

Senator Pogemiller introduced--

S.F. No. 1611: Referred to the Committee on Finance.

1 A bill for an act

2 relating to summer youth employment; appropriating  
3 money for learn to earn.

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

5 Section 1. [APPROPRIATION; LEARN TO EARN.]

6 \$250,000 is appropriated for the fiscal year ending June  
7 30, 2006, and \$250,000 is appropriated for the fiscal year  
8 ending June 30, 2007, from the general fund to the commissioner  
9 of employment and economic development for grants to the learn  
10 to earn summer youth employment program established under Laws  
11 1995, chapter 224, sections 5 and 39. Grants made under this  
12 section are available until spent.

13 Sec. 2. [EFFECTIVE DATE.]

14 Section 1 is effective the day following final enactment.

**2004 Teen Teamworks/Earn While You Learn – 9 week program**

Funders:

Minnesota Dept of Employment & Economic Development \$183,000

Minneapolis Park and Recreation Board \$154,000.

General Mills Foundation \$15,000.

City of Minneapolis-CDBG Fund \$15,000.

Toro Foundation \$5,000

Total Budget - \$372,000

Youth Served 124

Program cost per Participant \$3,000

**Qualified youth applicants unable to serve 1300+**

**2003 Teen Teamworks/Earn While You Learn – 8 week program**

Funders:

Minnesota Dept of Employment & Economic Development \$183,000

Minneapolis Park and Recreation Board \$50,000

General Mills Foundation \$15,000

Central Neighborhood Improvement Association \$44,500

Total Budget - \$292,500

Youth Served – 109

Program cost per Participant \$2,684

**Qualified youth applicants unable to serve 1200**

**2002 Teen Teamworks/Earn While You Learn – 10 week program**

Funders;

Minnesota Dept of Employment & Economic Development \$244,000

Minneapolis Park and Recreation Board \$244,000

Total Budget - \$488,000

Youth Served – 149

Program Cost per Participant \$3,294

**Qualified youth applicants unable to serve 1150**

**2001 Teen Teamworks/Earn While You Learn- 10 week program**

Funders;

Minnesota Dept of Employment & Economic Development \$250,000

Minneapolis Park and Recreation Board \$240,000

Minneapolis Dept of Family and Health \$10,000

Total Budget - \$500,000

Youth Served – 181

Program cost per participant \$2,762

**Qualified youth applicants unable to serve 1145**

**2000 Teen Teamworks/Earn While You Learn – 10 week program**

Funders:

Minnesota Dept of Economic Security-MYP \$250,000

Minneapolis City Council \$70,000

Minneapolis Park and Recreation Board \$160,000

Dayton-Hudson Foundation \$20,000

Total Budget \$500,000

Youth Served 190

Program cost per participant \$2,632

**Qualified Youth applicants unable to serve 920**

**1999 Teen Teamworks/Earn While You Learn – 10 week program**

Funders:

Minnesota Dept of Economic Security-MYP \$235,000

Minneapolis City Council \$70,000

Minneapolis Park and Recreation Board \$145,000

Dayton-Hudson Foundation \$20,000

Total Budget \$470,000

Youth Served 165

Program cost per participant \$2,848

**Qualified Youth applicants unable to serve 1040**

**1998 Teen Teamworks/Earn While You Learn – 10 week program**

Funders:

Pillsbury Foundation \$25,000

Dayton-Hudson Foundation \$20,000

Minneapolis City Council \$75,000

Minneapolis Park and Recreation Board \$153,600

Minnesota Dept of Economic Security-MYP \$250,000

Total Budget \$523,600

Youth severed 213

Program cost per participant \$2,458

**Qualified Youth applicants unable to serve 400**

**1997 Teen Teamworks/Earn While You Learn – 10 week program**

Funders:

Pillsbury Foundation \$25,000

Dayton-Hudson Foundation \$20,000

Minneapolis City Council \$75,000

Minneapolis Park and Recreation Board \$153,600

Minnesota Dept of Economic Security-MYP \$250,000

Total Budget \$523,600

Youth served 254

Program cost per participant \$2,61

**Qualified Youth applicants unable to serve 800**

**1996 Teen Teamworks/earn While You Learn - 10 week program**

Funders:

Minnesota Dept of Economic Security-MYP \$250,000

Minneapolis City Council \$75,000

Minneapolis Park and Recreation Board \$153,600

Pillsbury Foundation \$25,000

Dayton-Hudson Foundation \$20,000

Total Budget \$523,600

Youth Served 247

Program cost per participant \$2,120

**Qualified Youth applicants unable to serve 825**

**1995 Teen Teamworks/Earn While You Learn – 10 week program**

Funders:

Minnesota Dept of Economic Security-MYP \$250,000

Pillsbury Foundation \$25,000

Minneapolis City Council \$75,000

Minneapolis Park and Recreation Board \$135,000

Total Budget \$500,000

Youth served 239

Program cost per participant \$2,092

**Qualified Youth applicants unable to serve 865**

**1994 Teen Teamworks – 9 week program**

Funders:

Pillsbury Foundation \$25,000

General Mills Foundation \$15,000

Dayton-Hudson \$20,000

Minneapolis City Council \$75,000

Minneapolis Park and Recreation Board \$153,600

Budget \$288,600

Youth Served 170

Program cost per participant \$1,698

Qualified Youth unable to serve 405

**1993 Teen Teamworks – 9 week program**

Funders:

General Mills Foundation \$15,000

Dayton-Hudson Foundation \$20,000

Tree Trust ?

Minneapolis City Council \$75,000

Minneapolis Parks and Recreation Board \$153,600

Budget ?

Youth Served 136

**Qualified youth unable to serve 405**

**1992 Teen Teamworks - 9 week program**

Funders:

General Mill Foundation \$15,000

Dayton-Hudson Foundation \$20,000

Minnegasco Foundation \$1,000

Northern States Power Foundation ?

Minneapolis City Council \$75,000

Minneapolis Park and Recreation Board \$153,600

Budget ?

Youth Served 325

**Qualified youth unable to serve 861**

**1991 Teen Teamworks – 9 week program**

Funders:

Dayton-Hudson Foundation \$20,000

General Mills Foundation \$15,000

Grand Metropolitan Food Sector \$50,000

Minneapolis City council \$75,000

Minnegasco Foundation \$1,000

Minneapolis Park and Recreation Board \$153,600

Total Budget \$314,600

Youth served 206

**Qualified youth unable to serve 985**

**1990 Teen Teamworks –9 week program**

Funders:

Dayton-Hudson \$20,000

General Mills Foundation \$15,000

Grand Metropolitan Food Sector \$50,000

Minneapolis City Council \$75,000

Minnegasco Foundation \$1,000

Minneapolis Park and Recreation Board \$153,600

Minneapolis Youth Coordinating Board \$49,000

Total Budget \$363,600

Youth served 327

**Qualified youth unable to Serve 1013**

**1989 Teen Teamworks –10 week program**

Funders:

Dayton-Hudson Foundation \$20,000

General Mills Foundation \$15,000

Pillsbury Foundation \$20,000

Minneapolis City Council \$75,000

Minneapolis Parks and Recreation Board \$153,600

Outreach Worker Program \$41,000

1988 Funds Carried over \$51,151

Total Budget \$375,751

Youth Served 311

Program cost per participant \$1,208

**Qualified Youth unable to serve 610**

**1988 Teen Teamworks – 10 ½ week program**

Funders:

McKnight Foundation \$185,000

Minneapolis Park and Recreation Board \$153,600

Minneapolis City Council \$75,000

General Mills Foundation \$15,000

Total Budget \$428,600

Youth Served 320

Program cost per participant \$1,339

**Qualified youth unable to serve 583**

**1987 Teen Teamworks – 12 week program**

Funders:

McKnight Foundation \$185,000

Minneapolis Park and Recreation Board \$153,600

Minneapolis City Council \$75,000

General Mills \$15,000

Total Budget \$428,600

Youth Served 340

Program cost per participant \$1,261

**Qualified youth unable to serve 580**

**1986 Teen Teamworks**

Funders:

McKnight Foundation

Minneapolis Parks and Recreation Board

Minneapolis City Council

Total Budget \$350,000

Youth served 354

Program cost per participant \$989

**Qualified youth unable to serve 400**

Senator Solon introduced--

S.F. No. 33: Referred to the Committee on Finance.

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2  
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10

A bill for an act

relating to transportation; appropriating money to  
Duluth Port Authority.

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

Section 1. [DULUTH PORT AUTHORITY.]

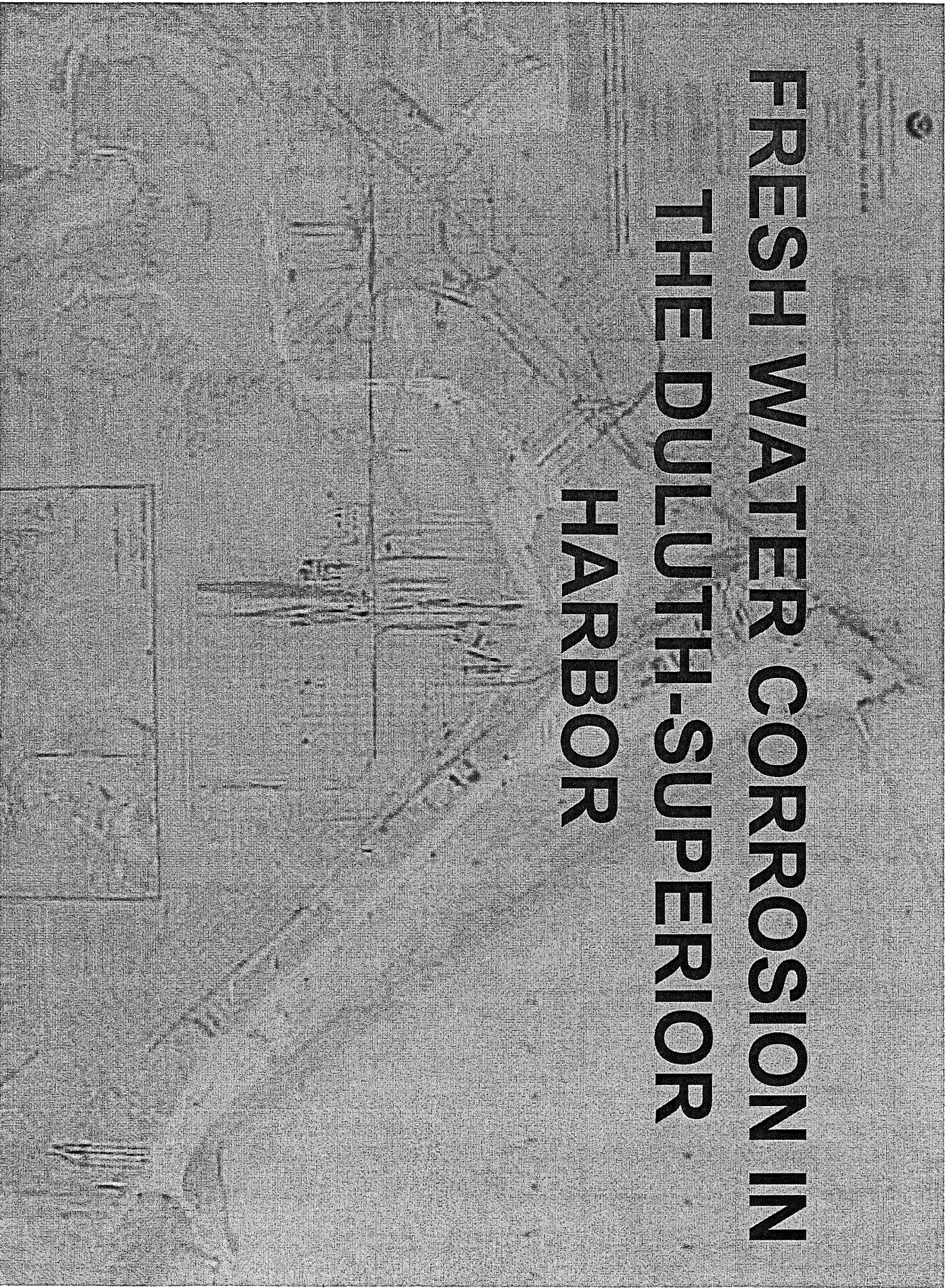
\$100,000 is appropriated from the general fund to the  
commissioner of transportation for a grant to the Duluth Port  
Authority to determine the cause of freshwater corrosion of  
harbor sheet piling, provided these state funds are matched on a  
dollar-for-dollar basis by nonstate funds.

1 Senator ..... moves to amend S.F. No. 33 as follows:

2 Page 1, line 7, delete "transportation" and insert "natural  
3 resources"



**FRESH WATER CORROSION IN  
THE DULUTH-SUPERIOR  
HARBOR**

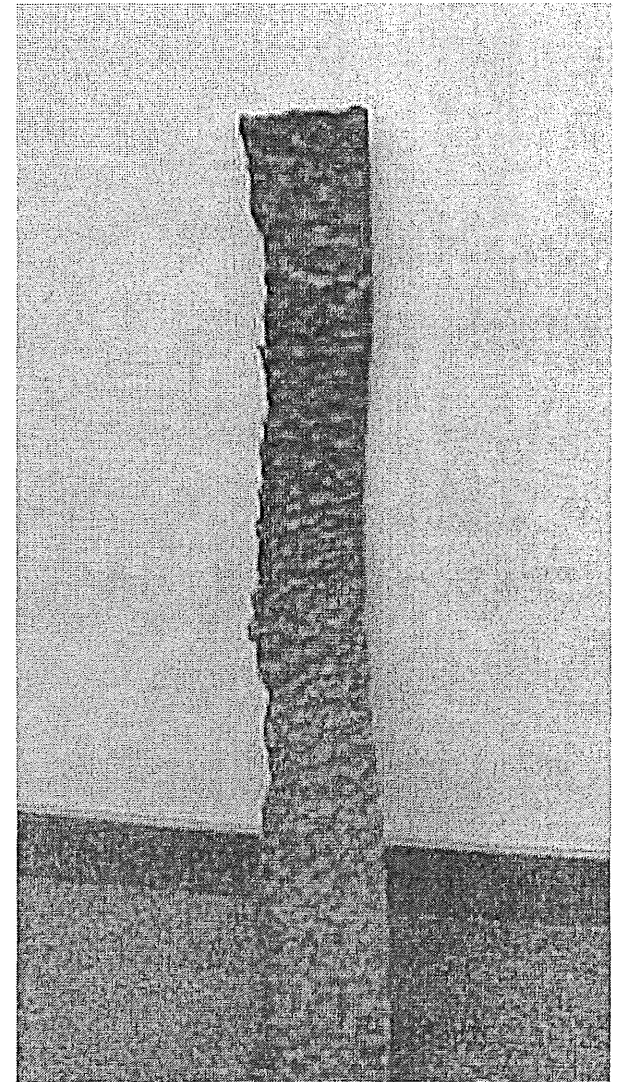


# **PORT OF DULUTH-SUPERIOR**

- **Highest tonnage port in Great Lakes**
- **49 miles of waterfront**
- **17 miles of dredged channels**
- **19 square miles of land and water in a naturally protected harbor**
- **About 40 million metric tons of cargo annually**
- **Approximately 1100 vessel calls annually**
- **15 major cargo facilities**
- **6 multi-purpose bulk terminals, 1 general cargo distribution center, 2 ore docks, 1 coal dock, 6 grain elevators**
- **More than 12 miles of submerged steel dock structure, plus several miles of wooden structure**

# THE PROBLEM

- Advanced localized corrosion in submerged steel structures
- Evident on all steel structures in the working harbor area, down stream of and including Hallett 6 Dock facility
- Possibly evident on steel structures at Spirit Lake Marina in Riverside
- Not evident at Oliver Bridge
- Severity of corrosion is similar along length of docks and is most severe in the upper 4 feet of submerged dock structure



