties.

Repeal of the Advisory Council on Infrastructure

Minnesota Laws 2025, [Chapter 36](#), Article 2, section 69, subd. 4

The Minnesota Advisory Council on Infrastructure was established in 2024 to preserve and extend the longevity of Minnesota’s public and privately owned infrastructure and provide for effective and efficient management of infrastructure. BWSR was a listed nonvoting member of this council along with other state agencies and campuses.

Requirement to report agency advertising expenditures

Laws 2025, [Chapter 39](#), Article 2, section 25

By February 1, 2026, and annually through February 1, 2031, all agencies must report the total advertising spending by the agency and the total percentage of advertising spending in local news organizations (including detail on percentages spent on local newspapers, radio, and television).

State Agency Value Initiative (SAVI) Program

Laws 2025, [Chapter 39](#), Article 2, section 26

An optional new program is established “to encourage state agencies to identify cost-effective and efficiency measures in agency programs and operations that result in cost savings.”

Under this program, up to 50 percent of any unspent appropriations during a biennium may be carried forward, if they are unspent because of innovation, new efficiencies, or creative cost-savings mechanisms. If carried forward, agencies would need to ensure that expenditures do not create future, ongoing obligations, and that only projects that directly support the agency’s mission can be funded with carryforward funds.

Details on a peer review panel established to consider carryforward requests for this program are detailed in this section, which will be codified as Minnesota Statutes, section 15.761.

This section expires June 30, 2030.

Clean Water, Land, and Legacy Funds

Outdoor Heritage Fund

[Laws 2025, Chapter 36](#), Article 1, section 2

The following items were approved for Outdoor Heritage Funds for fiscal year 2026.

BWSR Appropriation	Description
\$2,183,000 in FY 2026 Camp Ripley ACUB, Phase 13 Subd. 3, paragraph (d)	“to acquire permanent conservation easements and restore and enhance forest wildlife habitat within the boundaries of the Minnesota National Guard Camp Ripley Sentinel Landscape and Army Compatible Use Buffer” <i>Up to \$110,000 is to establish a monitoring and enforcement fund</i>

BWSR Appropriation	Description
\$3,375,000 in FY 2026 RIM Grasslands Subd. 2, Paragraph (c)	<p>“to acquire permanent conservation easements and to restore and enhance grassland habitat” <i>Up to \$70,000 is to establish a monitoring and enforcement fund</i></p>
\$4,000,000 in FY 2026 RIM – Buffers for Wildlife and Water Subd. 2, Paragraph (d)	<p>“to acquire permanent conservation easements and restore habitat under Minnesota Statutes, section 103F.515, to protect, restore, and enhance habitat by expanding the riparian buffer program under the clean water fund for additional wildlife benefits from buffers on private land” <i>Up to \$60,000 is to establish a monitoring and enforcement fund</i></p>
\$4,291,000 in FY 2026 RIM – Wetlands Subd. 4, paragraph (c)	<p>“to acquire permanent conservation easements and to restore wetlands and native grassland habitat” <i>Up to \$70,000 is to establish a monitoring and enforcement fund</i></p>
\$2,691,000 in FY 2026 Integrating Habitat and Clean Water Subd. 5, paragraph (d)	<p>“to acquire permanent conservation easements and restore and enhance wildlife habitat identified in One Watershed, One Plan for stacked benefit to wildlife and clean water” <i>Up to \$80,000 is to establish a monitoring and enforcement fund</i></p>
\$ 1,000,000 in FY 2026 Mississippi Headwaters Habitat Corridor Project Subd. 5, paragraph (f), item (2)	<p>“to acquire lands in fee and permanent conservation easements and to restore wildlife habitat in the Mississippi headwaters” <i>Up to \$50,000 is to establish a monitoring and enforcement fund</i></p>

Clean Water Fund Appropriations

[Laws 2025, Chapter 36](#), Article 2, section 6

The following items were funded with Clean Water Funds, at the recommendations of the Clean Water Council, for fiscal biennium 2026-2027. Note that some of these appropriations have different amounts for fiscal year 2026 than fiscal year 2027. Additionally, the prior biennium appropriated monies for “Water Management Transition” to One Watershed, One Plan (1W1P); this year, the appropriation reflects the new phase of 1W1P and monies appropriated are for Water Management Plan “Oversight.”

Clean Water Fund Programs Laws 2025, Chapter 36, Article 2, Section 6	Previous FY24-25	New FY26-27	FY 2026	FY 2027
Watershed-based Implementation Funding	79,000,000	\$88,100,000	39,962,000	48,138,000
Projects and Practices Grants	17,000,000	\$6,000,000	2,935,000	3,065,000
Accelerated Implementation	11,000,000	\$8,700,000	4,350,000	4,350,000
Measures, Results, and Accountability	2,500,000	\$2,500,000	1,250,000	1,250,000
Riparian Protection & Soil Loss Assistance	4,000,000	\$4,000,000	2,000,000	2,000,000
Working Lands Floodplain Easements	8,434,000	\$2,000,000	1,000,000	1,000,000
Targeted Wellhead Protection including Easements	6,000,000	\$5,000,000	2,500,000	2,500,000
Technical Evaluation	200,000	\$200,000	100,000	100,000
Water Management Transition (1W1Ps)	3,500,000			
Water Management Plan Oversight		\$1,000,000	500,000	500,000
Conservation Drainage management	2,000,000	\$2,000,000	1,000,000	1,000,000
Critical Shoreland Easements	7,000,000	\$1,000,000	500,000	500,000
Tillage and Erosion Transects	850,000	\$850,000	425,000	425,000
Watershed Partners Legacy Grants Program	3,000,000	\$1,000,000	500,000	500,000
Wetland Restoration Easements	10,000,000	\$5,000,000	2,500,000	2,500,000
Enhancing Adoption of Cover Crops	12,077,000	\$9,486,000	3,560,000	5,926,000
Conservation Corps of MN and IA		\$1,500,000	750,000	750,000
Great Lakes Restoration	1,000,000	\$1,000,000	500,000	500,000
Total	\$167,561,000	\$139,336,000		