



August 15, 2017

The Honorable Bill Ingebrigtsen, Chair
Environment and Natural Resources Finance Committee
Minnesota Senate Building, Room 3207
95 University Ave West
St. Paul, Minnesota 55155

The Honorable Dan Fabian, Chair
Environment and Natural Resources Policy and Finance Committee
359 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, Minnesota 55155

Dear Senator Ingebrigtsen and Representative Fabian:

The Laws of 2017, Chapter 93, Article 1, Section 3, Subdivision 8 (b), (c) and (d) provided an operating adjustment to the Department of Natural Resources (DNR) with instruction to distribute it to our divisions accordingly. The enclosed report outlines our approach to this task and the resulting base appropriations in FY18 and FY19.

If you have any questions regarding this report, please contact Emily Engel, DNR Budget Director, at 651-259-5548.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Tom Landwehr'.

Tom Landwehr
Commissioner

CC: Eric Nauman, Minnesota Senate
Bill Marx, Minnesota House of Representatives
Dan Mueller, Minnesota Senate
Brad Hagemeyer, Minnesota House of Representatives

Agency Operating Adjustment Distribution

Adjustments to General Fund, Game and Fish Fund, and
Natural Resources Fund
08/15/2017

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Introduction

The Laws of 2017, Chapter 93, Article 1, Section 3, Subdivision 8 (b), (c), and (d) provided the following operating adjustment totals by fund to the Department of Natural Resources (DNR) with instruction to distribute these amounts to our divisions accordingly. (See below for bill language.)

Agency Operating Adjustment by Fund

Fund	FY18	FY19
General Fund	\$2,204,000	\$3,895,000
Game and Fish Fund	\$2,676,000	\$5,042,000
Natural Resources Fund	\$1,591,000	\$3,220,000
Total	\$6,471,000	\$12,157,000

Background

These amounts reflected a 1) a two percent increase for known compensation growth from FY17, 2) a one percent increase in compensation related to anticipated contract increases, and 3) \$900,000 annually for known MN.IT increases. To distribute the operating adjustment, we used the following guiding principles:

- (1) Funds will be distributed where the cost increases will occur and
- (2) To the extent possible, the fund health of Natural Resource Fund and Game and Fish Fund accounts with low balances or projected deficits in the current budget horizon will not be worsened.

This report contains five appendices that outline how the operating adjustment was distributed and the resulting appropriations:

- Appendix A shows the breakdown of the operating adjustment by fund and division;
- Appendix B presents the operating adjustment by account;
- Appendix C shows the operating adjustment by division and account;
- Appendix D presents a summary of division budgets by fund before and after the operating adjustment; and
- Appendix E restates the appropriation article including the operating adjustment at both the division fund and rider level and resulting base-level appropriations for each program.

Bill Language

Laws of 2017, Chapter 93, Article 1, Section 3, Subdivision 8 (b), (c), and (d)

(b) \$2,204,000 the first year and \$3,895,000 the second year are from the general fund for agency operating adjustments. The commissioner shall make necessary adjustments to program appropriations in this article to distribute these funds. By September 1, 2017, the commissioner shall report to the chairs of the legislative committees with jurisdiction over environment and natural resources finance the distribution of funds and resulting base-level appropriations for each program.

(c) \$2,676,000 the first year and \$5,042,000 the second year are from the game and fish fund for agency operating adjustments. The commissioner shall make necessary adjustments to program appropriations in this article to distribute these funds. By September 1, 2017, the commissioner shall report to the chairs of the legislative committees with jurisdiction over environment and natural resources finance the distribution of funds and resulting base-level appropriations for each program.

(d) \$1,591,000 the first year and \$3,220,000 the second year are from the natural resources fund for agency operating adjustments. The commissioner shall make necessary adjustments to program appropriations in this article to distribute these funds. By September 1, 2017, the commissioner shall report to the chairs of the legislative committees with jurisdiction over environment and natural resources finance the distribution of funds and resulting base-level appropriations for each program.