Duluth piers

Duluth Seaway  
Port Authority

Midwest Energy

Bong Bridge

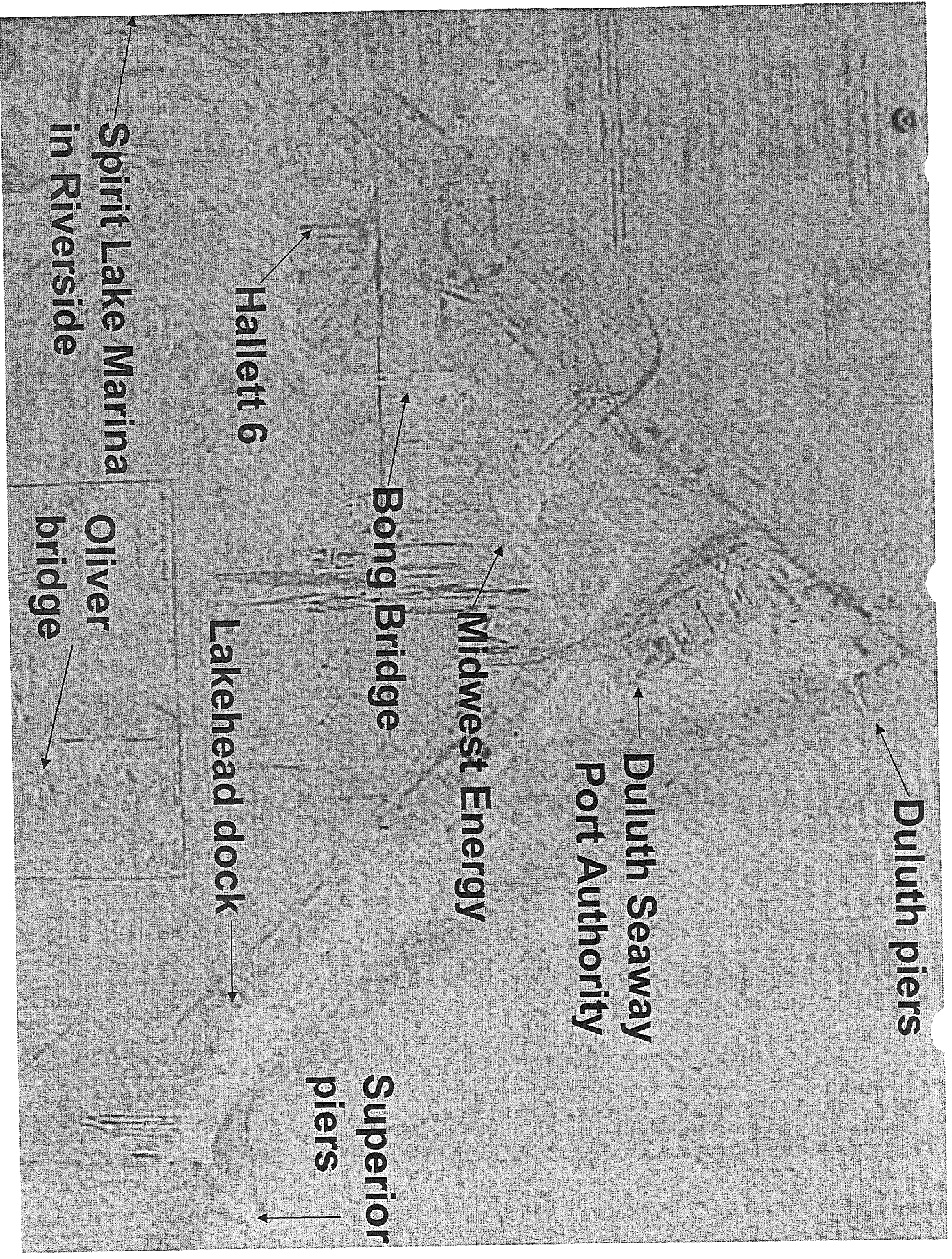
Hallett 6

Lakehead dock

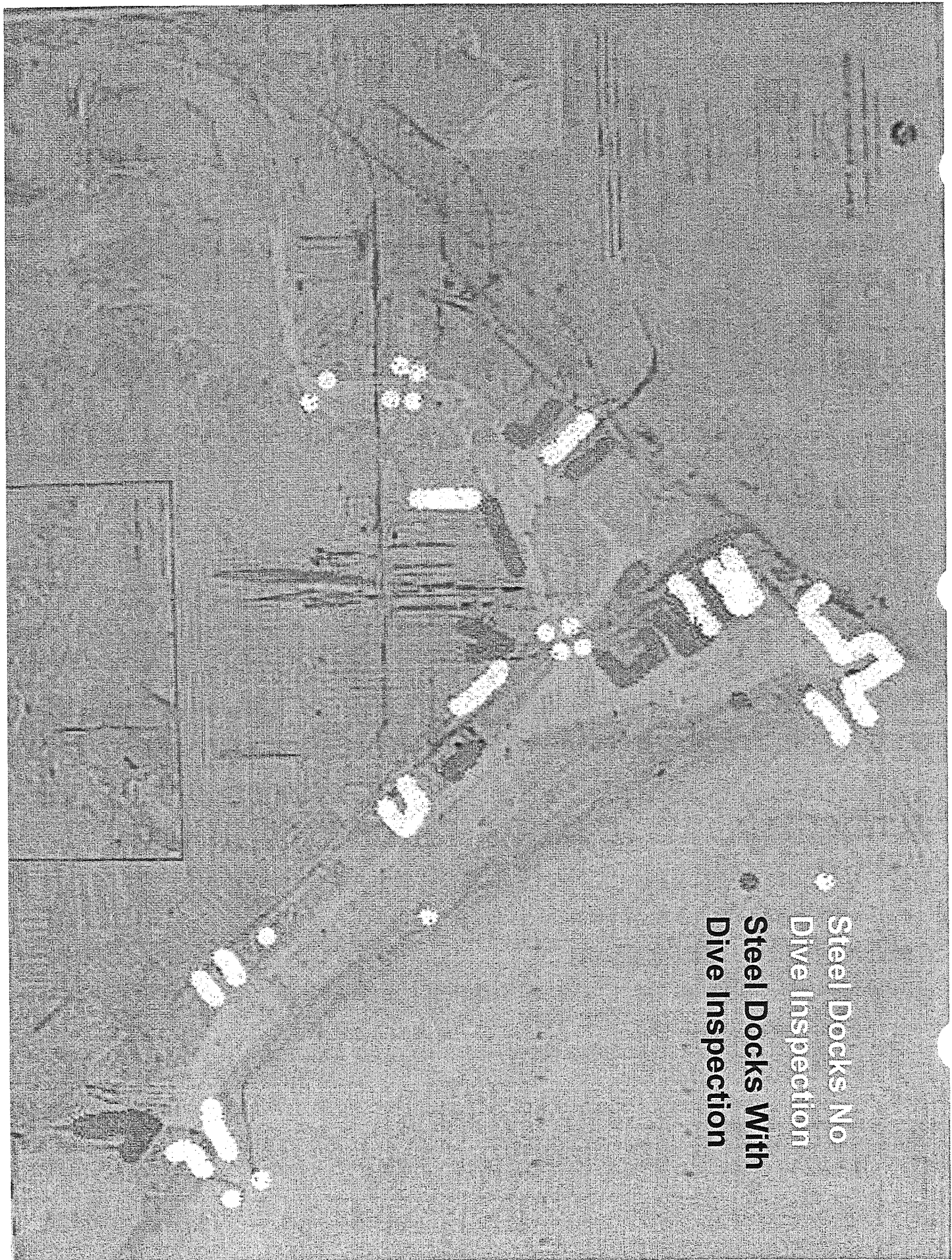
Superior  
piers

Spirit Lake Marina  
in Riverside

Oliver  
bridge



Steel Docks No  
Dive Inspection  
Steel Docks With  
Dive Inspection

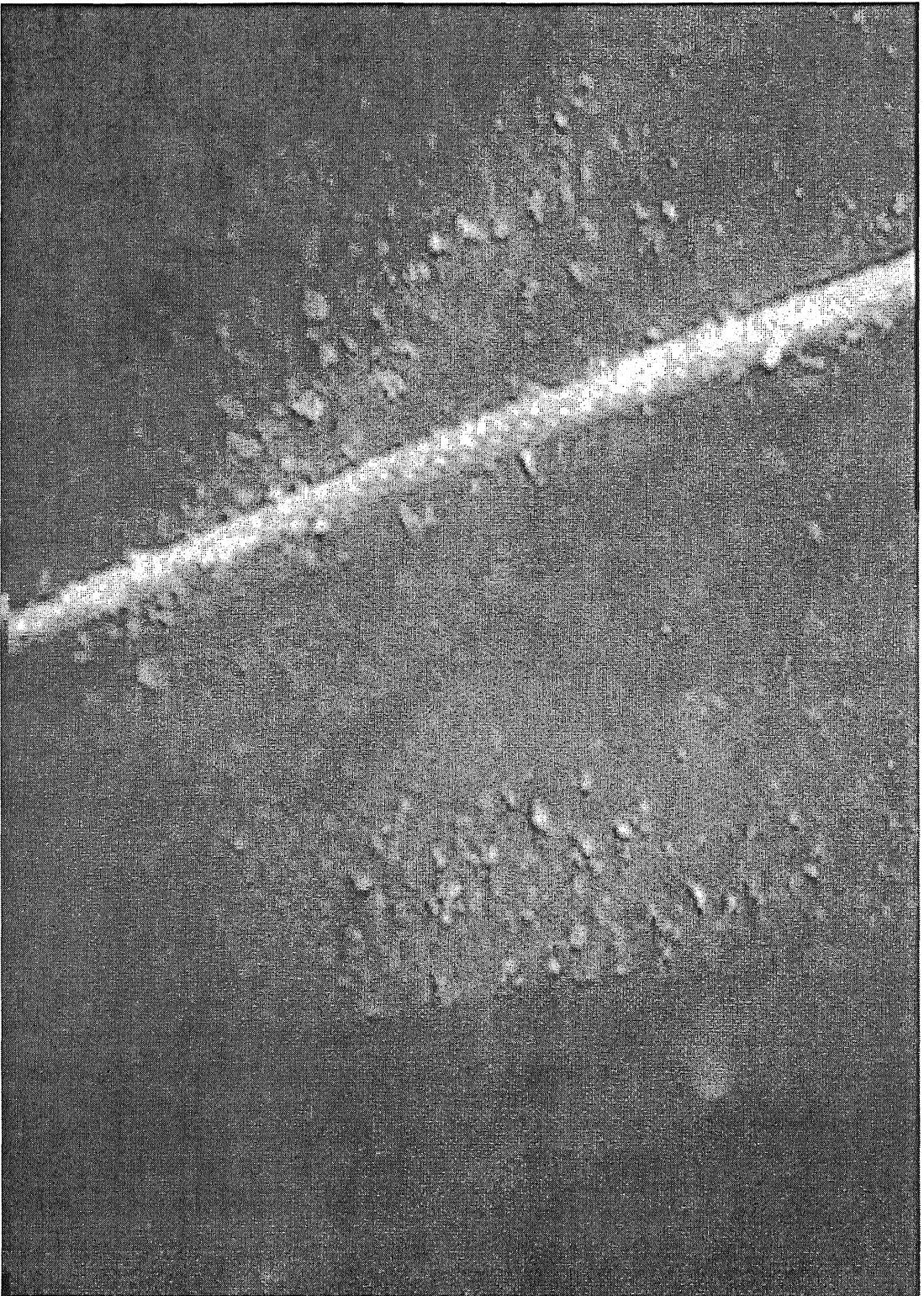


# VISUAL DESCRIPTION

- Corrosion is evident in the upper 10' of submerged structure
- Some light marine growth is evident within the pits
- Most severe in upper 4' of submerged structure. (Pits and troughs 1/4" to 3/8" deep. Some structures are perforated)
- Pits are 1/8" or less in depth at 10' below surface
- Zebra mussels (infestation since 1998) cover structure below 10'
- Steel structures older than mid 1970s exhibit the similar nature and extent of corrosion, regardless of age
- Steel structures installed since the mid 1970s exhibit extent of corrosion proportional to age.

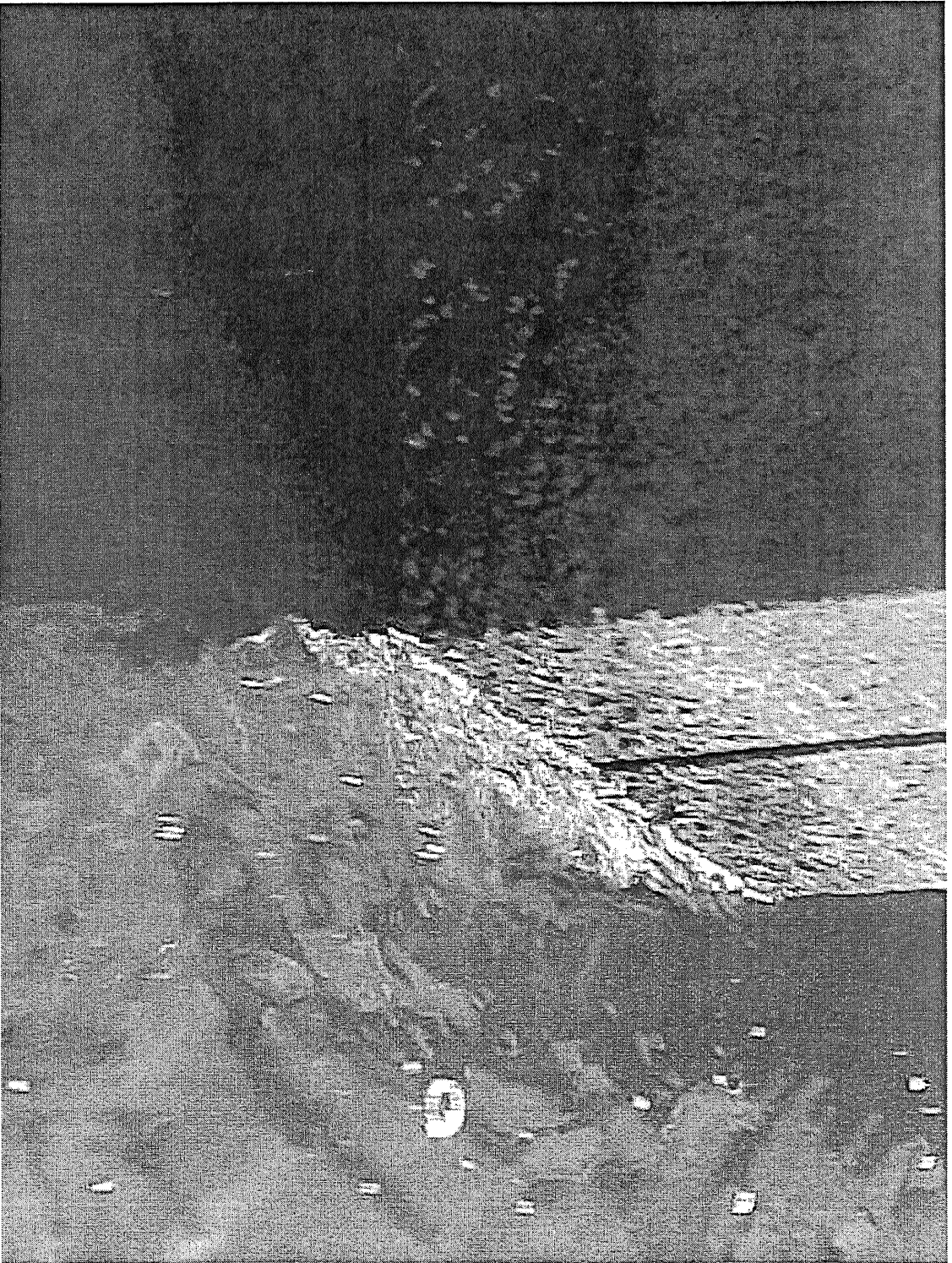
# Observations

- Corrosion is occurring at a rate that will require steel replacement at many facilities within about 10 years if no action is taken to arrest the corrosion process.
- The maturity of the corrosion indicates that its initiation predates the introduction of zebra mussels to the harbor (about 1998).
- The age and metallurgy of the steel do not appear to be significant factors in the corrosion.
- The corrosion rate is similar to that expected in salt water.
- Corrosion occurs where steel is in direct contact with water (can be on one or both sides of the plate).
- Problem is not found in other Lake Superior harbors.

