

MAWD Legislative Update

April 6, 2015

Policy Committee deadlines have passed and all bills must have been heard and passed out of all policy committees in both bodies. Legislators are coming back tomorrow, April 7th from Easter Break and will begin finalizing finance omnibus bills to meet finance deadline on April 24th.

The Clean Water Council Recommendations bill (HF 1781, Torkelson/SF1754 Scalze) will be heard this week in the House and wrapped into the larger Environment Finance Omnibus bill in the House. Expect the same in the Senate version.

There are a number of bills that we are working on or watching. There is an unusual amount of emphasis on water issues this session. There are six major water related issue areas at this point. They include:

1. Bonding Legislation: Flood Hazard Mitigation legislation.
2. Budget /Clean Water Fund appropriations.
3. WCA Amendments.
4. 1 Watershed/1Plan: Comp Watershed Planning
5. Governor's Buffer Initiative
6. AIS Policy & Funding Issues

Specific legislation dealing with these issues are outlined below.

Environment & Natural Resources Budget: HF1781, Torkelson, SF 1754 Scalze , We are supporting the Clean Water Council Recommendations for the budget bill. The governor's recommendation was very similar, with the main difference being more money for local implementation funding with the CWC recs.

Flood Hazard Mitigation Funding: SF1133 (Stumpf, Eken & others) & HF1240 (Fabian, Kiel, Marquart, Lien, Backer & others): \$17,000,000 for various statewide projects. This is a one year appropriation consistent with the needs of projects in the RRV and elsewhere in the the state.

BWSR/Lac qui Parle Yellow Bank WD funding provided: HF58 Swdzinski, SF34 Provides \$500,000 in bond proceeds to BWSR for the WD for engineering analysis of two floodwater retention projects. Referred to Capital Investments in Hs, referred to Senate ENR Fin & Policy committee. No action.

River Watch: SF752 (Stumpf, Eken, Westrom, Skoe)/HF618 (Kiel, Backer, Fabian, Marquart, Lien): \$150K each year from the Clean Water Fund for River Watch. This was not recommended by the Clean Water Council as it was not a statewide program.

Grey Cloud Slough; Wash County, HF84 Schoen, SF83 Sieben, \$520,000, Grey Cloud Slough habitat improvement funding provided from the Outdoor Heritage Fund for a habitat restoration project that will improve water quality and restore essential backwater aquatic habitat. Referred to Hs Legacy Committee and Senate Finance.

Rural & Farmstead Ring Dike Funding: HF1452 (Marquart, Kiel, Backer, Fabian)/SF???? (Eken, Stumpf, Westrom, Skoe): \$650,000/year general fund for cost-share on rural and farmstead ring dikes. Based on WD numbers there are somewhere in the range of 12 - 15 projects of interest. Cost is estimated at ~ \$75,000/project with 50% coming from the state grant. The appropriation request is for one-time general fund. Primary areas are WRWD; MSTRWD; BRWD.

Proposed levy certification dates for special taxing districts changed; HF457 Applebaum, SF 555 Bonoff, Changes the levy certification date from Sept 15 to Sept 30th. Sent to taxes committees.

Mediation Work Group Funding: \$264,000/year is in the DNR's base biennial budget. So far no questions or issues raised during the DNR budget hearings.

Red River Basin Commission Funding: \$100,000/year is in the BWSR base biennial budget. The appropriation is matched by ND, Manitoba, SD, RRWMB, NDJWRB, and the NDWC. The RRBC Comprehensive flood strategy for the basin was completed in last couple years and have provided a framework for uniformity and consistency in water retention for both sides of the river.

LSOHC: HF0181(McNamara ; Hansen) SF0242 (Saxhaug ; Ingebrigtsen ; Tomassoni ; Stumpf): WRWD for Wild Rice River Corridor Habitat Restoration \$2,270,000 and SHWD \$990K for fish passage.

WCA Amendments: HF1489 (Hancock, Torkelson, Dill, McNamara, others)/SF1515 (Marty, Skoe, others): Provides for ILF mitigation option and establishment of HPA, high priority area designation for location of mitigation when on-site mitigation is not reasonable or practical. Could benefit water retention projects and stream restoration projects where wetlands are created, restored, protected. MAWD supports this legislation.

Governor's Buffers Initiative: SF1537 (Marty)/HF1534 (Torkelson): This is the Governor's buffer initiative for requiring a 50 foot buffer on all perennial waters in the state, including public and private ditches that have perennial flow. The effort would focus implementation through the SWCDs with CCRP buffer funding from USDA, FSA. Some exceptions to the 50 feet may be allowed under certain situations. The bill was heard in the HS Env Fin Committee and laid over. Expect some significant discussion and modifications if the bill proceeds. Passed the Senate Environment Policy Committee,

referred to the Jobs, Ag, and Rural Development Committee but not heard. Technically, by not being heard before policy committee deadline the bill is dead. But no one around the capitol believes the bill is really dead at this point. If the Governor wants to expend the political capital he will end up with something on buffers, but what that will be is the big question at this point. While MAWD generally supports the idea of increased buffers, we are arguing for increased flexibility from the governor's 50 ft. mandate in his legislation, and also believe landowners will need to get some funding for their property taken by the buffers.

Systems are already in place to deal with drainage system buffers and if those are mandated it should be up to the drainage authorities to determine the best way to proceed on buffering all ditches.