Appendix A: Distribution by Fund and Division

Division	2018	2019	Total
General Fund Total	2,204	3,895	6,099
Lands and Minerals	37	65	102
Ecological and Water Resources	429	760	1,189
Forestry	845	1,494	2,339
Parks and Trails	742	1,308	2,050
Enforcement	151	268	419
Natural Resources Fund Total	1,591	3,220	4,811
Lands and Minerals	71	144	215
Ecological and Water Resources	189	384	573
Forestry	412	832	1,244
Parks and Trails	732	1,480	2,212
Fish and Wildlife	7	12	19
Enforcement	180	368	548
Game and Fish Fund Total	2,676	5,042	7,718
Ecological and Water Resources	101	191	292
Forestry	3	5	8
Fish and Wildlife	1,924	3,620	5,544
Enforcement	648	1,226	1,874
ALL FUNDS TOTAL	6,471	12,157	18,628

Appendix B: Distribution by Account

Fund	2018	2019	Total
General Fund Total	2,204	3,895	6,099
1000 - General Fund	2,204	3,895	6,099
Natural Resources Fund Total	1,591	3,220	4,811
2100 - Water Recreation	142	288	430
2101 - Snowmobile	21	542	563
2102 - All-Terrain Vehicle	99	196	295
2103 - Off Highway Motorcycle	6	12	18
2104 - Off Road Vehicle	-	19	19
2106 - State Parks	439	371	810
2107 - State Parks and Trails Lottery-in-Lieu	232	475	707
2113 - Forestry Mgmt Investment (FMIA)	412	832	1,244
2114 - Minerals Management	71	144	215
2116 - Cross Country Ski	3	5	8
2119 - State Land and Water Conservation	6	11	17
2120 - Water Management	160	325	485
Game and Fish Fund Total	2,676	5,042	7,718
2200 - Game and Fish Operations	2,642	4,979	7,621
2209 - Heritage Enhancement	34	63	97
ALL FUNDS TOTAL	6,471	12,157	18,628

Appendix C: Distribution by Division and Account

Fund	2018	2019	Total
Lands and Minerals Total	108	209	317
General Fund Total	37	65	102
1000 - General Fund	37	65	102
Natural Resources Fund Total	71	144	215
2114 - Minerals Management	71	144	215
Ecological and Water Resources Total	719	1,335	2,054
General Fund Total	429	760	1,189
1000 - General Fund	429	760	1,189
Natural Resources Fund Total	189	384	573
2100 - Water Recreation	29	59	88
2120 - Water Management	160	325	485
Game and Fish Fund Total	101	191	292
2200 - Game and Fish Operations	70	133	203
2209 - Heritage Enhancement	31	58	89
Forestry Total	1,260	2,331	3,591
General Fund Total	845	1,494	2,339
1000 - General Fund	845	1,494	2,339
Natural Resources Fund Total	412	832	1,244
2113 - Forestry Mgmt Investment (FMIA)	412	832	1,244
Game and Fish Fund Total	3	5	8
2209 - Heritage Enhancement	3	5	8
Parks and Trails Total	1,474	2,788	4,262
General Fund Total	742	1,308	2,050
1000 - General Fund	742	1,308	2,050
Natural Resources Fund Total	732	1,480	2,212
2101 - Snowmobile	-	496	496
2102 - All-Terrain Vehicle	47	94	141
2103 - Off Highway Motorcycle	5	11	16
2104 - Off Road Vehicle	-	18	18
2106 - State Parks	439	370	809
2107 - State Parks and Trails Lottery-in-Lieu	232	475	707
2116 - Cross Country Ski	3	5	8
2119 - State Land and Water Conservation	6	11	17

Appendix C: Distribution by Division and Account

Fund	2018	2019	Total
Fish and Wildlife Total	1,931	3,632	5,563
<i>Natural Resources Fund Total</i>	7	12	19
2100 - Water Recreation	3	6	9
2101 - Snowmobile	3	6	9
2102 - All-Terrain Vehicle	1	-	1
<i>Game and Fish Fund Total</i>	1,924	3,620	5,544
2200 - Game and Fish Operations	1,924	3,620	5,544
Enforcement Total	979	1,862	2,841
<i>General Fund Total</i>	151	268	419
1000 - General Fund	151	268	419
<i>Natural Resources Fund Total</i>	180	368	548
2100 - Water Recreation	110	223	333
2101 - Snowmobile	18	40	58
2102 - All-Terrain Vehicle	51	102	153
2103 - Off Highway Motorcycle	1	1	2
2104 - Off Road Vehicle	-	1	1
2106 - State Parks	-	1	1
<i>Game and Fish Fund Total</i>	648	1,226	1,874
2200 - Game and Fish Operations	648	1,226	1,874
ALL FUNDS TOTAL	6,471	12,157	18,628