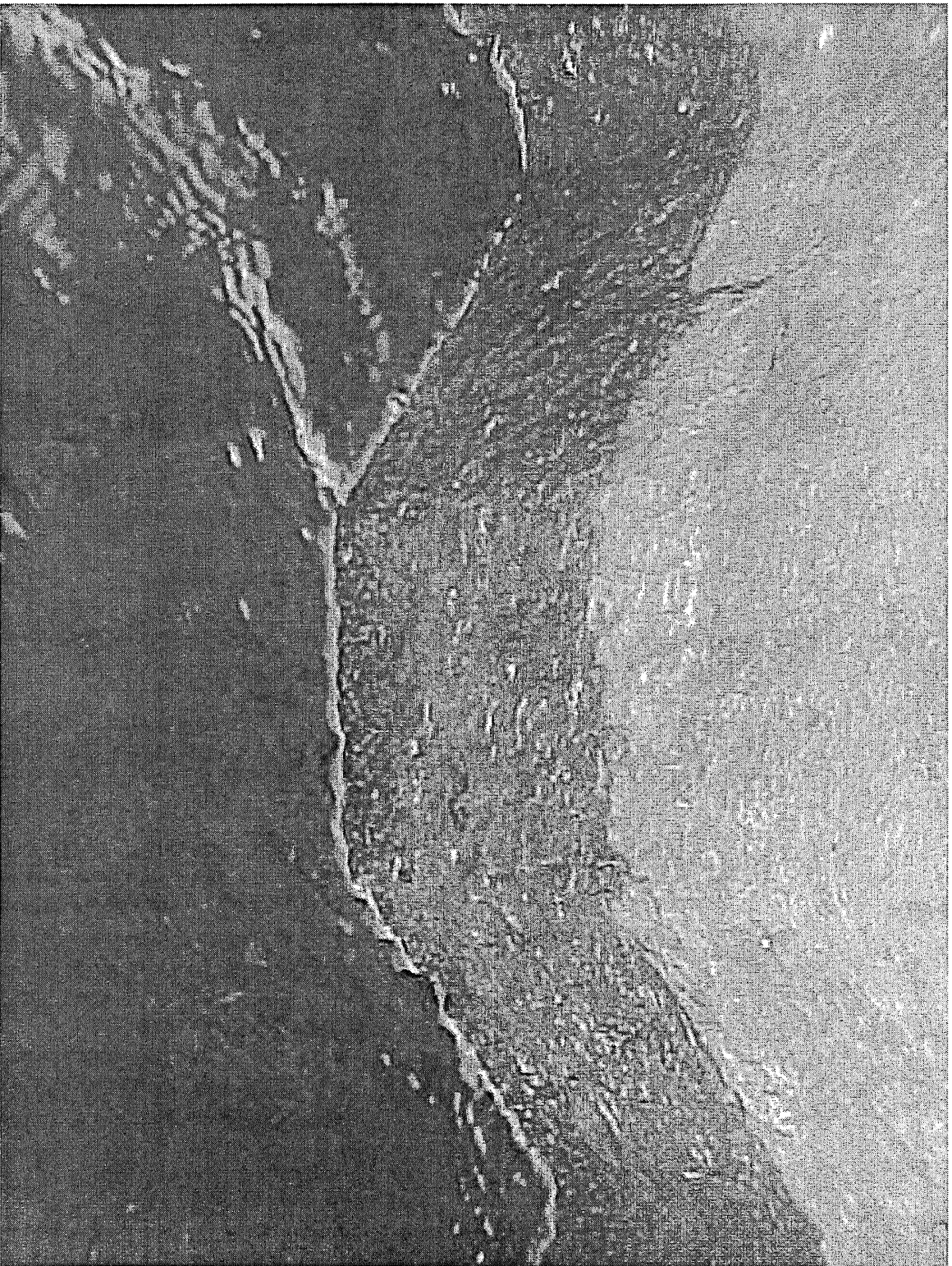


**Bulkhead pitting at Garfield D**

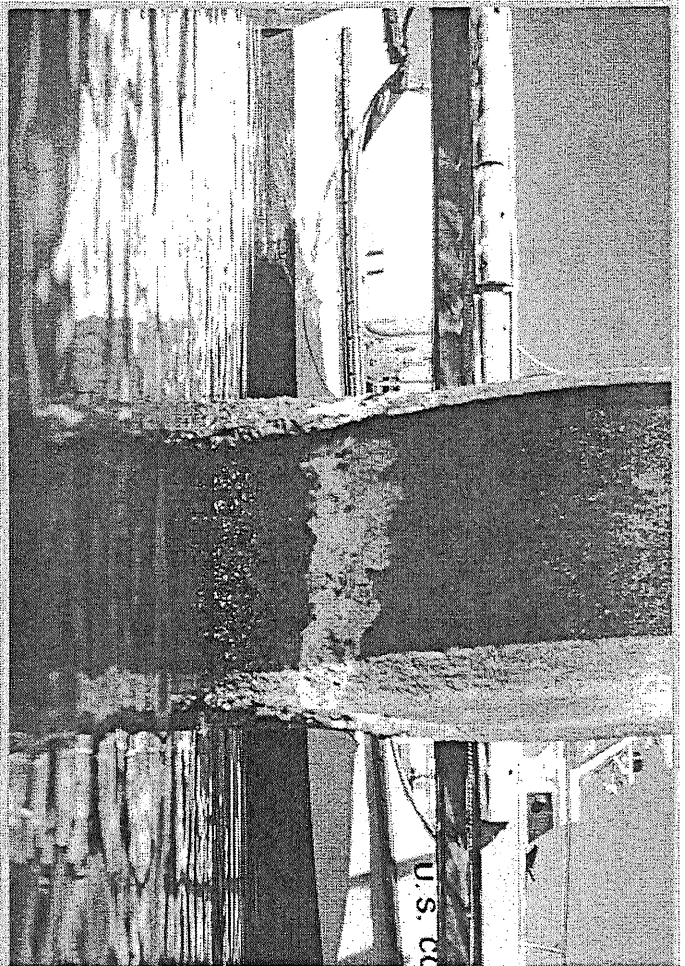




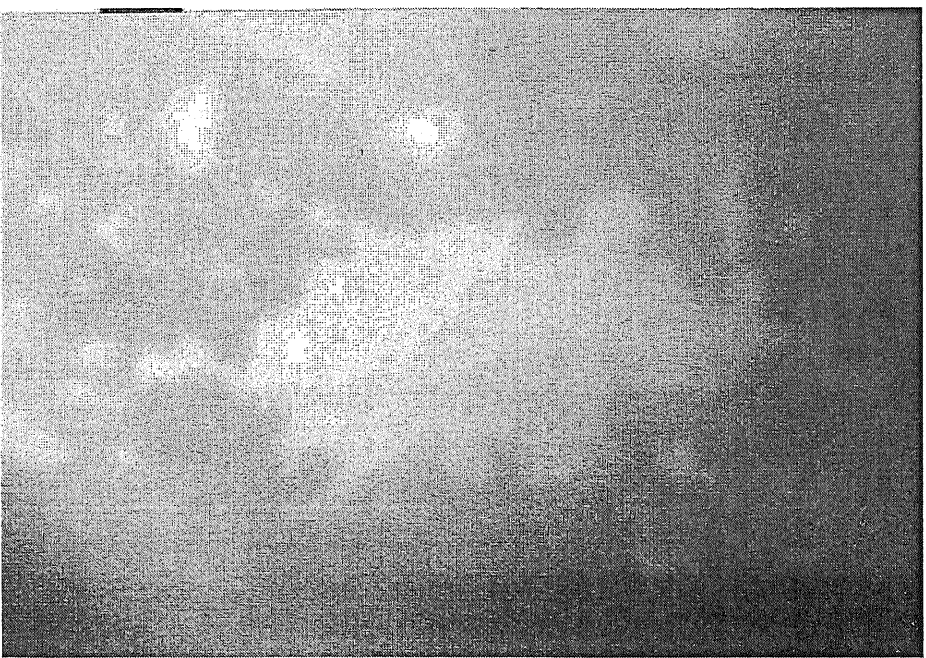
**Superior Entry - South pier**

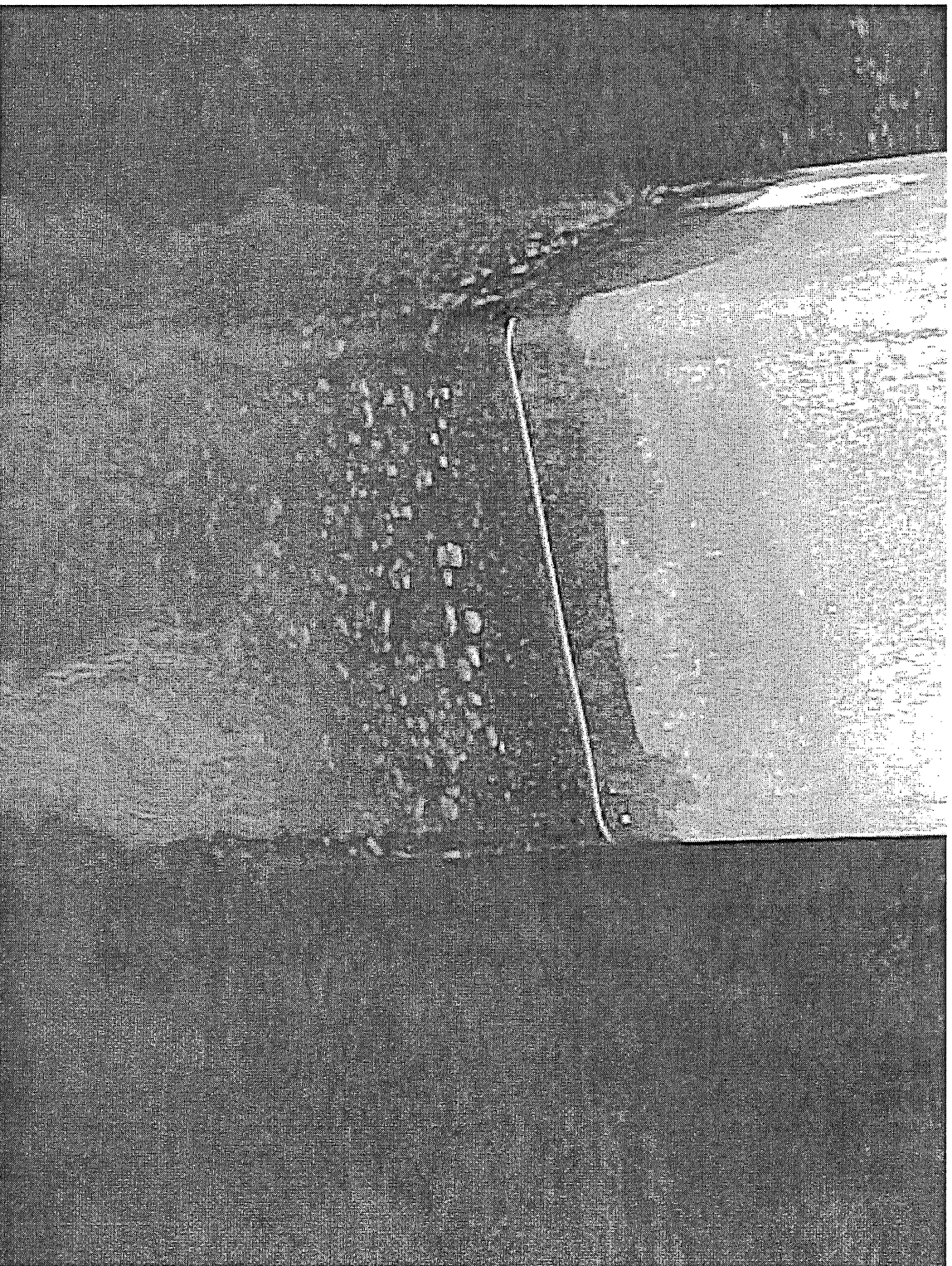


**Lakehead pipeline dock- Superior**

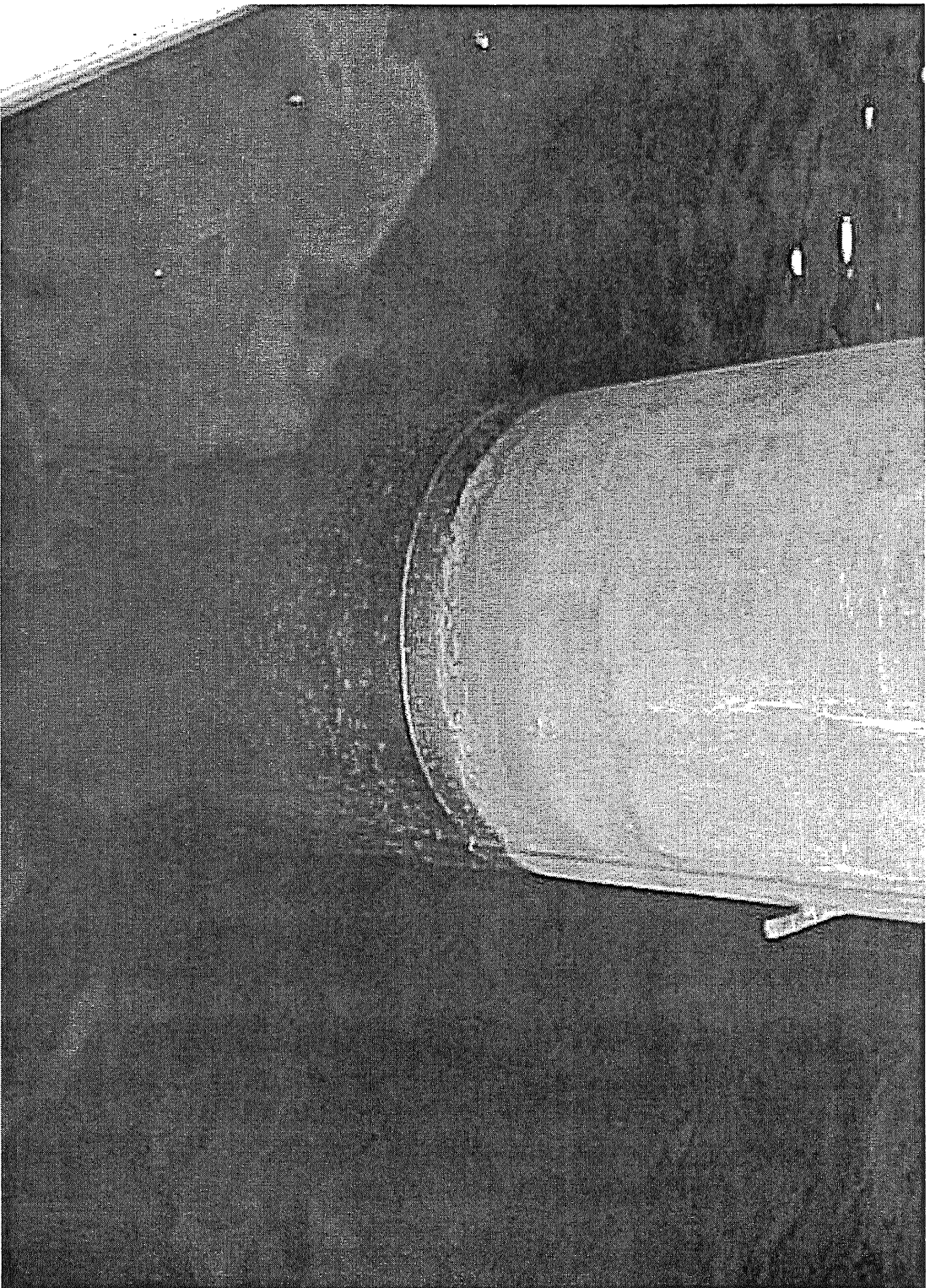


# U.S. Coast Guard dock - Duluth





**Structure installed in 2002, photo taken  
in 2003, after 1 year exposure**



**Structure installed in 2001, photo taken in 2003, after 2 years of exposure**

# **PART I: STUDY THE CORROSION PROCESS**

## **Recommendations of expert panel**

- Water chemistry in affected as well as non-affected harbor areas, over time (including global and micro)**
- Spectrographic analysis of corrosion**
- Water temperatures**
- Currents**
- Dissolved oxygen**
- Microbiology and plant influences or interaction with the corrosion process**
- Electrical potential of dock structure**

# **CORROSION PROCESS, CONTINUED**

- **Run-off and sewage treatment over time**
- **Chloride and PH levels**
- **Analysis of steel chemistry, rolling method and age**
- **Environmental impacts from shipping and industry**
- **Corrosion rates**
- **Other environmental changes in the harbor over time**
- **Functional changes within the harbor over time**
- **Effects of harbor ice**

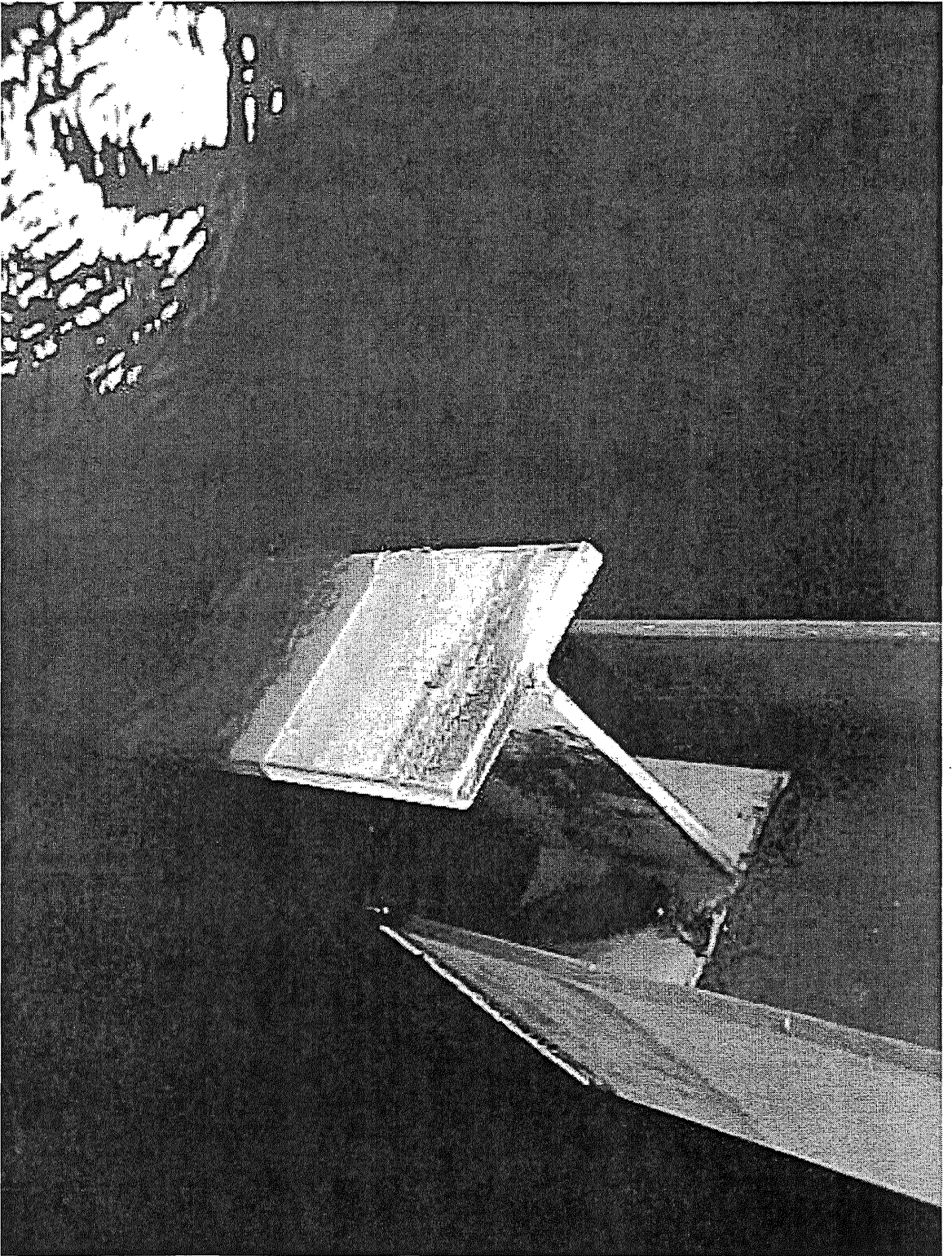
## **PART II: STUDY THE EXTENT OF PROBLEM**

- **Literature search for pre-existing understanding and solutions to the problem.**
- **Survey and inspections to characterize the broad extent and nature.**
- **Search for similar conditions in other fresh water locations.**
- **Historical research related to changes in the possible contributing factors.**



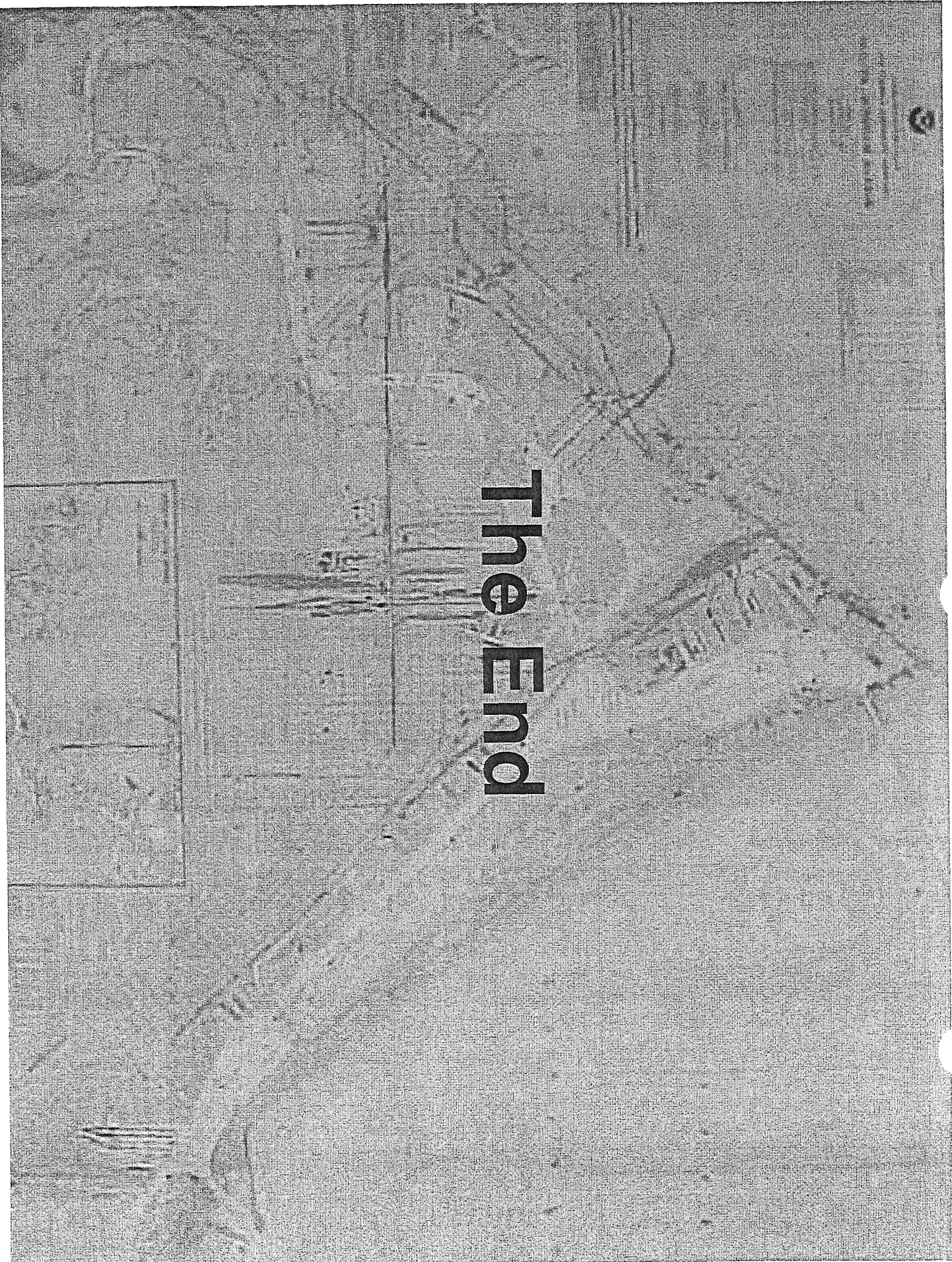
# **PART III: STUDY TECHNIQUES TO HALT THE CORROSION PROCESS**

- In situ coating applications**
- Other physical protection strategies**
- Environmental remediation**
- Methods of interfering with the corrosion process**
- New construction procedures that protect structure from the corrosion process**



**Coating test**

# The End



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The harbor that's rusting away

by Bob Kelleher, Minnesota Public Radio September 8, 2004

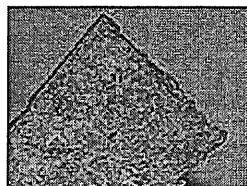


The Duluth Seaway Port Authority's bulk cargo dock is typical of many in the port. Steel sheeting, visible a few feet above the water line, drops vertically through 25 or 30 feet of water and another 20 into the harbor floor. The steel is up to one-half inch thick. (MPR Photo/Bob Kelleher)

Corrosion is eating away at the steel walls that hold Duluth's harbor together - and nobody knows why it's happening. Fixing the metal walls could cost millions of dollars - without a fix the busy port could slide into the water - and out of business.

