

# 2016 Legislative Session Report

By: Ray Bohn, MAWD Coordinator

The 2016 Legislative Session has to go down as one of the most disappointing sessions in the history of our state.

This session had three big bills in play, the transportation funding bill, the tax bill, and the bonding bill ... none of which passed into law.

MAWD's priority legislative issues included clarifying language and additional funding on the 2015 buffers legislation to enhance the implementation of the buffers law, we also advocate for sufficient funds (\$20 million) for the Flood Hazard Mitigation Program (FHM) in the bonding bill to cover the needs for the Red River Valley and other watershed districts across the state.

In addition, we advocated for an additional \$500,000 for the Lac Qui Parle Yellow Bank WD (Area II) for an engineering study on two floodwater retention ponds. On the tax side we advocated for returning the effective date of local government sales tax exemption to January 1, 2016 from January 1, 2017.

**Buffers Legislation:** Rep. Torkelson on the House side and Senator Skoe on the Senate side worked with various stakeholders to make the 2015 buffer legislation workable. To that end HF3000/SF2503 was agreed to by all stakeholders and was passed into law with the Governor's signature. This legislation addresses the major concerns we had with the lack of clarity which would have opened WDs and other LGUs lawsuits with landowners. See the complete summary of the legislation on the BWSR web site at [http://www.bwsr.state.mn.us/buffers/Chapter\\_85\\_Summary.pdf](http://www.bwsr.state.mn.us/buffers/Chapter_85_Summary.pdf).

The LGUs sponsored a series of regional meetings to meet with the state agencies involved in this legislation so we all get on the same page on the implementation and enforcement of the buffers law. The meetings were held in August around the state and were well attended.

## Tax Bill

**Buffer Implementation Funding:** During the discussion of this legislation we indicated that funding would be needed for WDs and Counties to implement our enforcement part of the bill. To that end \$10 million was appropriated in the Tax bill with a formula dependent upon miles of ditches and shoreline under their respective jurisdiction.

The funding would flow through Local Government Aids to counties and watershed districts. It provided for a maximum of \$200,000 per county and a minimum of \$45,000 if they agree to enforce the statute. Funding would be provided proportionally to areas within a county with WD jurisdiction from the county to the WD.

Unfortunately, the Tax bill was pocket vetoed by the Governor so that funding is now dead. We will continue with efforts next year to ensure funding for this work, but nothing can be guaranteed at this point.

**Sales Tax Exemption:** WDs were included in language last year that moved our pending sales tax exemption from January 1, 2016 till January 1, 2017. We advocated a return to the Jan 1, 2016 date. Legislation was introduced by Sen. Ann Rest (SF2249) and Rep. Mike Freiberg (HF2387) to return to the 2016 date, but no action was taken in the Tax bill on this provision, but that obviously didn't matter because there was no tax bill.

## Capital Investment:

**Flood Hazard Mitigation:** Watershed districts and others throughout the state needed to get at least \$18-20 million for the FHM program in order to get enough in the DNR flood program to cover all the pending ready to go statewide flood needs. These total dollars would be spread around the entire state to meet flood projects ready to go. Unfortunately the bonding bill failed to pass so no funding is available. The final bill included \$11.55 million but included some ear marks that would have had a negative impact on WD projects ready to go in the RRV and other areas in the state.

**RIM & Local Roads Replacement:** In addition, the Governor's request for \$30 million for BWSR as a match with the FSA for RIM and to implement a new CREP in Minnesota was reduced to \$10 million in the final bill. The Governor's recommendation of \$5 million for the Local Gov't Roads Wetland Replacement Program was fully funded in the final bill.

**Area II Flood Retention:** The Laq Qui Parle Yellow Bank WD requested \$500,000 through the Area II Flood Retention program for an engineering study for two retention ponds. The final bill did not fund this request.