Appendix D: Comparison of Program and Fund Before and After Distribution

Program and Fund	Laws of 2017, Chapter 93 before operating adjustment distribution		Operating Adjustment		Laws of 2017, Chapter 93 after operating adjustment distribution	
	2018	2019	2018	2019	2018	2019
Lands and Minerals	5,652	5,658	108	209	5,760	5,867
General Fund	1,710	1,710	37	65	1,747	1,775
Natural Resources Fund	3,392	3,392	71	144	3,463	3,536
Game and Fish Fund	344	344	-	-	344	344
Permanent School Fund	206	212	-	-	206	212
Ecological and Water Resources	32,740	32,629	719	1,335	33,459	33,964
General Fund	17,213	17,046	429	760	17,642	17,806
Natural Resources Fund	10,576	10,576	189	384	10,765	10,960
Game and Fish Fund	4,951	5,007	101	191	5,052	5,198
Forestry	47,185	45,981	1,260	2,331	48,445	48,312
General Fund	31,719	30,481	845	1,494	32,564	31,975
Natural Resources Fund	14,144	14,144	412	832	14,556	14,976
Game and Fish Fund	1,322	1,356	3	5	1,325	1,361
Parks and Trails	79,830	81,100	1,474	2,788	81,304	83,888
General Fund	25,057	24,927	742	1,308	25,799	26,235
Natural Resources Fund	52,500	53,900	732	1,480	53,232	55,380
Game and Fish Fund	2,273	2,273	-	-	2,273	2,273
Fish and Wildlife	68,207	67,750	1,931	3,632	70,138	71,382
Natural Resources Fund	1,912	1,912	7	12	1,919	1,924
Game and Fish Fund	66,295	65,838	1,924	3,620	68,219	69,458
Enforcement	40,879	40,880	979	1,862	41,858	42,742
General Fund	6,640	6,640	151	268	6,791	6,908
Natural Resources Fund	10,309	10,309	180	368	10,489	10,677
Game and Fish Fund	23,828	23,828	648	1,226	24,476	25,054
Remediation Fund	102	103			102	103
Operations Support	8,436	12,157	(6,471)	(12,157)	1,965	-
General Fund	4,169	3,895	(2,204)	(3,895)	1,965	-
Natural Resources Fund	1,591	3,220	(1,591)	(3,220)	-	-
Game and Fish Fund	2,676	5,042	(2,676)	(5,042)	-	-
ALL FUNDS TOTAL	282,929	286,155	-	-	282,929	286,155

Appendix E:

Laws of 2017, Chapter 93, Article 1, Section 3

After Distribution of Agency Operating Adjustment

Sec. 3. NATURAL RESOURCES

Subdivision 1. Total Appropriation \$283,249,000 \$286,475,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>86,508,000</u>	<u>84,699,000</u>
<u>Natural Resources</u>	<u>94,744,000</u>	<u>97,773,000</u>
<u>Game and Fish</u>	<u>101,689,000</u>	<u>103,688,000</u>
<u>Remediation</u>	<u>102,000</u>	<u>103,000</u>
<u>Permanent School</u>	<u>206,000</u>	<u>212,000</u>

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd.2. Land and Mineral Resources Management 5,760,000 5,867,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>1,747,000</u>	<u>1,775,000</u>
<u>Natural Resources</u>	<u>3,463,000</u>	<u>3,536,000</u>
<u>Game and Fish</u>	<u>344,000</u>	<u>344,000</u>
<u>Permanent School</u>	<u>206,000</u>	<u>212,000</u>

(a) \$319,000 the first year and \$319,000 the second year are for environmental research relating to mine permitting, of which \$200,000 each year is from the minerals management account and \$119,000 each year is from the general fund.

(b) \$2,886,000 the first year and \$2,959,000 the second year are from the minerals management account in the natural resources fund for use as provided in Minnesota Statutes, section 93.2236, paragraph (c), for mineral resource management, projects to enhance future mineral income, and projects to promote new mineral resource opportunities. ¹

(c) \$206,000 the first year and \$212,000 the second year are from the state forest suspense account in the permanent school fund to secure maximum long-term economic return from the school trust lands consistent with fiduciary responsibilities and sound natural resources conservation and management principles.