Duluth, Minn. — Jim Sharrow is the Duluth Seaway Port Authority's Facilities Manager - and he has a big problem with his facility. Some kind of corrosion is eating away at the port's docks - the long earth-filled metal rectangles where ships from around the world tie up to load and unload. Those docks are lined with sheets of steel, and the steel is rusting away.

"It's corroding quickly," Sharrow says. "Much faster than people expect in fresh water. And our main concern is that we'll lose the integrity and the strength of the dock long before expected, and have to do steel replacement at \$1,500 or more per lineal foot, much earlier than ever would have been expected."



Pitted steel

Corrosion should be a slow process in Duluth's cold, fresh water. But there's evidence it's been happening remarkably quickly for about 30 years.

"What we seem to see here is corrosion that started in the mid 1970s," Sharrow says. "We have steel that's 100 years old that's about as similarly corroded to steel that is 25 to 30 years old."

It's a big problem. There's about 13 miles of steel walls lining docks in Duluth and Superior. There's half again as many feet of wooden docks, held together with

Audio

The harbor that's rusting away (story audio)

Photos

Duluth Seaway Port Authority bulk cargo dock

Chad Scott

Jim Sharrow

View full slideshow (4 images)

Resources

Duluth Seaway Port Authority

Your Voice

Join the conversation with other MPR listeners in the News Forum.

steel pins. There's corrosion on the legs of highway bridges and the giant steel ore docks that ship millions of tons of taconite a year.

“  
It's corroding quickly. Much faster than people expect in fresh water.  
- Jim Sharrow

— "We characterize this as a \$100 million problem in the harbor," Sharrow says. "It's a huge problem. And what is so odd about this is that we only see it happening in the navigational area of the Duluth-Superior Harbor."

The harbor links the St Louis River with Lake Superior. Go a few miles up the river and there's little corrosion.

Back in the harbor, the walls are covered with steel plates three-eighths inch to one-half inch thick. At the rate of corrosion, Sharrow says, the steel will fail quickly.

"I figure that in about 10 years at the current rate, we will have to start replacing steel," Sharrow says.

One busy grain shipping dock has already done that, for millions of dollars. But Sharrow says some waterfront businesses might find the price tag too high.

"Particularly marginal operators could decide rather than repair their docks it would be better for them to go out of business, and we're hoping that that isn't the case here," says Sharrow.



Jim Sharrow

While the cause is a mystery, there's no shortage of theories. It could have something to do with stray electrical voltage, water acidity, or the kinds of steel manufactured in recent years.

Chad Scott discovered the corrosion in the late 1990's. He's an engineer and diver. Scott suspects a micro-biological connection. He says there might be something growing in small round pits that form on the steel.

"We cleaned up the water," Scott says. "That's the main thing - that's one of the main changes that's happened since the 70s, is we've cleaned up our water. We've cleaned up our harbor, which is a good thing," says Scott. "But, when we cleaned things up we also induced more dissolved oxygen and more sunlight can penetrate the water, which tends to usually promote more growth - more marine microbiology growth."



Chad Scott

A team of experts is in Duluth this week to share ideas. They come from the U.S. Navy, The Army Corp of Engineers, and Ohio State University. They're not likely to find a cause, but Scott says they might be able to narrow the focus.

"We have a large laundry list right now," Scott says. "We want to narrow that down and try to decide what is the real cause of this corrosion. And these experts, hopefully, will be able to get us going on the right direction, so we can start doing testing that will identify the problem."

With the experts recommendations in hand, port officials will start a study. If they do figure out the cause, then they've got to figure out how to prevent it. They're in a race with something, and right now they don't even know with what.

Senators Saxhaug, Ruud and Lourey introduced--  
S.F. No. 251: Referred to the Committee on Finance.

1                                   A bill for an act  
2           relating to appropriations; appropriating money for a  
3           new Children's Discovery Museum in Grand Rapids.  
4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:  
5           Section 1. [APPROPRIATION; CHILDREN'S DISCOVERY MUSEUM.]  
6           \$300,000 is appropriated from the general fund to the  
7 commissioner of employment and economic development for a grant  
8 to the city of Grand Rapids and Itasca County for the predesign,  
9 design, construction, furnishing, and equipping of a new  
10 Children's Discovery Museum in Grand Rapids.

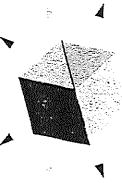
1 Senator ..... moves to amend S.F. No. 251 as follows:  
2 Delete everything after the enacting clause and insert:  
3 "Section 1. [APPROPRIATION; CHILDREN'S DISCOVERY MUSEUM.]  
4 \$300,000 is appropriated from the general fund to the  
5 commissioner of employment and economic development for a grant  
6 to the Children's Discovery Museum for furnishing and equipping  
7 the new Children's Discovery Museum in Grand Rapids."

The Children's Discovery Museum in Grand Rapids, Minnesota provides interactive educational programs for all children in the following ten (10) Minnesota Counties: Aitkin, Beltrami, Carlton, Cass, Clearwater, Crow Wing, Hubbard, Itasca, Koochiching and St. Louis.

Since July, 2000 through Dec., 2003, we have served 129 schools and 61 communities

Aitkin (Rippleside)	Deer River (King)	Hibbing (Jefferson) (closed)
Aitkin Children's Center	Deer River (North)	Hibbing (St. Leo) (closed)
Ball Club Head Start	Deer River (Inger Head Start)	Hibbing (Washington)
Babbitt, JFK	Chisholm Ele.	Hibbing Head Start
Balsam School (closed)	Duluth (Congdon Park)	Hill City Ele.
Bagley	Duluth (Grant Magnet)	Hill City Kids Plus
Barnum	Duluth (Homecroft)	Hill C. (Lake & Pines Head S.)
Baxter Ele.	Duluth (Kenwood Edison)	Int'l. Falls ABC Learning Center
Baxter (Lutheran)	Duluth (Lahali Christian)	Int'l Falls Ele.
Bemidji (Horace May)	Duluth (Lester Park)	Keewatin
Bemidji (Lincoln)	Duluth (Lincoln Park)	Kelliher
Bemidji (Northern)	Duluth (MacArthur)	Kelliher Summer Enrichment
Bemidji (Schoolcraft)	Duluth (Merritt Creek)	Koostasca Head Start
Bemidji (St. Mark)	Duluth (Piedmont)	LaPorte
Bemidji (St. Phillips)	Duluth (Raliegh)	Little Fork/Big Falls
Bemidji (Tiger Scouts)	Duluth (Stowe)	Longville
Bigfork	Duluth (St. James)	Marcell Family Center
Birchdale (Indus)	Duluth (Summit)	Marble
Blackduck	Ely	McGregor
Bovey (Connor Jasper)	Emily	Mt. Iron (Merritt)
Bovey (Phillip Murray)	Esko Winterquist Ele.	Nett Lake Ele.
Barnum	Esko Homeschoolers	Nett Lake Youth Center
Brainerd (Garfield)	Eveleth (Franklin)	Nevis
Brainerd (Harrison)	Eveleth (NelleShean)	Nisswa
Brainerd (Lincoln)	Floodwood)	Northome
Brainerd (Lowell)	Clearbrook-Gonvick	Palisade
Brainerd (Riverside)	GR:Christian Com. School	Park Rapids Middle School
Brainerd (St. Francis)	Grand Rapids Cub Scouts	Park Rapids Ele. (Frank Wright)
Brainerd (Whittier)	GR Civic Center Head Start	Pequot Lakes
Bug-O-Nay-Ge-Shig	Grand Rapids (Forest Lake)	Pillager
Carlton (South Terrace)	GR (Forest Lake Boy Scouts)	Ponemah
Cass Lake Com. Ed.	GR (Mid. School Sp. Ed.)	Proctor (Bayview)
Cass Lake Ele.	Grand Rapids (Murphy)	Proctor (Caribou Lake)
Chisholm (Vaughan-Steffenrud)	GR (Preschool JLL)	Proctor (Pike Lake)
Cloquet (Churchill)	Grand Rapids (Riverview)	Proctor (St. Rose)
Cloquet (Queen of Peace)	Grand Rapids (St. Andrews)	Red Lake (St. Mary's Mission)
Cloquet (Washington)	Grand Rapids (St. Joe)	Remer
Cloquet Community Ed.	Grand Rapids (SouthWest)	Squaw Lake
Cohasset	GR: YMCA-Wee Folks	Tower/Sudan Com. Ed.
Coleraine (Van Dyke)	GR: Itasca Christian Academy	Virginia (Marquette Catholic)
Cromwell-Wright	Hermantown Com. Ed.	Virginia (Parkview)
Crosby Head Start	Hermantown Ele.	Walker/Hackensack/Akeley
Cuyuna Range	Hibbing (Assumption School)	Wrenshall
	Hibbing (Greenhaven)	





## FACT SHEET

### **Mission**

Enrich the lives of the children in Northern Minnesota

- through fun, educational, hands-on learning experiences.
- exploring the mix of sciences, arts and humanities.
- sparking the joy of discovery about themselves, others, where they live and the larger world around them.
- through learning with and from their parents and teachers.

### **General Information**

Founded:	1994
New Facility Grand Opening:	June 7 & 8, 2003
Organization Type:	A Minnesota non-profit, educational corporation IRS Determination: 501 c(3) exempt Federal EIN Number: 41-1790485
Governance:	12 member board of directors
Executive Director:	John A. Kelsch, MA Museum Administration, New York University
Size of New Building:	15,000 square feet
Total Capital Investment:	\$2.2 million
Capital Funding: Sources:	85% private (194 private capital donors) 15% state/city/county government
Annual Operating Budget:	\$300,000
Operating Hours:	Mon-Sat. 10 a.m. to 5 p.m., Sundays 12 noon to 5 p.m. Closed: New Year's Day, Easter Sunday, Thanksgiving Day, Christmas Day
Admission:	\$6 per person - covers entire campus of attractions Children 1 year old and under: free
Members:	587 Annual Memberships: Adult - \$25, Family - \$35, Grandparent - \$45, Discoverer - \$100

## Children's Discovery Museum Fact Sheet (cont.)

**One of the only children's museums located in a rural area in a town of less than 8,000 people anywhere in the US.**

One of only three children's museum in Minnesota, and over 400 in the nation

### Attendance Numbers:

- Communities served since 2000: 61
- School class visits since 2000: 581
- Number of schools served: 129
- K-5 students served since 2000: 24,257
- Total participants since June 1997: 87,000

### Type of Exhibits:

- Geo Zoooom (geography of North America)
- River Town (a miniature town setting)
- River Water Table (shaped like the Mississippi River)
- Tot Park Maze (for toddlers)
- Dino dig (highlighting dinosaurs and archeology)
- "Treesa" (the talking tree teaches kids about nature in Northern Minnesota)

### Campus of diverse attractions on 2 acres of donated land:

- The new Children's Discovery Museum building and interactive exhibits
- The restored Judy Garland Historic House
- World's largest collection of Judy Garland & Wizard of Oz memorabilia, including the carriage used in Wizard of Oz film.
- One acre public garden

### Selected Grant Awards:

- Blandin Foundation
- Northland Foundation
- Mardag Foundation
- Qwest Foundation
- Burlington Northern Santa Fe Foundation
- Iron Range Resources

**Senators Saxhaug, Ruud, Skoe and Koering introduced--**  
**S.F. No. 270: Referred to the Committee on Finance.**

1                                   A bill for an act  
2           relating to natural resources; appropriating money for  
3           the Mississippi Headwaters Board.  
4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:  
5           Section 1. [APPROPRIATION; MISSISSIPPI HEADWATERS BOARD.]  
6           \$130,000 in fiscal year 2006 and \$130,000 in fiscal year  
7           2007 are appropriated from the general fund to the commissioner  
8           of natural resources for a grant to the Mississippi Headwaters  
9           Board for up to 50 percent of the cost of implementing the  
10           comprehensive plan under Minnesota Statutes, sections 103F.361  
11           to 103F.377, for the Upper Mississippi River Corridor within  
12           areas under the board's jurisdiction. The unencumbered balance  
13           in the first year does not cancel but is available for the  
14           second year.

SF 270

Saxhaug

**Fiscal Note – 2005-06 Session**

**Bill #:** H0196-0 (R) **Complete Date:** 04/06/05

**Chief Author:** SOLBERG, LOREN

**Title:** MISSISSIPPI HEADWATERS BOARD FUNDING

Fiscal Impact	Yes	No
State	X	
Local	X	
Fee/Departmental Earnings		X
Tax Revenue		X

**Agency Name:** Natural Resources Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
<b>Expenditures</b>					
General Fund		130	130		
<b>Less Agency Can Absorb</b>					
-- No Impact --					
<b>Net Expenditures</b>					
General Fund		130	130		
<b>Revenues</b>					
-- No Impact --					
<b>Net Cost &lt;Savings&gt;</b>					
General Fund		130	130		
<b>Total Cost &lt;Savings&gt; to the State</b>		130	130		

	FY05	FY06	FY07	FY08	FY09
<b>Full Time Equivalents</b>					
-- No Impact --					
<b>Total FTE</b>					

**Bill Description**

This bill increases the grant to the Mississippi Headwaters Board from \$65,000 per year in FY04-05 to \$130,000 per year in FY06-07. The grant may fund up to 50% of the Board's costs of implementing the comprehensive plan for the eight headwaters counties. In addition, the bill provides for unencumbered funds to carry forward to the second fiscal year.

**Assumptions**

The State will continue to absorb the workload and accompanying costs associated with administering the grant. The State assumes this will require approximately 16 hours staff time each fiscal year to prepare and administer the grant.

**Expenditure and/or Revenue Formula**

Not applicable.

**Long-Term Fiscal Considerations**

Not applicable as State will administer grant using existing staff.

**Local Government Costs**

Local governments must match the state grant. Presently, the conditions of the grant allow the local contribution to consist of in-kind services. The required local match will double from current levels. Member counties include Clearwater, Hubbard, Beltrami, Cass, Itasca, Aitkin, Crow Wing, and Morrison.

**References and Sources**

Mississippi Headwaters Board 2003 Biennial Report, submitted to the Minnesota Legislature in compliance with MN Stat. §103F.361-377.

Governor's 2006-07 Biennial Budget includes \$65,000 per year for this grant.

Agency Contact Name: Rebecca Wooden, Waters (651) 296-4802

FN Coord Signature: BRUCE NASLUND

Date: 04/06/05 Phone: 297-4909

**EBO Comments**

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: MARSHA BATTLES-JENKS

Date: 04/06/05 Phone: 296-8510

1 A bill for an act

2 relating to natural resources; modifying certain  
3 temporary permit provisions for recreational vehicles;  
4 allowing refunds for certain registrations, licenses,  
5 and titles; extending availability of critical habitat  
6 license plates; amending Minnesota Statutes 2004,  
7 sections 84.027, subdivision 15; 84.788, subdivision  
8 3, by adding a subdivision; 84.798, by adding a  
9 subdivision; 84.82, subdivision 2, by adding a  
10 subdivision; 84.922, subdivision 2, by adding a  
11 subdivision; 86B.415, by adding a subdivision;  
12 168.1296, subdivision 1.

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

14 Section 1. Minnesota Statutes 2004, section 84.027,  
15 subdivision 15, is amended to read:

16 Subd. 15. [ELECTRONIC TRANSACTIONS.] (a) The commissioner  
17 may receive an application for, sell, and issue any license,  
18 stamp, permit, registration, or transfer under the jurisdiction  
19 of the commissioner by electronic means, including by  
20 telephone. Notwithstanding section 97A.472, electronic and  
21 telephone transactions may be made outside of the state. The  
22 commissioner may:

23 (1) provide for the electronic transfer of funds generated  
24 by electronic transactions, including by telephone;

25 (2) assign a ~~license~~ an identification number to an  
26 applicant who purchases a hunting or fishing license or  
27 recreational vehicle registration by electronic means, to serve  
28 as temporary authorization to engage in the ~~licensed~~ activity  
29 requiring a license or registration until the license or

1 registration is received or expires;

2 (3) charge and permit agents to charge a fee of individuals  
3 who make electronic transactions and transactions by telephone,  
4 including the issuing fee under section 97A.485, subdivision 6,  
5 and an additional transaction fee not to exceed \$3.50;

6 (4) collect issuing or filing fees as provided under  
7 sections 84.788, subdivision 3, paragraph (e); 84.798,  
8 subdivision 3, paragraph (b); 84.82, subdivision 2, paragraph  
9 ~~(d)~~ (e); 84.8205, subdivisions 5 and 6; 84.922, subdivision 2,  
10 paragraph (e); 85.41, subdivision 5; 86B.415, subdivision 8; and  
11 97A.485, subdivision 6, and collect an electronic licensing

12 system commission on sales of licenses as provided under  
13 sections 85.43, paragraph (b), and 97A.485, subdivision 7; and

14 (5) adopt rules to administer the provisions of this  
15 subdivision.

