Legislation is moving surprisingly slow considering the short session deadline. Our first policy committee deadline is March 22nd, the second and final policy deadline is one week later or March 29th, and the third finance committee deadline on April 20th. So, there is not much time to move bills along in the process and committee time is at a premium.

The February 28th revenue forecast was far below most expectations at the capitol. Most were expecting some number in the $800 million to $1 billion in surplus funds. It ended up to be much closer to $350 million. Because the state residents will see a $550 million increase in taxes due to the Federal bill, the tax committees need to try and bring our tax laws into conformity to the new federal law. All in a short three month session.

Unless everyone agrees to all aspects of the conformity legislation, it may well be near impossible to accomplish that goal.

And after all is done with the tax conformity, there will be little remaining for other aspects of state and local governments.

Presently we are moving ahead on several initiatives which are outlined below:

**Clean Water Fund spending:** There is around $3 million remaining in the CWF that can be dispersed this year. In addition, the $22 million moved from the CWF to be used for SWCD operating cost was returned to the CWF because it was backfilled by the state general fund due to the surplus. So that leaves $25 million in the account to spend this year. The CWF Budget Committee last week voted to recommend to the Clean Water Council the following recommended appropriations:

- Compleitive Grants: $5 million
- Forest for the Future: $1 million
- 1WS/1Plan: $4.4 million
- UofM: $0.34 million
- CREP: $15.0 million

MAWD supports this recommendation for the distribution of funds.

**General fund levy** increases for non-metro WDs: Legislation is drafted but we need help to find authors for this legislation. If you think your legislators would be willing to support and author this legislation on our behalf please ask them if they would author this legislation.

**Statutory clarification for use of project levy funds with state funds:** HF2456-Baker/SFXXXX-Lang clarifies that we can use this project levy account for additional money appropriated by law for grants or loans to the district instead of only the Clean Water Partnership Grants. This means we would be able to use this levy to leverage/match funding from the Clean Water Fund, Legacy, LCCMR, etc. This would give us much more flexibility to complete for these funds.
and to keep our project levies lower for projects. The Senate file will be introduce on Thursday, March 8th.

**Electronic meeting attendance Open Meeting law**: This legislation will allow managers to attend meetings using interactive TV. The bill is being drafted (see attached language) and will be authored by Sen. Johnson in the Senate. The House author is TBD.

**Bonding requests** (CREP, flood hazard mitigation, etc.): This last week, the Senate Environment Committee met to hear presentation by agencies on their capital investment requests. The Department of Natural Resources has requested $20 million in bonding requests this year of which Governor Dayton approved and made a part of his capital budget request. The House and Senate Bonding committees have also begun to hear presentations on bonding requests. We have met with both Suzy Geroux and Gavin Hansen, Committee Administrators, for the Senate and the House, respectively to discuss the high priority that funding flood damage reduction projects is to businesses and the people in Minnesota. We have also had the chance to speak with the Department of Natural Resources about introducing language requesting more than the $20 million recommended by Governor Dayton in the Department of Natural Resources annual funding request. (provided by Lisa Frenette, RRWDB Lobbyist)

**HF2940Bliss/SF 2637Ingebrigsten**: This legislation that prohibits MPCA from increasing it fees was heard this week in the Senate Environment Finance Committee. The bill, as amended, would prohibit the Pollution Control Agency from increasing water fees unless the increases were statutorily approved. Municipalities and businesses have taken issue with possible amendments to the rules governing water quality fees. Legislators and major stakeholders believe that the PCA should perform a comprehensive overview of the many water quality programs under its purview and prioritize water quality programs that benefit the state before increasing its water quality fees to pay for programs. (provided by Lisa Frenette, RRWDB Lobbyist)

**Drainage work group legislation:**
   a. **Recommendations for Accelerating Public Drainage System Acquisition and Establishment of Buffer Strips and Alternative Practices: A Report to the Legislature**, (February 1, 2018). Legislation has been drafted by/for the stakeholder Drainage Work Group to address 7 of the 15 recommendations in the report, for which there is consensus support by the DWG. We will be working to secure authors for this bill to pass 7 recommendations from the DWG.
   b. **Runoff and Sediment Delivery Option for Repair Cost Apportionment**: This legislation will probably not be introduced this session. The DWG has been unable to reach an agreement on all aspects of this legislation. It would contain the following elements if introduced.
      1. Enable a relative runoff and relative sediment delivery option in Chapter 103E for drainage system repair cost apportionment. This option is not a requirement and is for repairs only.
      2. Increase the utilization of technology for apportionment of drainage system repair costs.
      3. Better enable equitable repair cost apportionment to properties using the drainage system, without conducting a redetermination of benefits and damages.
      4. Potentially reduce the time and cost of equitably apportioning repair costs.
      5. Provide incentive in Chapter 103E to reduce runoff and sediment delivery to a drainage system.

**Watershed planning and implementation coordination**: This pending legislation represents an agreement between state agencies and LGUs on how to better coordinate activities and funding in the
future for TMDLs and WRAPS by making allowances for local plans and implementation on TMDL and WRAPS required by the MPCA. This is the first time state agencies are giving formal recognition to the local plans and program activities. This will bring greater use of our data which will reduce the cost of planning because our plans and programming will substitute for the TMDLs and WRAPS if approved by the MPCA and the EPA. This will eliminate duplication of planning efforts and move more funds to implementation of our water quality programs. We hope to move this important bill forward this session.

Update on other legislative priorities

**Stormwater Reuse Task Force:** We are presently holding on this legislation until the final report is released by the MN Dept. of Health.

**Commercial salt applicator / limited liability protection legislation:** This legislation appears to be generating a lot of support at the capitol, but the group that is drafting the legislation and taking the lead on their proposed legislation still has not produce a bill. Once it is introduced, we will review and see if it is some we can get behind.

END