(d) \$125,000 the first year and \$125,000 the second year are for conservation easement stewardship.

¹ Rider amount was \$2,815,000 the first year and \$2,815,000 the second year, which reflects an increase related to the operating adjustment of \$71,000 in the first year and \$144,000 in the second year.

Subd.3. Ecological and Water Resources33,459,00033,964,000Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>17,642,000</u>	<u>17,806,000</u>
<u>Natural Resources</u>	<u>10,765,000</u>	<u>10,960,000</u>
<u>Game and Fish</u>	<u>5,052,000</u>	<u>5,198,000</u>

(a) \$3,242,000 the first year and \$3,242,000 the second year are from the invasive species account in the natural resources fund and \$3,206,000 the first year and \$3,206,000 the second year are from the general fund for management, public awareness, assessment and monitoring research, and water access inspection to prevent the spread of invasive species; management of invasive plants in public waters; and management of terrestrial invasive species on state-administered lands.

(b) \$5,160,000 the first year and \$5,325,000 the second year are from the water management account in the natural resources fund for only the purposes specified in Minnesota Statutes, section 103G.27, subdivision 2.²

(c) \$124,000 the first year and \$124,000 the second year are for a grant to the Mississippi Headwaters Board for up to 50 percent of the cost of implementing the comprehensive plan for the upper Mississippi within areas under the board's jurisdiction.

(d) \$10,000 the first year and \$10,000 the second year are for payment to the Leech Lake Band of Chippewa Indians to implement the band's portion of the comprehensive plan for the upper Mississippi.

(e) \$264,000 the first year and \$264,000 the second year are for grants for up to 50 percent of the cost of implementation of the Red River mediation agreement.

(f) \$2,109,000 the first year and \$2,192,000 the second year are from the heritage enhancement account in the game and fish fund for only the purposes specified in Minnesota Statutes, section 297A.94, paragraph (e), clause (1).³

(g) \$950,000 the first year and \$950,000 the second year are from the nongame wildlife management account in the natural resources fund for the purpose of nongame wildlife management. Notwithstanding Minnesota Statutes, section 290.431, \$100,000 the first year and \$100,000 the second year may be used for nongame wildlife information, education, and promotion.

(h) Notwithstanding Minnesota Statutes, section 84.943, \$13,000 the first year and \$13,000 the second year from the critical habitat private sector matching account may be used to publicize the critical habitat license plate match program.

(i) \$6,000,000 the first year and \$6,000,000 the second year are from the general fund for the following activities:

² Rider amount was \$5,000,000 the first year and \$5,000,000 the second year, which reflects an increase related to the operating adjustment of \$160,000 in the first year and \$325,000 in the second year.

³ Rider amount was \$2,078,000 the first year and \$2,134,000 the second year, which reflects an increase related to the operating adjustment of \$31,000 in the first year and \$58,000 in the second year.

(1) financial reimbursement and technical support to soil and water conservation districts or other local units of government for groundwater level monitoring;

(2) surface water monitoring and analysis, including installation of monitoring gauges;

(3) groundwater analysis to assist with water appropriation permitting decisions;

(4) permit application review incorporating surface water and groundwater technical analysis;

(5) precipitation data and analysis to improve the use of irrigation;

(6) information technology, including electronic permitting and integrated data systems; and

(7) compliance and monitoring.

(j) \$167,000 the first year is for a grant to the Koronis Lake Association for purposes of removing and preventing aquatic invasive species. This is a onetime appropriation and is available until June 30, 2022.

(k) \$410,000 the first year and \$410,000 the second year are from the heritage enhancement account in the game and fish fund for grants to the Minnesota Aquatic Invasive Species Research Center at the University of Minnesota to prioritize, support, and develop research-based solutions that can reduce the effects of aquatic invasive species in Minnesota by preventing spread, controlling populations, and managing ecosystems and to advance knowledge to inspire action by others.