16 (b) Establishment of the transaction fee under paragraph  
17 (a), clause (3), is not subject to the rulemaking procedures of  
18 chapter 14 and section 14.386 does not apply.

19 (c) Money received from fees and commissions collected  
20 under this subdivision, including interest earned, is annually  
21 appropriated from the game and fish fund and the natural  
22 resources fund to the commissioner for the cost of electronic  
23 licensing.

24 Sec. 2. Minnesota Statutes 2004, section 84.788,  
25 subdivision 3, is amended to read:

26 Subd. 3. [APPLICATION; ISSUANCE; REPORTS.] (a) Application  
27 for registration or continued registration must be made to the  
28 commissioner or an authorized deputy registrar of motor vehicles  
29 in a form prescribed by the commissioner. The form must state  
30 the name and address of every owner of the off-highway  
31 motorcycle.

32 (b) A person who purchases from a retail dealer an  
33 off-highway motorcycle shall make application for registration  
34 to the dealer at the point of sale. The dealer shall issue a  
35 dealer temporary ten-day registration permit to each purchaser  
36 who applies to the dealer for registration. The dealer shall

1 submit the completed registration applications and fees to the  
2 deputy registrar at least once each week. No fee may be charged  
3 by a dealer to a purchaser for providing the temporary permit.

4 (c) Upon receipt of the application and the appropriate  
5 fee, the commissioner or deputy registrar shall issue to the  
6 applicant, or provide to the dealer, ~~a-60-day-temporary-receipt~~  
7 ~~and-shall-assign-a~~ an assigned registration number that or a  
8 commissioner or deputy registrar temporary ten-day permit. Once  
9 issued, the registration number must be affixed to the  
10 motorcycle ~~in-a-manner-prescribed-by-the-commissioner~~ according  
11 to paragraph (f). A dealer subject to paragraph (b) shall  
12 provide the registration materials and or temporary receipt  
13 permit to the purchaser within the ten-day temporary permit  
14 period.

15 (d) The commissioner shall develop a registration system to  
16 register vehicles under this section. A deputy registrar of  
17 motor vehicles acting under section 168.33, is also a deputy  
18 registrar of off-highway motorcycles. The commissioner of  
19 natural resources in agreement with the commissioner of public  
20 safety may prescribe the accounting and procedural requirements  
21 necessary to ensure efficient handling of registrations and  
22 registration fees. Deputy registrars shall strictly comply with  
23 the accounting and procedural requirements.

24 (e) In addition to other fees prescribed by law, a filing  
25 fee of \$4.50 is charged for each off-highway motorcycle  
26 registration renewal, duplicate or replacement registration  
27 card, and replacement decal and a filing fee of \$7 is charged  
28 for each off-highway motorcycle registration and registration  
29 transfer issued by:

30 (1) a deputy registrar and must be deposited in the  
31 treasury of the jurisdiction where the deputy is appointed, or  
32 kept if the deputy is not a public official; or

33 (2) the commissioner and must be deposited in the state  
34 treasury and credited to the off-highway motorcycle account.

35 (f) Unless exempted under paragraph (g), the owner of an  
36 off-highway motorcycle must display a registration decal issued



1 by the commissioner. If the motorcycle is licensed as a motor  
2 vehicle, a registration decal must be affixed on the upper left  
3 corner of the rear license plate. If the motorcycle is not  
4 licensed as a motor vehicle, the decal must be attached on the  
5 side of the motorcycle and may be attached to the fork tube.  
6 The decal must be attached so that it is visible while a rider  
7 is on the motorcycle. The decals must not exceed three inches  
8 high and three inches wide.

9 (g) Display of a registration decal is not required for an  
10 off-highway motorcycle while being operated on private property  
11 or while competing in a closed-course competition event.

12 Sec. 3. Minnesota Statutes 2004, section 84.788, is  
13 amended by adding a subdivision to read:

14 Subd. 11. [REFUNDS.] The commissioner may issue a refund  
15 on a registration, not including any issuing fees paid under  
16 subdivision 3, paragraph (e), or section 84.027, subdivision 15,  
17 paragraph (a), clause (3), if the refund request is received  
18 within 12 months of the original registration and:

19 (1) the off-highway motorcycle was registered incorrectly  
20 by the commissioner or the deputy registrar; or

21 (2) the off-highway motorcycle was registered twice, once  
22 by the dealer and once by the customer.

23 Sec. 4. Minnesota Statutes 2004, section 84.798, is  
24 amended by adding a subdivision to read:

25 Subd. 10. [REFUNDS.] The commissioner may issue a refund  
26 on a registration, not including any issuing fees paid under  
27 subdivision 3, paragraph (b), or section 84.027, subdivision 15,  
28 paragraph (a), clause (3), if the refund request is received  
29 within 12 months of the original registration and the vehicle  
30 was registered incorrectly by the commissioner or the deputy  
31 registrar.

32 Sec. 5. Minnesota Statutes 2004, section 84.82,  
33 subdivision 2, is amended to read:

34 Subd. 2. [APPLICATION, ISSUANCE, REPORTS, ADDITIONAL FEE.]  
35 (a) Application for registration or reregistration shall be made  
36 to the commissioner or an authorized deputy registrar of motor

1 vehicles in a format prescribed by the commissioner and shall  
2 state the legal name and address of every owner of the  
3 snowmobile.

4 (b) A person who purchases a snowmobile from a retail  
5 dealer shall make application for registration to the dealer at  
6 the point of sale. The dealer shall issue a dealer temporary  
7 ten-day registration permit to each purchaser who applies to the  
8 dealer for registration. ~~The temporary registration is valid~~  
9 ~~for 60 days from the date of issue.~~ Each retail dealer shall  
10 submit completed registration and fees to the deputy registrar  
11 at least once a week. No fee may be charged by a dealer to a  
12 purchaser for providing the temporary permit.

13 (c) Upon receipt of the application and the appropriate fee  
14 as hereinafter provided, ~~such snowmobile shall be registered and~~  
15 ~~a~~ the commissioner or deputy registrar shall issue to the  
16 applicant, or provide to the dealer, an assigned registration  
17 ~~number assigned which shall~~ or a commissioner or deputy  
18 registrar temporary ten-day permit. Once issued, the  
19 registration number must be affixed to the snowmobile in a  
20 clearly visible and permanent manner for enforcement purposes as  
21 the commissioner of natural resources shall prescribe. A dealer  
22 subject to paragraph (b) shall provide the registration  
23 materials or temporary permit to the purchaser within the  
24 temporary ten-day permit period. The registration is not valid  
25 unless signed by at least one owner.

26 ~~(c)~~ (d) Each deputy registrar of motor vehicles acting  
27 pursuant to section 168.33, shall also be a deputy registrar of  
28 snowmobiles. The commissioner of natural resources in agreement  
29 with the commissioner of public safety may prescribe the  
30 accounting and procedural requirements necessary to assure  
31 efficient handling of registrations and registration fees.  
32 Deputy registrars shall strictly comply with these accounting  
33 and procedural requirements.

34 ~~(d)~~ (e) A fee of \$2 in addition to that otherwise  
35 prescribed by law shall be charged for:

36 (1) each snowmobile registered by the registrar or a deputy

1 registrar and the additional fee shall be disposed of in the  
2 manner provided in section 168.33, subdivision 2; or

3 (2) each snowmobile registered by the commissioner and the  
4 additional fee shall be deposited in the state treasury and  
5 credited to the snowmobile trails and enforcement account in the  
6 natural resources fund.

7 Sec. 6. Minnesota Statutes 2004, section 84.82, is amended  
8 by adding a subdivision to read:

9 Subd. 11. [REFUNDS.] The commissioner may issue a refund  
10 on a registration, not including any issuing fees paid under  
11 subdivision 2, paragraph (e), or section 84.027, subdivision 15,  
12 paragraph (a), clause (3), if the refund request is received  
13 within 12 months of the original registration and:

14 (1) the snowmobile was registered incorrectly by the  
15 commissioner or the deputy registrar; or

16 (2) the snowmobile was registered twice, once by the dealer  
17 and once by the customer.

18 Sec. 7. Minnesota Statutes 2004, section 84.922,  
19 subdivision 2, is amended to read:

20 Subd. 2. [APPLICATION, ISSUANCE, REPORTS.] (a) Application  
21 for registration or continued registration shall be made to the  
22 ~~commissioner of natural resources, the commissioner of public~~  
23 ~~safety~~ or an authorized deputy registrar of motor vehicles in a  
24 form prescribed by the commissioner. The form must state the  
25 name and address of every owner of the vehicle.

26 (b) A person who purchases an all-terrain vehicle from a  
27 retail dealer shall make application for registration to the  
28 dealer at the point of sale. The dealer shall issue a dealer  
29 temporary ten-day registration permit to each purchaser who  
30 applies to the dealer for registration. The dealer shall submit  
31 the completed registration application and fees to the deputy  
32 registrar at least once each week. No fee may be charged by a  
33 dealer to a purchaser for providing the temporary permit.

34 (c) Upon receipt of the application and the appropriate  
35 fee, the commissioner or deputy registrar shall issue to the  
36 applicant, or provide to the dealer, ~~a 60-day temporary receipt~~

1 ~~and shall assign a~~ an assigned registration number that or a  
2 commissioner or deputy registrar temporary ten-day permit. Once  
3 issued, the registration number must be affixed to the vehicle  
4 in a manner prescribed by the commissioner. A dealer subject to  
5 paragraph (b) shall provide the registration materials and or  
6 temporary receipt permit to the purchaser within the ten-day  
7 temporary permit period. The commissioner shall use the  
8 snowmobile registration system to register vehicles under this  
9 section.

10 (d) Each deputy registrar of motor vehicles acting under  
11 section 168.33, is also a deputy registrar of all-terrain  
12 vehicles. The commissioner of natural resources in agreement  
13 with the commissioner of public safety may prescribe the  
14 accounting and procedural requirements necessary to assure  
15 efficient handling of registrations and registration fees.  
16 Deputy registrars shall strictly comply with the accounting and  
17 procedural requirements.

18 (e) In addition to other fees prescribed by law, a filing  
19 fee of \$4.50 is charged for each all-terrain vehicle  
20 registration renewal, duplicate or replacement registration  
21 card, and replacement decal and a filing fee of \$7 is charged  
22 for each all-terrain vehicle registration and registration  
23 transfer issued by:

24 (1) a deputy registrar and shall be deposited in the  
25 treasury of the jurisdiction where the deputy is appointed, or  
26 retained if the deputy is not a public official; or

27 (2) the commissioner and shall be deposited to the state  
28 treasury and credited to the all-terrain vehicle account in the  
29 natural resources fund.

30 Sec. 8. Minnesota Statutes 2004, section 84.922, is  
31 amended by adding a subdivision to read:

32 Subd. 12. [REFUNDS.] The commissioner may issue a refund  
33 on a registration, not including any issuing fees paid under  
34 subdivision 2, paragraph (e), or section 84.027, subdivision 15,  
35 paragraph (a), clause (3), if the refund request is received  
36 within 12 months of the original registration and:

1       (1) the vehicle was registered incorrectly by the  
2 commissioner or the deputy registrar; or

3       (2) the vehicle was registered twice, once by the dealer  
4 and once by the customer.

5       Sec. 9. Minnesota Statutes 2004, section 86B.415, is  
6 amended by adding a subdivision to read:

7       Subd. 11. [REFUNDS.] The commissioner may issue a refund  
8 on a license or title, not including any issuing fees paid under  
9 subdivision 8 or section 84.027, subdivision 15, paragraph (a),  
10 clause (3), or 86B.870, subdivision 1, paragraph (b), if the  
11 refund request is received within 12 months of the original  
12 license or title and:

13       (1) the watercraft was licensed or titled incorrectly by  
14 the commissioner or the deputy registrar;

15       (2) the customer was incorrectly charged a title fee; or

16       (3) the watercraft was licensed or titled twice, once by  
17 the dealer and once by the customer.

18       Sec. 10. Minnesota Statutes 2004, section 168.1296,  
19 subdivision 1, is amended to read:

20       Subdivision 1. [GENERAL REQUIREMENTS AND PROCEDURES.] (a)  
21 The registrar shall issue special critical habitat license  
22 plates to an applicant who:

23       (1) is an owner or joint owner of a passenger automobile,  
24 pickup truck, or van or of recreational equipment;

25       (2) pays a fee of \$10 to cover the costs of handling and  
26 manufacturing the plates;

27       (3) pays the registration tax required under section  
28 168.013;

29       (4) pays the fees required under this chapter;

30       (5) contributes a minimum of \$30 annually to the Minnesota  
31 critical habitat private sector matching account established in  
32 section 84.943; and

33       (6) complies with laws and rules governing registration and  
34 licensing of vehicles and drivers.

35       (b) The critical habitat license application form must  
36 clearly indicate that the annual contribution specified under

1 paragraph (a), clause (5), is a minimum contribution to receive  
2 the license plate and that the applicant may make an additional  
3 contribution to the account.

1 Senator ..... moves to amend S.F. No. 788 as follows:

2 Page 9, after line 3, insert:

3 "(c) Owners of recreational equipment under paragraph (a),  
4 clause (1), are eligible only for special critical habitat  
5 license plates for which the designs are selected under  
6 subdivision 2, on or after January 1, 2006.

7 (d) Special critical habitat license plates, the designs  
8 for which are selected under subdivision 2, on or after January  
9 1, 2006, may be personalized according to section 168.12,  
10 subdivision 2a."

**Consolidated Fiscal Note – 2005-06 Session**

**Bill #:** S0788-1E **Complete Date:** 04/08/05

**Chief Author:** SAXHAUG, TOM

**Title:** REC VEH REG & CRITICAL HABITAT LIC

Fiscal Impact	Yes	No
State	X	
Local		X
Fee/Departmental Earnings	X	
Tax Revenue		X

**Agencies:** Natural Resources Dept (04/08/05)

Public Safety Dept (04/06/05)

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
<b>Net Expenditures</b>					
Highway Users Tax Distribution Fund		12	11	5	4
Public Safety Dept		12	11	5	4
Reinvest In Minnesota - Gifts Fund		30	75	96	111
Natural Resources Dept		30	75	96	111
<b>Revenues</b>					
Highway Users Tax Distribution Fund		10	15	7	5
Public Safety Dept		10	15	7	5
Reinvest In Minnesota - Gifts Fund		30	75	96	111
Public Safety Dept		30	75	96	111
<b>Net Cost &lt;Savings&gt;</b>					
Highway Users Tax Distribution Fund		2	(4)	(2)	(1)
Public Safety Dept		2	(4)	(2)	(1)
Reinvest In Minnesota - Gifts Fund		0	0	0	0
Natural Resources Dept		30	75	96	111
Public Safety Dept		(30)	(75)	(96)	(111)
<b>Total Cost &lt;Savings&gt; to the State</b>		2	(4)	(2)	(1)

	FY05	FY06	FY07	FY08	FY09
<b>Full Time Equivalents</b>					
-- No Impact --					
<b>Total FTE</b>					

**Consolidated EBO Comments**

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: MARSHA BATTLES-JENKS

Date: 04/08/05 Phone: 296-8510



**Fiscal Note – 2005-06 Session**

**Bill #:** S0788-1E **Complete Date:** 04/08/05

**Chief Author:** SAXHAUG, TOM

**Title:** REC VEH REG & CRITICAL HABITAT LIC

<b>Fiscal Impact</b>	<b>Yes</b>	<b>No</b>
State	X	
Local		X
Fee/Departmental Earnings	X	
Tax Revenue		X

**Agency Name:** Natural Resources Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

<b>Dollars (in thousands)</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>
<b>Expenditures</b>					
Reinvest In Minnesota - Gifts Fund		30	75	96	111
<b>Less Agency Can Absorb</b>					
-- No Impact --					
<b>Net Expenditures</b>					
Reinvest In Minnesota - Gifts Fund		30	75	96	111
<b>Revenues</b>					
-- No Impact --					
<b>Net Cost &lt;Savings&gt;</b>					
Reinvest In Minnesota - Gifts Fund		30	75	96	111
<b>Total Cost &lt;Savings&gt; to the State</b>		30	75	96	111

	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>
<b>Full Time Equivalents</b>					
-- No Impact --					
<b>Total FTE</b>					

**Bill Description**

This bill extends the availability of critical habitat license plates, allows the use of temporary identification number for recreational vehicles, allows refunds for certain recreational vehicle registration/title fees, and provides an alternative location displaying OHM registrations and an exception for OHM's operated on private property or close course race events.

**Assumptions**

License Center - The refunds will be granted for those fees that have been paid twice or overpaid. The off-highway motorcycle registration decal is currently required so there is no new fiscal impact.

Extending the critical habitat license plate to recreational vehicles will bring in additional revenue to the Reinvest in Minnesota (RIM) Gift Fund. See revenue projections from the Department of Public Safety.

**Expenditure and/or Revenue Formula**

Critical Habitat License Plates extended to recreational vehicles:

Estimated revenue (from the Department of Public Safety)

FY06 \$30,000	FY07 \$75,000	FY08 \$96,000	FY09 \$111,000
---------------	---------------	---------------	----------------

The additional revenue is available to the DNR for the acquisition and improvement of critical wildlife and fish habitat across the state as directed by MS 84.943.

**References:**

Governor's FY2006-07 Biennial Budget

Agency Contact Name: Peter Skwira, Fish and Wildlife (651) 297-2944

FN Coord Signature: BRUCE NASLUND

Date: 04/08/05 Phone: 297-4909

**EBO Comments**

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: MARSHA BATTLES-JENKS

Date: 04/08/05 Phone: 296-8510

**Fiscal Note – 2005-06 Session**

**Bill #:** S0788-1E **Complete Date:** 04/06/05

**Chief Author:** SAXHAUG, TOM

**Title:** REC VEH REG & CRITICAL HABITAT LIC

<b>Fiscal Impact</b>	<b>Yes</b>	<b>No</b>
State	X	
Local		X
Fee/Departmental Earnings	X	
Tax Revenue		X

**Agency Name:** Public Safety Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

<b>Dollars (in thousands)</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>
<b>Expenditures</b>					
Highway Users Tax Distribution Fund		12	11	5	4
<b>Less Agency Can Absorb</b>					
-- No Impact --					
<b>Net Expenditures</b>					
Highway Users Tax Distribution Fund		12	11	5	4
<b>Revenues</b>					
Highway Users Tax Distribution Fund		10	15	7	5
Reinvest In Minnesota - Gifts Fund		30	75	96	111
<b>Net Cost &lt;Savings&gt;</b>					
Highway Users Tax Distribution Fund		2	(4)	(2)	(1)
Reinvest In Minnesota - Gifts Fund		(30)	(75)	(96)	(111)
<b>Total Cost &lt;Savings&gt; to the State</b>		(28)	(79)	(98)	(112)

	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>
<b>Full Time Equivalents</b>					
-- No Impact --					
<b>Total FTE</b>					

**Bill Description**

Adds to 168.1293 Subd 1 recreational equipment (camper trailers, motor homes) to expand the availability of Critical Habitat license plates.