404 Assumption Study: HF690 (Fabian)/SF1225 (Stumpf): Directs BWSR to conduct a study on the assumption of 404 and report back to the legislature next year. This topic is worthy of a study 404 assumption by the state could significantly reduce the time to process wetland permits for our retention projects and eliminate some regulatory duplication. Heard in both the House and Senate committees and laid over for possible inclusion in omnibus bill.

1 Watershed/Plan, Comprehensive Watershed Management: HF (Rarick)/SF1433 (Scalze) : This bill is an outgrowth of the Local Government Roundtable involving MAWD, MASWCD, and AMC. This is meant to begin the process for those who want to move to a 1WD/1Plan approach in their watershed. This program is voluntary, and present plans can remain in place until the orgs within a watershed decide to move to one plan for the watershed. Heard on Tuesday in the Hs ENR Fin Committee and held over for possible inclusion in their finance or policy omnibus bill. No objections were raised on the bill. Passed into both finance committees.

Legislative approval of water quality standards and rules required, water quality standards cost-benefit analysis required, and money appropriated. HF616 Fabian, SF689 Eken. Referred to Hs ENR Finance, and Senate Enviro-Energy policy committee. Heard in the House committee, no action taken. While technically dead in the senate, watch for something to come out of the House ENR Finance committee's bill putting this type of language into play in the Environment & Natural Resources omnibus bill conference committee.

Water quality work independent peer review required; HF 617 Fabian, SF 690 Eken, referred to Hs ENR Finance Committee, referred to Senate Enviro-Energy policy committee. No hearing in either body, but also could be in play in the ENR Omnibus Finance bill.

Public Drainage System Redetermination of Benefits: HF1349 (Hansen) SF NA : Establishes a timeframe, July 1, 2020 for redetermination on systems that have not had a redetermination since May 20, 1977. The date is related to the legislation that required a buffer on all systems going through a redetermination after that date. Also required use of state of the art technology to make the redetermination more efficient and cost effective. Heard in the House environment finance committee. AMC, MAWD and the RRWMB all testified that we could live with this legislation if the timing were change and technologies could be perfected to accomplish this goal.

AIS Trailer decal requirements & fees modified: SF 669 Saxhaug, HF 1065 Uglem, Heard in the Senate ENR Policy Committee in mid-February. Amended to provide for a \$25 penalty for violating the AIS trailer decal requirement beginning Jan 1, 2017. Delays the requirement for violators to take AIS training after Jan 1, 2017, and delays the implementation of AIS training at no charge until Jan 1, 2016. Delays the AIS trailer decal requirement to Jan 1, 2016 and applies the requirement only to watercraft that is launched into waters of the state. Watch for more changes on this legislation before the end of session.

AIS Funding: HF 50 Draskowski, SF 1369 Thompson, AIS prevention program requirements repealed. This legislation would repeal the additional funding added in the tax bill last years through the LGA to help local governments with the AIS challenge locally. There was an informational hearing in the Hs ENR Finance Committee with many favorable comments on the additional \$10 million in funding for AIS. It will be acted on in the House Taxes committee later on this session. Will be heard in the Senate on Thursday, April 9. Doubtful the elimination of this funding will have much traction in the Senate taxes committee considering Sen. Skoe, taxes committee chair was the original author of this funding legislation last session. Sen Skoe spoke very forcefully for continuing this funding at the AIS Summit in St. Cloud and at our MAWD Legislative Day at the Capitol.

Disaster Assistance Deficiency Funding: SF 1 Jensen, HF 164 Knoblach, Section 4 appropriates \$2.47 million to BWSR projects in 2014 disaster area. Passed and signed into law. Chapter 2.

Disaster relief bond issue and appropriations: SF699 Pratt HF748 Albright, Public Land and building betterment and acquisition and capital improvements spending authorized, bonds issued . Will be heard in the Senate on Friday.

Please share this MAWD Legislative Update with your managers, staff and key partners.

We are also attaching a copy of our talking point for our legislative positions on key issues at the capitol. Thanks.

MAWD Legislative Positions

Bonding Legislation

MAWD supports \$17 million in Flood Hazard Mitigation funding this session for the various projects proposed by the RRWMB and others across the state. This amount is needed to adequately fund the projects that are ready to begin or in some cases finish construction.

MAWD also supports the emergency funding request to complete rebuilding the damage from last year's floods.

Budget

MAWD supports the funding recommendation of the Clean Water Council. This amount is needed to more adequately fund the water quality implementation projects that local units have ready to go on the ground.

1 Watershed/1Plan Legislation

MAWD supports HF1490/SF1433 to begin the process for those who want to move to the watershed plan approach in their watershed.

Governor's Buffer Initiative

MAWD supports increased buffering of our streams and drainage ditches, but realizes that one size (50 ft.) does not fit all. Increased flexibility in determining what is appropriate and where needs to be given to local governments charged with implementing any such buffer plan. Alternatives to buffering when appropriate need to be considered. In addition, funds must be provided to pay landowners for taking their land for this purpose. Funding must also be provided to the SWCD's if they are to ensure that appropriate landowner contact is made for buffers to be put into place to accomplish any goals of a buffering program. MAWD is committed to working with the Governor and Legislature to establish a fair and equitable program.

AIS Policy and Funding

MAWD strongly supports the continuation of the local government aids funding to counties for AIS programs. These funds have allowed local units of government additional resources to better coordinate and lead the fight against AIS in Minnesota. We continue to support regulatory measures needed to protect our waters from AIS.