Subd.4. Forest Management

48,445,000

48,312,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>32,564,000</u>	<u>31,975,000</u>
<u>Natural Resources</u>	<u>14,556,000</u>	<u>14,976,000</u>
<u>Game and Fish</u>	<u>1,325,000</u>	<u>1,361,000</u>

(a) \$7,357,000 the first year and \$7,521,000 the second year are for prevention, presuppression, and suppression costs of emergency firefighting and other costs incurred under Minnesota Statutes, section 88.12. The amount necessary to pay for presuppression and suppression costs during the biennium is appropriated from the general fund. By January 15 of each year, the commissioner of natural resources shall submit a report to the chairs and ranking minority members of the house and senate committees and divisions having jurisdiction over environment and natural resources finance, identifying all firefighting costs incurred and reimbursements received in the prior fiscal year. These appropriations may not be transferred. Any reimbursement of firefighting expenditures made to the commissioner from any source other than federal mobilizations must be deposited into the general fund. ⁴

⁴ Rider amount was \$7,145,000 the first year and \$7,145,000 the second year, which reflects an increase related to the operating adjustment of \$212,000 in the first year and \$376,000 in the second year.

(b) \$12,056,000 the first year and \$12,476,000 the second year are from the forest management investment account in the natural resources fund for only the purposes specified in Minnesota Statutes, section 89.039, subdivision 2.⁵

(c) \$1,325,000 the first year and \$1,361,000 the second year are from the heritage enhancement account in the game and fish fund to advance ecological classification systems (ECS) scientific management tools for forest and invasive species management.⁶

(d) \$804,000 the first year and \$822,000 the second year are for the Forest Resources Council to implement the Sustainable Forest Resources Act.⁷

(e) \$500,000 the first year is from the general fund for a study of the ability to sustainably harvest at least 1,000,000 cords of wood annually on state-administered forest lands. No later than March 1, 2018, the commissioner must report the study's findings to the legislative committees with jurisdiction over environment and natural resources policy and finance. This is a onetime appropriation.

(f) \$2,000,000 the first year and \$2,000,000 the second year are from the forest management investment account in the natural resources fund for state forest reforestation. The base from the forest management investment account in the natural resources fund for fiscal year 2020 and later is \$1,250,000.

(g) \$1,869,000 the first year and \$1,131,000 the second year are from the general fund for the Next Generation Core Forestry data system. The appropriation is available until June 30, 2021.

(h) \$500,000 the first year and \$500,000 the second year are from the forest management investment account in the natural resources fund for forest road maintenance on state forest roads.

(i) \$500,000 the first year and \$500,000 the second year are from the general fund for forest road maintenance on county forest roads.

(j) \$500,000 the first year and \$500,000 the second year are from the general fund for additional private forest management.

(k) The base for the natural resources fund in fiscal year 2020 and later is \$13,394,000.

Subd.5. Parks and Trails Management	<u>81,304,000</u>	<u>83,888,000</u>
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Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>25,799,000</u>	<u>26,235,000</u>
<u>Natural Resources</u>	<u>53,232,000</u>	<u>55,380,000</u>
<u>Game and Fish</u>	<u>2,273,000</u>	<u>2,273,000</u>

⁵ Rider amount was \$11,644,000 the first year and \$11,644,000 the second year, which reflects an increase related to the operating adjustment of \$412,000 in the first year and \$832,000 in the second year.

⁶ Rider amount was \$1,322,000 the first year and \$1,356,000 the second year, which reflects an increase related to the operating adjustment of \$3,000 in the first year and \$5,000 in the second year.

⁷ Rider amount was \$780,000 the first year and \$780,000 the second year, which reflects an increase related to the operating adjustment of \$24,000 in the first year and \$42,000 in the second year.

(a) \$1,075,000 the first year and \$1,075,000 the second year are from the water recreation account in the natural resources fund for enhancing and maintaining public water-access facilities.