**Assumptions**

- Assumes plates would additionally be available for recreational trailers and self propelled RV's.
- Assumes a new plate design and current designs would be excluded.
- Assumes the sales are similar to current critical habitat plates (i.e. 2.5% of eligible at 3.5 years).

Estimated	Sales	Total in Fleet
FY06 (6 months)	1,000	1,000
FY07	1,500	2,500
FY08	700	3,200
FY09	500	3,700

- The total price for MINNCOR to produce plates is \$5.10 through FY07 and assumes cost to remain constant. However, DVS anticipates a price increase for the new contract.
- All plates issued would require a total cost for mailing and handling of \$2.49 (\$1.98 and \$0.51) and assumes postal rates remain constant. However, the United States Postal Service has indicated a rate increase for calendar year 2006.
- Assumes a one time programming cost of \$4,000.00 to add Recreational Trailers and Motor Homes.
- Assumes the \$30 minimum contribution is required for the additional classes.

**Expenditure and/or Revenue Formula**

FY06 1,000 \* \$7.59 (\$5.10 + \$2.49) = \$7,590; FY07 \$11,385; FY08 \$5,313; FY09 \$3,795.  
One-time programming cost in FY06 of \$4,000.

Revenue from plate fee (\$10.00): FY06 \$10,000; FY07 \$15,000; FY08 \$7,000; FY09 \$5,000.  
Revenue from \$30.00 contribution: FY06 \$30,000; FY07 \$75,000; \$96,000; FY09 \$111,000.

**Long-Term Fiscal Considerations**

**Local Government Costs**

N/A

**References/Sources**

Agency Contact Name: Bob Cheney 651 297-5835  
FN Coord Signature: FRANK AHRENS  
Date: 04/06/05 Phone: 296-9484

**EBO Comments**

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: NORMAN FOSTER  
Date: 04/06/05 Phone: 215-0594

Senator Saxhaug introduced--

S.F. No. 1626: Referred to the Committee on Environment and Natural Resources.

1 A bill for an act

2 relating to natural resources; providing for  
3 establishment and disposition of certain issuing fees  
4 and an electronic licensing system commission;  
5 creating an account; modifying issuance of snowmobile  
6 state trail stickers by agents; appropriating money;  
7 amending Minnesota Statutes 2004, sections 84.027,  
8 subdivision 15; 84.791, subdivision 2; 84.8205,  
9 subdivisions 3, 4, 6; 84.86, subdivision 1; 84.925,  
10 subdivision 1; 85.055, subdivision 2; 85.43; 88.6435,  
11 subdivision 4; 97A.485, subdivision 7; 97B.015,  
12 subdivision 7; 97B.025.

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

14 Section 1. Minnesota Statutes 2004, section 84.027,  
15 subdivision 15, is amended to read:

16 Subd. 15. [ELECTRONIC TRANSACTIONS.] (a) The commissioner  
17 may receive an application for, sell, and issue any license,  
18 stamp, permit, pass, sticker, duplicate safety training  
19 certification, registration, or transfer under the jurisdiction  
20 of the commissioner by electronic means, including by telephone.  
21 Notwithstanding section 97A.472, electronic and telephone  
22 transactions may be made outside of the state. The commissioner  
23 may:

24 (1) provide for the electronic transfer of funds generated  
25 by electronic transactions, including by telephone;

26 (2) assign a license identification number to an applicant  
27 who purchases a hunting or fishing license by electronic means,  
28 to serve as temporary authorization to engage in the licensed  
29 activity until the license is received or expires;

1 (3) charge and permit agents to charge a fee of individuals  
 2 who make electronic transactions and transactions by  
 3 telephone or Internet, including the issuing fee-under-section  
 4 97A.4857-subdivision-67 fees and an additional transaction fee  
 5 not to exceed \$3.50;

6 (4) ~~collect-issuing-or-filing-fees-as-provided-under~~  
 7 ~~sections-84.7887-subdivision-37-paragraph-(e)7-84.7987~~  
 8 ~~subdivision-37-paragraph-(b)7-84.827-subdivision-27-paragraph~~  
 9 ~~(d)7-84.82057-subdivisions-5-and-67-84.9227-subdivision-27~~  
 10 ~~paragraph-(e)7-85.417-subdivision-57-86B.4157-subdivision-87-and~~  
 11 ~~97A.4857-subdivision-67-and-collect~~ establish, by written order,  
 12 an electronic licensing system commission on to be paid by  
 13 revenues generated from all sales of-licenses-as-provided-under  
 14 sections-85.437-paragraph-(b)7-and-97A.4857-subdivision-7 made  
 15 through the electronic licensing system. The commissioner shall  
 16 establish the commission in a manner that neither significantly  
 17 overrecovers nor underrecovers costs involved in providing the  
 18 electronic licensing system; and

19 (5) adopt rules to administer the provisions of this  
 20 subdivision.

21 (b) ~~Establishment-of The transaction-fee~~ fees established  
 22 under paragraph (a), clause (3), and the commission established  
 23 under paragraph (a), clause (4), is are not subject to the  
 24 rulemaking procedures of chapter 14 and section 14.386 does not  
 25 apply.

26 (c) Money received from fees and commissions collected  
 27 under this subdivision, including interest earned, is annually  
 28 appropriated from the game and fish fund and the natural  
 29 resources fund to the commissioner for the cost of electronic  
 30 licensing.

31 Sec. 2. Minnesota Statutes 2004, section 84.791,  
 32 subdivision 2, is amended to read:

33 Subd. 2. [FEES.] For the purposes of administering the  
 34 program and to defray a portion of the expenses of training and  
 35 certifying vehicle operators, the commissioner shall collect a  
 36 fee not to exceed \$5 from each person who receives the training.

1 The commissioner shall collect a fee for issuing a duplicate  
2 off-highway motorcycle safety certificate. The commissioner  
3 shall establish the fee for a duplicate off-highway motorcycle  
4 safety certificate, to include a \$1 issuing fee for licensing  
5 agents, that neither significantly overrecovers nor  
6 underrecovers costs, including overhead costs, involved in  
7 providing the service. The fees must, except for the issuing  
8 fee for licensing agents under this subdivision, shall be  
9 deposited in the state treasury and credited to the off-highway  
10 motorcycle account in the natural resources fund.

11 Sec. 3. Minnesota Statutes 2004, section 84.8205,  
12 subdivision 3, is amended to read:

13 Subd. 3. [~~LICENSE AGENTS.~~] ~~County-auditors-are-appointed~~  
14 ~~agents-of-the-commissioner-for-the-sale-of-snowmobile-state~~  
15 ~~trail-stickers.~~ The commissioner may appoint other-state  
16 ~~agencies-as~~ agents for-the-sale-of-the to issue and sell state  
17 trail stickers. ~~A-county-auditor-may-appoint-subagents-within~~  
18 ~~the-county-or-within-adjacent-counties-to-sell-stickers.~~---Upon  
19 ~~appointment-of-a-subagent,~~ the-auditor-shall-notify-the  
20 ~~commissioner-of-the-name-and-address-of-the-subagent.~~---The  
21 ~~auditor-may-revoke-the-appointment-of-a-subagent,~~ and The  
22 commissioner may revoke the appointment of a-state-agency an  
23 agent at any time. ~~The-commissioner-may-require-an-auditor-to~~  
24 ~~revoke-a-subagent's-appointment.~~---The-auditor-shall-furnish  
25 ~~stickers-on-consignment-to-any-subagent-who-furnishes-a-surety~~  
26 ~~bond-in-favor-of-the-county-in-an-amount-at-least-equal-to-the~~  
27 ~~value-of-the-stickers-to-be-consigned-to-that-subagent.~~---A  
28 ~~surety-bond-is-not-required-for-a-state-agency-appointed-by-the~~  
29 ~~commissioner.~~---The-county-auditor-shall-be-responsible-for-all  
30 ~~stickers-issued-to-and-user-fees-received-by-agents-except-in-a~~  
31 ~~county-where-the-county-auditor-does-not-retain-fees-paid-for~~  
32 ~~license-purposes.~~---In-these-counties, the-responsibilities  
33 ~~imposed-by-this-section-upon-the-county-auditor-are-imposed-upon~~  
34 the-county. The commissioner may promulgate adopt additional  
35 rules governing-the-accounting-and-procedures-for-handling-state  
36 ~~trail-stickers~~ as provided in section 97A.485, subdivision 11.

1       ~~Any resident desiring to sell snowmobile state trail~~  
 2       ~~stickers may either purchase for cash or obtain on consignment~~  
 3       ~~stickers from a county auditor in groups of not less than ten~~  
 4       ~~individual stickers. In selling stickers, the resident shall be~~  
 5       ~~deemed a subagent of the county auditor and the commissioner,~~  
 6       and An agent shall observe all rules promulgated adopted by the  
 7       commissioner for accounting and handling of licenses and  
 8       stickers pursuant to section 97A.485, subdivision 11.

9       The county auditor An agent shall promptly deposit and  
 10      remit all money received from the sale of the stickers with the  
 11      county treasurer and shall promptly transmit any reports  
 12      required by the commissioner, plus 96 percent of the price paid  
 13      by each stickerholder, exclusive of the issuing fee, for each  
 14      sticker sold or consigned by the auditor and subsequently sold  
 15      to a stickerholder during the accounting period. The county  
 16      auditor shall retain as a commission four percent of all sticker  
 17      fees, excluding the issuing fee for stickers consigned to  
 18      subagents and the issuing fee on stickers sold by the auditor to  
 19      stickerholders to the commissioner.

20      ~~Unsold stickers in the hands of any subagent shall be~~  
 21      ~~redeemed by the commissioner if presented for redemption within~~  
 22      ~~the time prescribed by the commissioner. Any stickers not~~  
 23      ~~presented for redemption within the period prescribed shall be~~  
 24      ~~conclusively presumed to have been sold, and the subagent~~  
 25      ~~possessing the same or to whom they are charged shall be~~  
 26      ~~accountable.~~

27      Sec. 4. Minnesota Statutes 2004, section 84.8205,  
 28      subdivision 4, is amended to read:

29      Subd. 4. [~~DISTRIBUTION~~ ISSUANCE OF STICKERS.] The  
 30      commissioner and agents shall provide issue and sell snowmobile  
 31      state trail stickers to ~~all agents authorized to issue stickers~~  
 32      by the commissioner.

33      Sec. 5. Minnesota Statutes 2004, section 84.8205,  
 34      subdivision 6, is amended to read:

35      Subd. 6. [~~DUPLICATE STATE TRAIL~~ STICKERS.] The  
 36      commissioner and agents shall issue a duplicate sticker to



1 persons whose sticker is lost or destroyed using the process  
2 established under section 97A.405, subdivision 3, and rules  
3 promulgated thereunder. The fee for a duplicate state trail  
4 sticker is \$2, with an issuing fee of 50 cents.

5 Sec. 6. Minnesota Statutes 2004, section 84.86,  
6 subdivision 1, is amended to read:

7 Subdivision 1. [REQUIRED RULES.] With a view of achieving  
8 maximum use of snowmobiles consistent with protection of the  
9 environment the commissioner of natural resources shall adopt  
10 rules in the manner provided by chapter 14, for the following  
11 purposes:

12 (1) Registration of snowmobiles and display of registration  
13 numbers.

14 (2) Use of snowmobiles insofar as game and fish resources  
15 are affected.

16 (3) Use of snowmobiles on public lands and waters, or on  
17 grant-in-aid trails.

18 (4) Uniform signs to be used by the state, counties, and  
19 cities, which are necessary or desirable to control, direct, or  
20 regulate the operation and use of snowmobiles.

21 (5) Specifications relating to snowmobile mufflers.

22 (6) A comprehensive snowmobile information and safety  
23 education and training program, including but not limited to the  
24 preparation and dissemination of snowmobile information and  
25 safety advice to the public, the training of snowmobile  
26 operators, and the issuance of snowmobile safety certificates to  
27 snowmobile operators who successfully complete the snowmobile  
28 safety education and training course. For the purpose of  
29 administering such program and to defray expenses of training  
30 and certifying snowmobile operators, the commissioner shall  
31 collect a fee from each person who receives the youth or adult  
32 training. The commissioner shall collect a fee, to include a \$1  
33 issuing fee for licensing agents, for issuing a duplicate  
34 snowmobile safety certificate. The commissioner shall establish  
35 both fees in a manner that neither significantly overrecovers  
36 nor underrecovers costs, including overhead costs, involved in

1 providing the services. The fees are not subject to the  
2 rulemaking provisions of chapter 14 and section 14.386 does not  
3 apply. The fees may be established by the commissioner,  
4 notwithstanding section 16A.1283. The fees must, except for the  
5 issuing fee for licensing agents under this subdivision, shall  
6 be deposited in the snowmobile trails and enforcement account in  
7 the natural resources fund and the amount thereof, except for  
8 the electronic licensing system commission established by the  
9 commissioner under section 84.027, subdivision 15, and issuing  
10 fees collected by the commissioner, is appropriated annually to  
11 the Enforcement Division of the Department of Natural Resources  
12 for the administration of such programs. In addition to the fee  
13 established by the commissioner, instructors may charge each  
14 person up to the established fee amount for class materials and  
15 expenses. The commissioner shall cooperate with private  
16 organizations and associations, private and public corporations,  
17 and local governmental units in furtherance of the program  
18 established under this clause. School districts may cooperate  
19 with the commissioner and volunteer instructors to provide space  
20 for the classroom portion of the training. The commissioner  
21 shall consult with the commissioner of public safety in regard  
22 to training program subject matter and performance testing that  
23 leads to the certification of snowmobile operators.

24 (7) The operator of any snowmobile involved in an accident  
25 resulting in injury requiring medical attention or  
26 hospitalization to or death of any person or total damage to an  
27 extent of \$500 or more, shall forward a written report of the  
28 accident to the commissioner on such form as the commissioner  
29 shall prescribe. If the operator is killed or is unable to file  
30 a report due to incapacitation, any peace officer investigating  
31 the accident shall file the accident report within ten business  
32 days.

33 Sec. 7. Minnesota Statutes 2004, section 84.925,  
34 subdivision 1, is amended to read:

35 Subdivision 1. [PROGRAM ESTABLISHED.] (a) The commissioner  
36 shall establish a comprehensive all-terrain vehicle

1 environmental and safety education and training program,  
2 including the preparation and dissemination of vehicle  
3 information and safety advice to the public, the training of  
4 all-terrain vehicle operators, and the issuance of all-terrain  
5 vehicle safety certificates to vehicle operators over the age of  
6 12 years who successfully complete the all-terrain vehicle  
7 environmental and safety education and training course.

8 (b) For the purpose of administering the program and to  
9 defray a portion of the expenses of training and certifying  
10 vehicle operators, the commissioner shall collect a fee of \$15  
11 from each person who receives the training. The commissioner  
12 shall collect a fee, to include a \$1 issuing fee for licensing  
13 agents, for issuing a duplicate all-terrain vehicle safety  
14 certificate. The commissioner shall establish the fee for a  
15 duplicate all-terrain vehicle safety certificate that neither  
16 significantly overrecovers nor underrecovers costs, including  
17 overhead costs, involved in providing the service. Fee  
18 proceeds, except for the issuing fee for licensing agents under  
19 this subdivision, shall be deposited in the all-terrain vehicle  
20 account in the natural resources fund.

21 (c) The commissioner shall cooperate with private  
22 organizations and associations, private and public corporations,  
23 and local governmental units in furtherance of the program  
24 established under this section. School districts may cooperate  
25 with the commissioner and volunteer instructors to provide space  
26 for the classroom portion of the training. The commissioner  
27 shall consult with the commissioner of public safety in regard  
28 to training program subject matter and performance testing that  
29 leads to the certification of vehicle operators. By June 30,  
30 2003, the commissioner shall incorporate a riding component in  
31 the safety education and training program.

32 Sec. 8. Minnesota Statutes 2004, section 85.055,  
33 subdivision 2, is amended to read:

34 Subd. 2. [FEE DEPOSIT AND APPROPRIATION.] The fees  
35 collected under this section shall be deposited in the natural  
36 resources fund and credited to a the state parks account. Money

1 in the account, except for the electronic licensing system  
 2 commission established by the commissioner under section 84.027,  
 3 subdivision 15, is annually appropriated to the commissioner to  
 4 operate and maintain the state park system.

5 Sec. 9. Minnesota Statutes 2004, section 85.43, is amended  
 6 to read:

7 85.43 [DISPOSITION OF RECEIPTS; PURPOSE.]

8 (a) Fees from cross-country ski passes shall be deposited  
 9 in the state treasury and credited to a cross-country ski  
 10 account in the natural resources fund and, except as-provided-in  
 11 paragraph-(b) for the electronic licensing system commission  
 12 established by the commissioner under section 84.027,  
 13 subdivision 15, are appropriated to the commissioner of natural  
 14 resources for:

15 (1) grants-in-aid for cross-country ski trails sponsored by  
 16 local units of government and special park districts as provided  
 17 in section 85.44; and

18 (2) maintenance, winter grooming, and associated  
 19 administrative costs for cross-country ski trails under the  
 20 jurisdiction of the commissioner.

21 ~~(b)-The-commissioner-shall-retain-for-the-operation-of-the~~  
 22 ~~electronic-licensing-system-a-commission-of-4.7-percent-of-all~~  
 23 ~~cross-country-ski-pass-fees-collected.~~

24 Sec. 10. Minnesota Statutes 2004, section 88.6435,  
 25 subdivision 4, is amended to read:

26 Subd. 4. [FOREST BOUGH ACCOUNT; DISPOSITION OF PERMIT FEES  
 27 AND-PENALTIES.] (a) The forest bough account is established in  
 28 the state treasury within the natural resources fund.

29 (b) Fees for permits issued under this section shall be  
 30 deposited in the state treasury and credited to the special  
 31 revenue-fund forest bough account and, except for the electronic  
 32 licensing system commission established by the commissioner  
 33 under section 84.027, subdivision 15, are annually appropriated  
 34 to the commissioner of natural resources for costs associated  
 35 with balsam bough educational programs for harvesters and buyers.