(b) \$5,972,000 the first year and \$6,215,000 the second year are from the natural resources fund for state trail, park, and recreation area operations. This appropriation is from the revenue deposited in the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (2).⁸

(c) \$17,789,000 the first year and \$18,120,000 the second year are from the state parks account in the natural resources fund for state park and state recreation area operation and maintenance.⁹

(d) \$1,005,000 the first year and \$1,005,000 the second year are from the natural resources fund for park and trail grants to local units of government on land to be maintained for at least 20 years for the purposes of the grants. This appropriation is from the revenue deposited in the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (4). Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

(e) \$130,000 the first year is from the general fund, and \$8,424,000 the first year and \$9,624,000 the second year are from the snowmobile trails and enforcement account in the natural resources fund for the snowmobile grants-in-aid program. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

(f) \$1,835,000 the first year and \$1,835,000 the second year are from the natural resources fund for the off-highway vehicle grants-in-aid program. Of this amount, \$1,360,000 the first year and \$1,360,000 the second year are from the all-terrain vehicle account; \$150,000 each year is from the off-highway motorcycle account; and \$325,000 each year is from the off-road vehicle account. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

(g) \$78,000 the first year and \$80,000 the second year are from the cross-country ski account in the natural resources fund for grooming and maintaining cross-country ski trails in state parks, trails, and recreation areas.¹⁰

(h) \$256,000 the first year and \$261,000 the second year are from the state land and water conservation account in the natural resources fund for priorities established by the commissioner for eligible state projects and administrative and planning activities consistent with Minnesota Statutes, section 84.0264, and the federal Land and Water Conservation Fund Act. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.¹¹

⁸ Rider amount was \$5,740,000 the first year and \$5,740,000 the second year, which reflects an increase related to the operating adjustment of \$232,000 in the first year and \$475,000 in the second year.

⁹ Rider amount was \$17,350,000 the first year and \$17,750,000 the second year, which reflects an increase related to the operating adjustment of \$439,000 in the first year and \$370,000 in the second year.

¹⁰ Rider amount was \$75,000 the first year and \$75,000 the second year, which reflects an increase related to the operating adjustment of \$3,000 in the first year and \$5,000 in the second year.

¹¹ Rider amount was \$250,000 the first year and \$250,000 the second year, which reflects an increase related to the operating adjustment of \$6,000 in the first year and \$11,000 in the second year.

(i) \$150,000 the first year is from the all-terrain vehicle account in the natural resources fund for a grant to the city of Orr to predesign, design, and construct the Voyageur all-terrain vehicle trail system, including:

(1) design of the alignment for phase I of the Voyageur all-terrain vehicle trail system and development of a preliminary phase II alignment;

(2) completion of wetland delineation and wetland permitting;

(3) completion of the engineering design and cost estimates for a snowmobile and off-highway vehicle bridge over the Vermilion River to establish a trail connection; and

(4) completion of the master plan for the Voyageur all-terrain vehicle trail system.

This is a onetime appropriation and is available until June 30, 2020.

(j) \$250,000 the first year and \$250,000 the second year are from the general fund for matching grants for local parks and outdoor recreation areas under Minnesota Statutes, section 85.019, subdivision 2.

(k) \$250,000 the first year and \$250,000 the second year are from the general fund for matching grants for local trail connections under Minnesota Statutes, section 85.019, subdivision 4c.

(l) \$50,000 the first year is from the all-terrain vehicle account in the natural resources fund for a grant to the city of Virginia to assist the Virginia Area All-Terrain Vehicle Club to plan, design, engineer, and permit a comprehensive all-terrain vehicle system in the Virginia area and to connect with the Iron Range Off-Highway Vehicle Recreation Area. This is a onetime appropriation and is available until June 30, 2020.

Subd.6. Fish and Wildlife Management

70,138,000

71,382,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>Natural Resources</u>	<u>1,919,000</u>	<u>1,924,000</u>
<u>Game and Fish</u>	<u>68,219,000</u>	<u>69,458,000</u>

(a) \$8,283,000 the first year and \$8,386,000 the second year are from the heritage enhancement account in the game and fish fund only for activities specified in Minnesota Statutes, section 297A.94, paragraph (e), clause (1). Notwithstanding Minnesota Statutes, section 297A.94, five percent of this appropriation may be used for expanding hunter and angler recruitment and retention.

(b) Notwithstanding Minnesota Statutes, section 297A.94, \$30,000 the first year is from the heritage enhancement account in the game and fish fund for the commissioner of natural resources to contract with a private entity to search for a site to construct a world-class shooting range and club house for use by the Minnesota State High School League and for other regional, statewide, national, and international shooting events. The commissioner must provide public notice of the search, including making the public aware of the process through the Department of Natural Resources' media outlets, and solicit input on the location and building options for the facility. The siting search process must include a public process to determine if any business or individual is interested in donating land for the facility, anticipated to be at least 500 acres. The site search team must meet with interested third parties affected by or interested in the facility. The commissioner must submit a report with the results

of the site search to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment and natural resources by March 1, 2018. This is a onetime appropriation.