36 Sec. 11. Minnesota Statutes 2004, section 97A.485,

1 subdivision 7, is amended to read:

2 Subd. 7. [ELECTRONIC LICENSING SYSTEM COMMISSION.] The  
3 commissioner shall retain for the operation of the electronic  
4 licensing system ~~a-commission-of-4.7-percent-of~~ the commission  
5 established under section 84.027, subdivision 15, and issuing  
6 fees collected by the commissioner on all license fees  
7 collected, excluding:

8 (1) the small game surcharge; and

9 (2) ~~all-issuing-fees,~~ and

10 ~~{3}~~ \$2.50 of the license fee for the licenses in section  
11 97A.475, subdivisions 6, clauses (1), (2), and (4), 7, 8, 12,  
12 and 13.

13 Sec. 12. Minnesota Statutes 2004, section 97B.015,  
14 subdivision 7, is amended to read:

15 Subd. 7. [FEE FOR DUPLICATE CERTIFICATE.] The commissioner  
16 shall collect a fee, to include a \$1 issuing fee for licensing  
17 agents, for issuing a duplicate firearms safety certificate.  
18 The commissioner shall establish a fee that neither  
19 significantly overrecovers nor underrecovers costs, including  
20 overhead costs, involved in providing the service. The fee is  
21 not subject to the rulemaking provisions of chapter 14 and  
22 section 14.386 does not apply. The commissioner may establish  
23 the fee notwithstanding section 16A.1283. The duplicate  
24 certificate fees, except for the issuing fee for licensing  
25 agents under this subdivision, shall be deposited in the game  
26 and fish fund and, except for the electronic licensing system  
27 commission established by the commissioner under section 84.027,  
28 subdivision 15, and issuing fees collected by the commissioner,  
29 are appropriated annually to the Enforcement Division of the  
30 Department of Natural Resources for the administration of the  
31 firearm safety course program.

32 Sec. 13. Minnesota Statutes 2004, section 97B.025, is  
33 amended to read:

34 97B.025 [HUNTER AND TRAPPER EDUCATION.]

35 (a) The commissioner may establish education courses for  
36 hunters and trappers. The commissioner shall collect a fee from

1 each person attending a course. A fee, to include a \$1 issuing  
2 fee for licensing agents, shall be collected for issuing a  
3 duplicate certificate. The commissioner shall establish the  
4 fees in a manner that neither significantly overrecovers nor  
5 underrecovers costs, including overhead costs, involved in  
6 providing the services. The fees are not subject to the  
7 rulemaking provisions of chapter 14 and section 14.386 does not  
8 apply. The commissioner may establish the fees notwithstanding  
9 section 16A.1283. The fees, except for the issuing fee for  
10 licensing agents under this subdivision, shall be deposited in  
11 the game and fish fund and the amount thereof, except for the  
12 electronic licensing system commission established by the  
13 commissioner under section 84.027, subdivision 15, is  
14 appropriated annually to the Enforcement Division of the  
15 Department of Natural Resources for the administration of the  
16 program. In addition to the fee established by the commissioner  
17 for each course, instructors may charge each person up to the  
18 established fee amount for class materials and expenses. School  
19 districts may cooperate with the commissioner and volunteer  
20 instructors to provide space for the classroom portion of the  
21 training.

22 (b) The commissioner shall enter into an agreement with a  
23 statewide nonprofit trappers association to conduct a trapper  
24 education program. At a minimum, the program must include at  
25 least six hours of classroom and in the field training. The  
26 program must include a review of state trapping laws and  
27 regulations, trapping ethics, the setting and tending of traps  
28 and snares, tagging and registration requirements, and the  
29 preparation of pelts. The association shall be responsible for  
30 all costs of conducting the education program, and shall not  
31 charge any fee for attending the course.

1 Senator ..... moves to amend S.F. No. 1626 as follows:

2 Page 2, after line 30, insert:

3 "Sec. 2. Minnesota Statutes 2004, section 84.0911,  
4 subdivision 2, is amended to read:

5 Subd. 2. [RECEIPTS.] Money received from the sale of wild  
6 rice licenses issued by the commissioner under section 84.091,  
7 subdivision 3, paragraph (a), clauses (1), (3), and (4), and  
8 subdivision 3, paragraph (b), except for the electronic  
9 licensing system commission established by the commissioner  
10 under section 84.027, subdivision 15, shall be credited to the  
11 wild rice management account."

12 Page 3, after line 10, insert:

13 "Sec. 3. Minnesota Statutes 2004, section 84.8205,  
14 subdivision 1, is amended to read:

15 Subdivision 1. [STICKER REQUIRED; FEE.] A person may not  
16 operate a snowmobile that is not registered in this state on a  
17 state or grant-in-aid snowmobile trail unless a snowmobile state  
18 trail sticker is affixed to the snowmobile. The commissioner of  
19 natural resources shall issue a sticker upon application and  
20 payment of a \$15 fee. The sticker is valid from November 1  
21 through April 30. Fees collected under this section, except for  
22 the issuing fee for licensing agents under this section and for  
23 the electronic licensing system commission established by the  
24 commissioner under section 84.027, subdivision 15, shall be  
25 deposited in the state treasury and credited to the snowmobile  
26 trails and enforcement account in the natural resources fund.

27 Page 10, after line 31, insert:

28 "Sec. 16. [EFFECTIVE DATE.]

29 Sections 1 to 15 are effective July 6, 2005."

30 Renumber the sections in sequence and correct the internal  
31 references

32 Amend the title accordingly

**Fiscal Note – 2005-06 Session**

**Bill #:** S1626-0 **Complete Date:** 04/06/05

**Chief Author:** SAXHAUG, TOM

**Title:** ELECTRONIC LICENSING SYSTEM PROV

Fiscal Impact	Yes	No
State	X	
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

**Agency Name:** Natural Resources Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
<b>Expenditures</b>					
Game And Fish (Operations) Fund		387	387	387	387
<b>Less Agency Can Absorb</b>					
-- No Impact --					
<b>Net Expenditures</b>					
Game And Fish (Operations) Fund		387	387	387	387
<b>Revenues</b>					
-- No Impact --					
<b>Net Cost &lt;Savings&gt;</b>					
Game And Fish (Operations) Fund		387	387	387	387
<b>Total Cost &lt;Savings&gt; to the State</b>		387	387	387	387

	FY05	FY06	FY07	FY08	FY09
<b>Full Time Equivalent</b>					
-- No Impact --					
<b>Total FTE</b>					



**Bill Description**

This bill addresses issues with the Electronic Licensing System (ELS):

1) ELS agents currently retain a \$1.00 issuing fee on duplicate off-highway motorcycle safety certificate, duplicate snowmobile safety certificate, duplicate all-terrain vehicle safety certificate, duplicate firearms safety certificate, and duplicate hunter and trapper education certificate. Statutory language changes will authorize the current practice of allowing agents to retain these issuing fees.

2) A commission on all ELS sales (cross country ski, MS 85.43, Subd. 7; and game and fish and permit privileges, MS 97A.485, Subd. 15) is not currently covering the costs of operating ELS. Also, under the current system, the revenue sources do not equitably pay for the costs of ELS. This proposal would allow the commissioner to establish, by commissioner's written order, an appropriate per transaction amount for all ELS sales of applications, licenses, stickers, stamps, permits, passes, duplicate certificates, registrations, or transfers to pay the cost of the ELS system. The proposed order would better connect the source of revenue with the ELS service cost. The order shall neither over-recover nor under-recover the cost of ELS.

3) The previous system of selling paper privileges entailed a process that involved the county auditors' offices. Under the ELS system, the county no longer plays a role in the issuance of privileges. The snowmobile state trail sticker under MS 84.8205 still has reference to the county auditor. This language would clarify the new process under ELS.

The proposal will not add any additional cost to the license purchaser; issuing fees and the commission will continue to be taken from existing revenues.

**Assumptions**

A commission will be established which fully funds the costs of ELS; neither under, nor over, recover the cost of ELS. If so, the commission will be adjusted.

The commission will be applied to all privileges issued through ELS. These privileges include hunting and angling licenses, cross-country ski passes, snowmobile state trail stickers, wild rice harvester license and state park permits that are sold at the DNR License Center in St. Paul. Some of these revenues are deposited into the Natural Resources Fund; therefore, a portion of the ELS costs may be from the Natural Resources Fund. The amount won't be known until a history can be established. For fiscal note purposes, all ELS costs are shown in the Game and Fish Fund.

The Governor has also proposed that all deer registrations be done on ELS statewide. Each ELS transaction requires payment to the contractor. It is assumed that if the ELS commission were implemented, the transaction costs for statewide registrations would be paid through this proposed language.

**Expenditure and/or Revenue Formula**

FY06-07 yearly statutory account activity (based on FY05 projections):

Estimated ELS expenditures (transaction costs, paper, equipment)	\$ 2,425,000
Anticipated revenue under existing law MS 85.43, paragraph (b), and MS 97A.485, subdivision 7	<u>-\$ 2,350,000</u>
ELS costs not covered	\$ 75,000
Statewide deer registrations	<u>+\$ 312,000</u>
Total impact (statutory appropriation)	\$ 387,000

**References and Sources**

Governor's 2006-07 Biennial Budget. The additional cost of the ELS system can be found on Page 34 and statewide registration through ELS can be found on Page 41 of the Governor's DNR budget.

Agency Contact Name: Peter Skwira, Fish & Wildlife (651) 297-2944  
FN Coord Signature: BRUCE NASLUND

Date: 04/06/05 Phone: 297-4909

**EBO Comments**

This fiscal note does not show revenues resulting from collected license fees because all fees received are deposited at the fund level (e.g. Game and Fish Fund) and are used for a variety of programs. This bill provides an increased *appropriation* of \$387,000 per year specifically for operation of the electronic licensing system.

EBO Signature: MARSHA BATTLES-JENKS

Date: 04/06/05 Phone: 296-8510

1                                   A bill for an act  
2           relating to economic development; authorizing an early  
3           separation incentive program for employees of the Iron  
4           Range Resources and Rehabilitation Board; proposing  
5           coding for new law in Minnesota Statutes, chapter 354B.

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

7           Section 1. [354B.33] [IRON RANGE RESOURCES AND  
8 REHABILITATION; EARLY SEPARATION INCENTIVE PROGRAM  
9 AUTHORIZATION.]

10           (a) Notwithstanding any law to the contrary, the  
11 commissioner of Iron Range resources and rehabilitation, in  
12 consultation with the commissioner of employee relations, may  
13 offer a targeted early separation incentive program for  
14 employees of the commissioner who have attained the age of 60  
15 years, or who have received credit for at least 30 years of  
16 allowable service under the provisions of chapter 352.

17           (b) The early separation incentive program may include one  
18 or more of the following:

19           (1) employer-paid postseparation health, medical, and  
20 dental insurance; and

21           (2) cash incentives that may, but are not required to be,  
22 used to purchase additional years of service credit through the  
23 Minnesota State Retirement System, to the extent that the  
24 purchases are otherwise authorized by law.

25           (c) The commissioner of Iron Range resources and

1 rehabilitation shall establish eligibility requirements for  
2 employees to receive an incentive.

3 (d) The commissioner of Iron Range Resources and  
4 Rehabilitation, consistent with the established program  
5 provisions under paragraph (b), and with the eligibility  
6 requirements under paragraph (c), may designate specific  
7 programs or employees as eligible to be offered the incentive  
8 program.

9 (e) Acceptance of the offered incentive must be voluntary  
10 on the part of the employee and must be in writing. The  
11 incentive may only be offered at the sole discretion of the  
12 commissioner of Iron Range resources and rehabilitation.

13 (f) The cost of the incentive is payable solely by funds  
14 made available to the commissioner of Iron Range resources and  
15 rehabilitation by law, but only on prior approval of the  
16 expenditures by a majority of the Iron Range Resources and  
17 Rehabilitation Board.

18 [EFFECTIVE DATE.] This section is effective the day  
19 following final enactment.

20 Sec. 2. [354B.34] [APPLICATION OF OTHER LAWS.]

21 (a) Unilateral implementation of section 354B.33 by the  
22 commissioner of Iron Range resources and rehabilitation is not  
23 an unfair labor practice under chapter 179A.

24 (b) The authority in section 354B.33 for the commissioner  
25 of Iron Range resources and rehabilitation or the Iron Range  
26 Resources and Rehabilitation Board to pay health, medical, and  
27 dental insurance premiums for former employees granted an early  
28 separation incentive is not subject to the limits of section  
29 179A.20, subdivision 2a.

30 [EFFECTIVE DATE.] This section is effective the day  
31 following final enactment.

1 Senator ..... moves to amend S.F. No. 409 as follows:

2 Page 2, after line 31, insert:

3 "Sec. 3. [EXPIRATION.]

4 Sections 1 and 2 expire June 30, 2007."

1

## A bill for an act

2 relating to natural resources; modifying snowmobile  
3 state trail sticker provisions; providing for trail  
4 easement acquisition; appropriating money; amending  
5 Minnesota Statutes 2004, sections 84.8205, subdivision  
6 1; 84.83, by adding a subdivision.

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

8 Section 1. Minnesota Statutes 2004, section 84.8205,  
9 subdivision 1, is amended to read:

10 Subdivision 1. [STICKER REQUIRED; FEE.] A person may not  
11 operate a snowmobile ~~that-is-not-registered-in-this-state~~ on a  
12 state or grant-in-aid snowmobile trail unless a snowmobile state  
13 trail sticker is affixed to the snowmobile. The commissioner of  
14 natural resources shall issue a sticker upon application and  
15 payment of a ~~\$15~~ \$30 fee. The sticker is valid from November 1  
16 through April 30. Fees collected under this section shall be  
17 deposited in the state treasury and credited to the snowmobile  
18 trails and enforcement account in the natural resources fund and  
19 must be used for grants-in-aid.

20 Sec. 2. Minnesota Statutes, section 84.83, is amended by  
21 adding a subdivision to read:

22 Subd. 6. [EASEMENT ACQUISITION; APPROPRIATION.] (a) The  
23 position of trails acquisition coordinator is created in the  
24 classified service under the commissioner of natural resources.  
25 The coordinator is responsible for acquiring easements for  
26 permanent recreational snowmobile trails.

1        (b) \$500,000 is annually appropriated from the snowmobile  
2 trails and enforcement account to the commissioner to acquire  
3 easements for permanent recreational snowmobile trails.

1 Senator ..... moves to amend S.F. No. 1534 as follows:

2 Delete everything after the enacting clause and insert:

3 "Section 1. Minnesota Statutes 2004, section 84.8205,  
4 subdivision 1, is amended to read:

5 Subdivision 1. [STICKER REQUIRED; FEE.] A person may not  
6 operate a snowmobile ~~that-is-not-registered-in-this-state~~ on a  
7 state or grant-in-aid snowmobile trail unless a snowmobile state  
8 trail sticker is affixed to the snowmobile. The commissioner of  
9 natural resources shall issue a sticker upon application and  
10 payment of a \$15 fee. The fee for a three-year snowmobile state  
11 trail sticker that is purchased at the time of snowmobile  
12 registration is \$30. In addition to other penalties prescribed  
13 by law, a person in violation of this subdivision must purchase  
14 an annual state trail sticker for a fee of \$30. The sticker is  
15 valid from November 1 through April 30. Fees collected under  
16 this section shall be deposited in the state treasury and  
17 credited to the snowmobile trails and enforcement account in the  
18 natural resources fund and must be used for grants-in-aid.

19 Sec. 2. [APPROPRIATION; COORDINATOR POSITION.]

20 (a) \$..... in fiscal year 2006 and \$..... in fiscal  
21 year 2007 are appropriated from the snowmobile trails and  
22 enforcement account to the commissioner of natural resources to  
23 acquire easements for permanent recreational snowmobile trails.

24 (b) The position of trails acquisition coordinator is  
25 created in the classified service under the commissioner of  
26 natural resources. The coordinator is responsible for acquiring  
27 easements for permanent recreational snowmobile trails."



## 1 A bill for an act

2 relating to agriculture; changing certain loan  
3 provisions; establishing a loan program; changing  
4 certain livestock zoning regulations; appropriating  
5 money; amending Minnesota Statutes 2004, sections  
6 41B.046, subdivision 5; 41B.049, subdivision 2;  
7 116.07, subdivision 7a; 174.52, subdivision 5; 394.25,  
8 subdivision 3c; 462.355, subdivision 4; 462.357, by  
9 adding a subdivision; proposing coding for new law in  
10 Minnesota Statutes, chapter 41B; repealing Minnesota  
11 Statutes 2004, section 41B.046, subdivision 3.

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

13 Section 1. Minnesota Statutes 2004, section 41B.046,  
14 subdivision 5, is amended to read:

15 Subd. 5. [LOANS.] (a) The authority may participate in a  
16 stock loan with an eligible lender to a farmer who is eligible  
17 under subdivision 4. Participation is limited to 45 percent of  
18 the principal amount of the loan or \$40,000, whichever is less.  
19 The interest rates and repayment terms of the authority's  
20 participation interest may differ from the interest rates and  
21 repayment terms of the lender's retained portion of the loan,  
22 but the authority's interest rate must not exceed 50 percent of  
23 the lender's interest rate.

24 (b) No more than 95 percent of the purchase price of the  
25 stock may be financed under this program.

26 (c) Security for stock loans must be the stock purchased, a  
27 personal note executed by the borrower, and whatever other  
28 security is required by the eligible lender or the authority.

1 (d) The authority may impose a reasonable nonrefundable  
2 application fee for each application for a stock loan. The  
3 authority may review the fee annually and make adjustments as  
4 necessary. The application fee is initially \$50. Application  
5 fees received by the authority must be deposited in the  
6 value-added agricultural product revolving fund.

7 (e) Stock loans under this program will be made using money  
8 in the ~~value-added-agricultural-product~~ revolving fund loan  
9 account established under subdivision 3 in section 41B.06.

10 (f) The authority may not grant stock loans in a cumulative  
11 amount exceeding \$2,000,000 for the financing of stock purchases  
12 in any one cooperative.

13 (g) Repayments of financial assistance under this section,  
14 including principal and interest, must be deposited into the  
15 revolving loan account established in section 41B.06.