(c) Notwithstanding Minnesota Statutes, section 297A.94, \$30,000 the first year is from the heritage enhancement account in the game and fish fund for a study of lead shot deposition on state lands. By March 1, 2018, the commissioner shall provide a report of the study to the chairs and ranking minority members of the legislative committees with jurisdiction over natural resources policy and finance. This is a onetime appropriation.

(d) Notwithstanding Minnesota Statutes, section 297A.94, \$500,000 the first year is from the heritage enhancement account in the game and fish fund for planning and emergency response to disease outbreaks in wildlife. This is a onetime appropriation and is available until June 30, 2019.

<u>Subd.7. Enforcement</u>	<u>41,858,000</u>	<u>42,742,000</u>
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Appropriations by Fund

	<u>2018</u>	<u>2019</u>
General	6,791,000	6,908,000
Natural Resources	10,489,000	10,677,000
Game and Fish	24,476,000	25,054,000
Remediation	102,000	103,000

(a) \$1,718,000 the first year and \$1,718,000 the second year are from the general fund for enforcement efforts to prevent the spread of aquatic invasive species.

(b) \$1,580,000 the first year and \$1,580,000 the second year are from the heritage enhancement account in the game and fish fund for only the purposes specified in Minnesota Statutes, section 297A.94, paragraph (e), clause (1).

(c) \$1,082,000 the first year and \$1,082,000 the second year are from the water recreation account in the natural resources fund for grants to counties for boat and water safety. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

(d) \$315,000 the first year and \$315,000 the second year are from the snowmobile trails and enforcement account in the natural resources fund for grants to local law enforcement agencies for snowmobile enforcement activities. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

(e) \$250,000 the first year and \$250,000 the second year are from the all-terrain vehicle account for grants to qualifying organizations to assist in safety and environmental education and monitoring trails on public lands under Minnesota Statutes, section 84.9011. Grants issued under this paragraph must be issued through a formal agreement with the organization. By December 15 each year, an organization receiving a grant under this paragraph shall report to the commissioner with details on expenditures and outcomes from the grant. Of this appropriation, \$25,000 each year is for administration of these grants. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

(f) \$510,000 the first year and \$510,000 the second year are from the natural resources fund for grants to county law enforcement agencies for off-highway vehicle enforcement and public education

activities based on off-highway vehicle use in the county. Of this amount, \$498,000 each year is from the all-terrain vehicle account; \$11,000 each year is from the off-highway motorcycle account; and \$1,000 each year is from the off-road vehicle account. The county enforcement agencies may use money received under this appropriation to make grants to other local enforcement agencies within the county that have a high concentration of off-highway vehicle use. Of this appropriation, \$25,000 each year is for administration of these grants. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

(g) \$1,000,000 each year is for recruiting, training, and maintaining additional conservation officers.

(h) The commissioner may hold a conservation officer academy if necessary.

Subd.8. Operations Support	<u>1,965,000</u>	<u>0</u>
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Appropriations by Fund

	<u>2018</u>	<u>2019</u>
General	<u>1,965,000</u>	<u>0</u>

(a) \$1,965,000 the first year is available for legal costs. Of this amount, up to \$500,000 may be transferred to the Minnesota Pollution Control Agency. This is a onetime appropriation and is available until June 30, 2021.

Subd.9. Pass Through Funds	<u>320,000</u>	<u>320,000</u>
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Appropriations by Fund

	<u>2018</u>	<u>2019</u>
Natural Resources	<u>320,000</u>	<u>320,000</u>

\$320,000 the first year and \$320,000 the second year are from the natural resources fund for grants to be divided equally between the city of St. Paul for the Como Park Zoo and Conservatory and the city of Duluth for the Duluth Zoo. This appropriation is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (5).

Subd. 10 Cancellation

The remaining amount of the general fund appropriation in Laws 2016, chapter 189, article 3, section 3, subdivision 3, for a grant to the Koronis Lake Association, estimated to be \$167,000, is canceled on June 30, 2017.

This subdivision is effective the day following final enactment.