16 Sec. 2. Minnesota Statutes 2004, section 41B.049,  
17 subdivision 2, is amended to read:

18 Subd. 2. [~~REVOLVING-FUND DEPOSIT OF REPAYMENTS.~~] ~~There-is~~  
19 ~~established-in-the-state-treasury-a-revolving-fund,which-is~~  
20 ~~eligible-to-receive-appropriations-and-the-transfer-of-funds~~  
21 ~~from-other-services.~~ All repayments of financial assistance  
22 granted under subdivision 1, including principal and interest,  
23 must be deposited into ~~this-fund---~~ ~~interest-earned-on-money-in~~  
24 ~~the-fund-accrues-to-the-fund,--and-money-in-the-fund-is~~  
25 ~~appropriated-to-the-commissioner-of-agriculture-for-purposes-of~~  
26 ~~the-manure-digester-loan-program,--including-costs-incurred-by~~  
27 ~~the-authority-to-establish-and-administer-the-program~~ the  
28 revolving loan account established in section 41B.06.

29 Sec. 3. [41B.055] [LIVESTOCK EQUIPMENT PILOT LOAN  
30 PROGRAM.]

31 Subdivision 1. [ESTABLISHMENT.] The authority must  
32 establish and implement a livestock equipment pilot loan program  
33 to help finance the first purchase of livestock-related  
34 equipment and make livestock facilities improvements.

35 Subd. 2. [ELIGIBILITY.] Notwithstanding section 41B.03, to  
36 be eligible for this program a borrower must:

1       (1) be a resident of Minnesota or general partnership or a  
2 family farm corporation, authorized farm corporation, family  
3 farm partnership, or authorized farm partnership as defined in  
4 section 500.24, subdivision 2;

5       (2) be the principal operator of a livestock farm;

6       (3) have a total net worth, including assets and  
7 liabilities of the borrower's spouse and dependents, no greater  
8 than the amount stipulated in section 41B.03, subdivision 3;

9       (4) demonstrate an ability to repay the loan; and

10       (5) hold an appropriate feedlot registration or be using  
11 the loan under this program to meet registration requirements.

12 In addition to the requirements in clauses (1) to (5),  
13 preference must be given to applicants who have farmed less than  
14 ten years as evidenced by their filing of schedule F in their  
15 federal tax returns.

16       Subd. 3. [LOANS.] (a) The authority may participate in a  
17 livestock equipment loan equal to 90 percent of the purchased  
18 equipment value with an eligible lender to a farmer who is  
19 eligible under subdivision 2. Participation is limited to 45  
20 percent of the principal amount of the loan or \$40,000,  
21 whichever is less. The interest rates and repayment terms of  
22 the authority's participation interest may differ from the  
23 interest rates and repayment terms of the lender's retained  
24 portion of the loan, but the authority's interest rate must not  
25 exceed three percent. The authority may review the interest  
26 annually and make adjustments as necessary.

27       (b) Standards for loan amortization must be set by the  
28 rural finance authority and must not exceed seven years.

29       (c) Security for a livestock equipment loan must be a  
30 personal note executed by the borrower and whatever other  
31 security is required by the eligible lender or the authority.

32       (d) Refinancing of existing debt is not an eligible purpose.

33       (e) The authority may impose a reasonable, nonrefundable  
34 application fee for a livestock equipment loan. The authority  
35 may review the fee annually and make adjustments as necessary.  
36 The initial application fee is \$50. Application fees received

1 by the authority must be deposited in the revolving loan account  
2 established in section 41B.06.

3 (f) Loans under this program must be made using money in  
4 the revolving loan account established in section 41B.06.

5 Subd. 4. [ELIGIBLE EXPENDITURES.] Money may be used for  
6 loans for the acquisition of equipment for animal housing,  
7 confinement, animal feeding, milk production, and waste  
8 management, including the following, if related to animal  
9 husbandry:

10 (1) fences;

11 (2) watering facilities;

12 (3) feed storage and handling equipment;

13 (4) milking parlors;

14 (5) milking equipment;

15 (6) scales;

16 (7) milk storage and cooling facilities;

17 (8) manure pumping and storage facilities; and

18 (9) capital investment in pasture.

19 Sec. 4. [41B.06] [RURAL FINANCE AUTHORITY REVOLVING LOAN  
20 ACCOUNT.]

21 There is established in the rural finance administration  
22 fund a rural finance authority revolving loan account that is  
23 eligible to receive appropriations and the transfer of loan  
24 funds from other programs. All repayments of financial  
25 assistance granted from this account, including principal and  
26 interest, must be deposited into this account. Interest earned  
27 on money in the account accrues to the account, and the money in  
28 the account is appropriated to the commissioner of agriculture  
29 for purposes of the rural finance authority, livestock equipment  
30 methane digester, and value-added agricultural product loan  
31 programs, including costs incurred by the authority to establish  
32 and administer the programs.

33 Sec. 5. Minnesota Statutes 2004, section 116.07,  
34 subdivision 7a, is amended to read:

35 Subd. 7a. [NOTICE OF APPLICATION FOR LIVESTOCK FEEDLOT  
36 PERMIT.] (a) A person who applies to the Pollution Control

1 Agency or a county board for a permit to construct or expand a  
2 feedlot with a capacity of 500 animal units or more  
3 shall, within ten days of applying for the permit and not less  
4 than 20 business days before the date on which a permit is  
5 issued, provide notice to each resident and each owner of real  
6 property within 5,000 feet of the perimeter of the proposed  
7 feedlot. The notice may be delivered by first class mail, or in  
8 person, ~~or by the publication in a newspaper of general~~  
9 circulation within the affected area and must include  
10 information on the type of livestock and the proposed capacity  
11 of the feedlot. Notification under this subdivision is  
12 satisfied under an equal or greater notification requirement of  
13 a county conditional use permit. A person must also send a copy  
14 of the notice by first class mail to the clerk of the township  
15 in which the feedlot is proposed within ten days of applying for  
16 the permit and not less than 20 business days before the date on  
17 which a permit is issued.

18 (b) The agency or a county board must verify that notice  
19 was provided as required under paragraph (a) prior to issuing a  
20 permit.

21 Sec. 6. Minnesota Statutes 2004, section 174.52,  
22 subdivision 5, is amended to read:

23 Subd. 5. [GRANT PROCEDURES AND CRITERIA.] The commissioner  
24 shall establish procedures for statutory or home rule charter  
25 cities, towns, and counties to apply for grants or loans from  
26 the fund and criteria to be used to select projects for funding.  
27 The commissioner shall establish these procedures and criteria  
28 in consultation with representatives appointed by the  
29 Association of Minnesota Counties, League of Minnesota  
30 Cities, and Minnesota Township-Officers-Association Association  
31 of Townships, and the appropriate state agency as needed. The  
32 criteria for determining project priority and the amount of a  
33 grant or loan must be based upon consideration of:

34 (1) the availability of other state, federal, and local  
35 funds;

36 (2) the regional significance of the route;

1 (3) effectiveness of the proposed project in eliminating a  
2 transportation system deficiency;

3 (4) the number of persons who will be positively impacted  
4 by the project;

5 (5) the project's contribution to other local, regional, or  
6 state economic development or redevelopment efforts; and

7 (6) ability of the local unit of government to adequately  
8 provide for the safe operation and maintenance of the facility  
9 upon project completion, including livestock and other  
10 agricultural operations permitted after the effective date of  
11 this section.

12 Sec. 7. Minnesota Statutes 2004, section 394.25,  
13 subdivision 3c, is amended to read:

14 Subd. 3c. [FEEDLOT ZONING ORDINANCES.] (a) A county  
15 proposing to adopt a new feedlot ordinance or amend an existing  
16 feedlot ordinance must notify the Pollution Control Agency and  
17 commissioner of agriculture at the beginning of the process, no  
18 later than the notice of the first hearing proposing to adopt or  
19 amend an ordinance purporting to address feedlots.

20 (b) Prior to final approval of a feedlot ordinance, a  
21 member of the county board may submit a copy of the proposed  
22 ordinance to the Pollution Control Agency and to the  
23 commissioner of agriculture and request review, comment,  
24 and preparation-of recommendations on the environmental and  
25 agricultural effects from specific provisions in the ordinance.

26 (c) The agencies' response to the county may include:

27 (1) any recommendations for improvements in the ordinance;  
28 and

29 (2) the legal, social, economic, or scientific  
30 justification for each recommendation under clause (1).

31 (d) At the request of a majority of the county board, the  
32 county must prepare a report on the ~~environmental~~-and  
33 agricultural ~~economic~~ effects from specific provisions in the  
34 ordinance. Economic analysis must state whether the ordinance  
35 will affect the local economy and describe the kinds of  
36 businesses affected and the projected impact the proposal will

1 have on those businesses. To assist the county, the  
2 commissioner of agriculture, in cooperation with the Department  
3 of Employment and Economic Development, must develop a template  
4 for measuring local economic effects and make it available to  
5 the county. The report must be submitted to the commissioners  
6 of employment and economic development and agriculture along  
7 with the proposed ordinance.

8 ~~{c} The report may include:~~

9 ~~{1} any recommendations for improvements in the ordinance,~~  
10 and

11 ~~{2} the legal, social, economic, or scientific~~  
12 ~~justification for each recommendation under clause {1}.~~

13 ~~{d}~~ (e) A local ordinance that contains a setback for new  
14 feedlots from existing residences must also provide for a new  
15 residence setback from existing feedlots located in areas zoned  
16 agricultural at the same distances and conditions specified in  
17 the setback for new feedlots, unless the new residence is built  
18 to replace an existing residence. A county may grant a variance  
19 from this requirement under section 394.27, subdivision 7.

20 Sec. 8. Minnesota Statutes 2004, section 462.355,  
21 subdivision 4, is amended to read:

22 Subd. 4. [INTERIM ORDINANCE.] (a) If a municipality is  
23 conducting studies or has authorized a study to be conducted or  
24 has held or has scheduled a hearing for the purpose of  
25 considering adoption or amendment of a comprehensive plan or  
26 official controls as defined in section 462.352, subdivision 15,  
27 or if new territory for which plans or controls have not been  
28 adopted is annexed to a municipality, the governing body of the  
29 municipality may adopt an interim ordinance applicable to all or  
30 part of its jurisdiction for the purpose of protecting the  
31 planning process and the health, safety and welfare of its  
32 citizens. The interim ordinance may regulate, restrict or  
33 prohibit any use, development, or subdivision within the  
34 jurisdiction or a portion thereof for a period not to exceed one  
35 year from the date it is effective.

36 (b) If a proposed interim ordinance purports to regulate,

1 restrict, or prohibit activities relating to livestock  
2 production, a public hearing must be held following a ten-day  
3 notice given by publication in a newspaper of general  
4 circulation in the municipality before the interim ordinance  
5 takes effect.

6 (c) The period of an interim ordinance applicable to an  
7 area that is affected by a city's master plan for a municipal  
8 airport may be extended for such additional periods as the  
9 municipality may deem appropriate, not exceeding a total  
10 additional period of 18 months in the case where the Minnesota  
11 Department of Transportation has requested a city to review its  
12 master plan for a municipal airport prior to August 1, 2004. In  
13 all other cases, no interim ordinance may halt, delay, or impede  
14 a subdivision which has been given preliminary approval, nor may  
15 any interim ordinance extend the time deadline for agency action  
16 set forth in section 15.99 with respect to any application filed  
17 prior to the effective date of the interim ordinance. The  
18 governing body of the municipality may extend the interim  
19 ordinance after a public hearing and written findings have been  
20 adopted based upon one or more of the conditions in clause (1),  
21 (2), or (3). The public hearing must be held at least 15 days  
22 but not more than 30 days before the expiration of the interim  
23 ordinance, and notice of the hearing must be published at least  
24 ten days before the hearing. The interim ordinance may be  
25 extended for the following conditions and durations, but, except  
26 as provided in clause (3), an interim ordinance may not be  
27 extended more than an additional 18 months:

28 (1) up to an additional 120 days following the receipt of  
29 the final approval or review by a federal, state, or  
30 metropolitan agency when the approval is required by law and the  
31 review or approval has not been completed and received by the  
32 municipality at least 30 days before the expiration of the  
33 interim ordinance;

34 (2) up to an additional 120 days following the completion  
35 of any other process required by a state statute, federal law,  
36 or court order, when the process is not completed at least 30



1 days before the expiration of the interim ordinance; or

2 (3) up to an additional one year if the municipality has  
3 not adopted a comprehensive plan under this section at the time  
4 the interim ordinance is enacted.

5 Sec. 9. Minnesota Statutes 2004, section 462.357, is  
6 amended by adding a subdivision to read:

7 Subd. 1g. [FEEDLOT ZONING CONTROLS.] (a) A municipality  
8 proposing to adopt a new feedlot zoning control or to amend an  
9 existing feedlot zoning control must notify the Pollution  
10 Control Agency and commissioner of agriculture at the beginning  
11 of the process, no later than the date notice is given of the  
12 first hearing proposing to adopt or amend a zoning control  
13 purporting to address feedlots.

14 (b) Prior to final approval of a feedlot zoning control, a  
15 member of the governing body of a municipality may submit a copy  
16 of the proposed zoning control to the Pollution Control Agency  
17 and to the commissioner of agriculture and request review,  
18 comment, and recommendations on the environmental and  
19 agricultural effects from specific provisions in the ordinance.

20 (c) The agencies' response to the municipality may include:

21 (1) any recommendations for improvements in the ordinance;  
22 and

23 (2) the legal, social, economic, or scientific  
24 justification for each recommendation under clause (1).

25 (d) At the request of a majority of the municipality's  
26 governing body, the municipality must prepare a report on the  
27 economic effects from specific provisions in the ordinance.  
28 Economic analysis must state whether the ordinance will affect  
29 the local economy and describe the kinds of businesses affected  
30 and the projected impact the proposal will have on those  
31 businesses. To assist the municipality, the commissioner of  
32 agriculture, in cooperation with the Department of Employment  
33 and Economic Development, must develop a template for measuring  
34 local economic effects and make it available to the  
35 municipality. The report must be submitted to the commissioners  
36 of employment and economic development and agriculture along

1 with the proposed ordinance.

2 (e) A local ordinance that contains a setback for new  
3 feedlots from existing residences must also provide for a new  
4 residence setback from existing feedlots located in areas zoned  
5 agricultural at the same distances and conditions specified in  
6 the setback for new feedlots, unless the new residence is built  
7 to replace an existing residence. A municipality may grant a  
8 variance from this requirement under section 462.358,  
9 subdivision 6.

10 Sec. 10. [APPROPRIATION.]

11 (a) \$100,000 in fiscal year 2006 and \$100,000 in fiscal  
12 year 2007 are appropriated from the general fund to the  
13 commissioner of agriculture to provide training and technical  
14 assistance to county and town officials relating to livestock  
15 siting issues and local zoning and land use planning including a  
16 checklist template that would clarify the federal, state, and  
17 local government requirements for consideration of an animal  
18 agriculture modernization or expansion project. In developing  
19 the training and technical assistance program, the commissioner  
20 may seek assistance from the local planning assistance center of  
21 the Department of Administration and shall seek guidance,  
22 advice, and support of livestock producer organizations, general  
23 agricultural organizations, local government associations,  
24 academic institutions, other government agencies, and others  
25 with expertise in land use and agriculture.

26 (b) \$220,000 is appropriated in fiscal year 2006 from the  
27 general fund to the commissioner of agriculture to contract with  
28 the University of Minnesota for further research and development  
29 of livestock odor and air quality management.

30 Sec. 11. [TRANSFER OF FUNDS; DEPOSIT OF REPAYMENTS.]

31 The remaining balances in the revolving accounts in  
32 Minnesota Statutes, sections 41B.046 and 41B.049, that are  
33 dedicated to rural finance authority loan programs under those  
34 sections, are transferred to the revolving loan account  
35 established in Minnesota Statutes, section 41B.06, on the  
36 effective date of this section. All future receipts from

1 value-added agricultural product loans and methane digester  
2 loans originated under Minnesota Statutes, sections 41B.046 and  
3 41B.049, must be deposited in the revolving loan account  
4 established in Minnesota Statutes, section 41B.06.

5 Sec. 12. [REPEALER.]

6 Minnesota Statutes 2004, section 41B.046, subdivision 3, is  
7 repealed.

8 Sec. 13. [EFFECTIVE DATE.]

9 This act is effective the day following final enactment.

APPENDIX  
Repealed Minnesota Statutes for S1629-2

**41B.046 VALUE-ADDED AGRICULTURAL PRODUCT LOAN PROGRAM.**

Subd. 3. **Revolving fund.** There is established in the state treasury a value-added agricultural product revolving fund which is eligible to receive appropriations. All repayments of financial assistance granted under subdivision 2, including principal and interest, must be deposited into this fund. Interest earned on money in the fund accrues to the fund, and money in the fund is appropriated to the commissioner of agriculture for purposes of the value-added agricultural loan program, including costs incurred by the authority to establish and administer the program.

1 To: Senator Cohen, Chair

2 Committee on Finance

3 Senator Sams,

4 Chair of the Environment, Agriculture and Economic  
5 Development Budget Division, to which was referred

6 S.F. No. 1629: A bill for an act relating to agriculture;  
7 changing certain loan provisions; establishing a loan program;  
8 changing certain livestock zoning regulations; appropriating  
9 money; amending Minnesota Statutes 2004, sections 41B.046,  
10 subdivision 5; 41B.049, subdivision 2; 116.07, subdivision 7a;  
11 174.52, subdivision 5; 394.25, subdivision 3c; 462.355,  
12 subdivision 4; 462.357, by adding a subdivision; proposing  
13 coding for new law in Minnesota Statutes, chapter 41B; repealing  
14 Minnesota Statutes 2004, section 41B.046, subdivision 3.

15 Reports the same back with the recommendation that the bill  
16 be amended as follows:

17 Pages 1 to 4, delete sections 1 to 4

18 Page 6, line 9, after "including" insert "the safe  
19 operation and maintenance of a facility serving a permitted" and  
20 delete "and" and insert "or"

21 Page 6, line 10, delete everything after "agricultural" and  
22 insert "operation"

23 Page 6, line 11, delete the new language

24 Pages 10 and 11, delete sections 10 to 12

25 Renumber the sections in sequence

26 Amend the title as follows

27 Page 1, line 2, delete "loan" and insert "grant and loan  
28 criteria;"

29 Page 1, line 3, delete everything before the second  
30 semicolon and insert "modifying feedlot notification  
31 requirements"

32 Page 1, lines 4 and 5, delete "appropriating money;"

33 Page 1, delete line 6

34 Page 1, line 9, delete everything after "subdivision"

35 Page 1, delete line 10

36 Page 1, line 11, delete everything before the period

37 And when so amended that the bill be recommended to pass  
38 and be referred to the full committee.

39 *William Sams*.....  
40 (Division Chair)

41  
42 April 18, 2005.....  
43 (Date of Division action)