

# MN Association of Watershed Districts

## LEGISLATIVE UPDATE & 2018 LEGISLATIVE TRACKING

March 23, 2018

As typical with a “short” legislative session, bills have been moving fast and furiously through the committee process. Also typical of a short session is that legislators still want to move their bill through the process and the number of bills introduced for the biennium exceeds the 3,000 mark. Of that number, only several hundred will actually be signed into law. Many will also be placed into larger “omnibus bills” regardless of whether they are policy or finance related.

Below are the bills we are tracking and their status as of Friday March 23<sup>rd</sup>. This was the first policy deadline, which means if you do not have your policy bill out of all policy committees in either the House or Senate, it is dead for the session. But as they say, nothing is truly dead while the legislature is in session. The second policy committee deadline is this coming Thursday, March 29<sup>th</sup> which requires that all policy bills be reported out of all policy committees in both bodies. Many of the bills not heard or not making it out of all policy committees will show up as amendments to other bills during the process. This means lobbyist have to be extra vigilant to ensure that negative amendments are not added to bills either in finance committees or on the floor of either body.

Very few bills pass without changes. We are monitoring and speaking out on any proposed bills or amendments that impact watershed districts either negatively or positively. We are your voice at the Capitol.

Please review the list of bills below and our legislative priorities for the session and share this MAWD Legislative Update with your managers, staff and key partners.

### **PROJECT LEVY STATUTE MODIFICATION**      **LEADING THIS EFFORT**

MAWD Resolution: Advocate for a statutory clarification to allow broader use of levy funds with new state sources of project funding (16)

- [HF 2456 Watershed district levy authority modified](#) (Baker, Marquart, Kunesh-Podein)
  - 2/21/18 – Referred to **Property Tax and Local Government Finance Division** committee
  - Committee hearing requested. Tax committee has no deadlines.
- [SF 3077 Watershed districts levy authority modification](#) (Lang, Sparks, Weber, Eken, Johnson)
  - 3/08/18 – Referred to **Taxes** committee
  - Committee hearing requested. Tax committee has no deadlines.

### **COORDINATED WATERSHED MANAGEMENT**      **LEADING THIS EFFORT ALONG WITH AMC & MASWCD**

MAWD Resolution: Advocate for coordination and integration of state watershed programs with local watershed implementation (17).

- [HF 3908 Clean Water Legacy Act modified, and coordinated watershed management provided](#) (Fischer, Torkelson)
  - 3/15/18 – Referred to **Environment and Natural Resources Policy and Finance** committee
- [SF 3647 Clean Water Legacy Act modified, and coordinated watershed management provided](#) (Ingebrigtsen)
  - 3/12/18, 3/14/18 – Met with environmental groups to discuss their concerns
  - 3/21/18 – Referred to ENR Policy & Legacy Committee
  - 3/26/18 Being heard in ENR Policy & Legacy Committee. Bill made committee deadline due to being sent to a finance committee in the House.

### **ELECTRONIC MEETING ATTENDANCE**      **LEADING THIS EFFORT**

MAWD Resolution: Amend the Open Meeting Law to allow electronic meeting participation by WD managers & outside of WD boundaries. (16)

- [HF 3834 WD board meeting requirements clarified for meetings conducted by interactive television](#) (Dettmer, Fischer, Torkelson)
  - 3/15/18 – referred to **Environment and Natural Resources Policy and Finance** committee
- [SF 3499 WD board meeting requirements for meetings conducted by interactive television](#) (Johnson, Sparks, Lang)
  - 3/15/18 – referred to **Environment and Natural Resources Policy and Legacy Finance** committee

NOTE: This legislative effort has been somewhat confusing because the League of MN Cities and some LGU's are presently interpreting the law that they can conduct meetings via interactive TV outside of their geographical boundary legally at the present time. Those groups have asked us not to pursue the legislation and work with them to get the law clarified administratively over the summer and fall. We were scheduled to have a hearing on Monday, March 26<sup>th</sup> but have decided to pull the legislation at this time to work with LGUs to attain guidance from BWSR and the Attorney General's office on this law (13D).

**BUFFERS – ACCELERATION OF BUFFER ESTABLISHMENT**

**LEADING THIS EFFORT WITH AMC & MASWCD**

MAWD Board Direction: Promote consensus legislation put forth by the drainage work group.

- [HF 3835 Cost-sharing funding provided to implement riparian buffer strips or alternative practices along public drainage ditches and outreach to landowners, drainage authorities, and their advisors; and money appropriated](#) (Torkelson)
  - 3/15/18 – referred to **Environment and Natural Resources Policy and Finance** committee
  - This bill has made policy committee deadline because it is a finance bill.
- [HF 3836 Agricultural best management practice loan conditions modified to include environmental service providers, and drainage law modified to accelerate ditch buffer implementation](#) (Torkelson)
  - 3/15/18 – referred to **Agriculture Policy** committee
  - 3/20/18 – Heard in committee and passed on to the ENR Finance & Policy Committee. Agreed to work with author and several legislators on language. Amendment adopted which was agreed to by the Drainage Work Group dealing with runoff and sediment delivery option (RSDO) for repair cost apportionment.
- [SF 3410 Agricultural best management practice loan conditions modifications to include environmental service providers; drainage law modification to accelerate ditch buffer strip implementation](#) (Weber, Sparks)
  - Referred to **Agriculture, Rural Development, and Housing** Policy committee
  - 3/20/18 – Heard in committee, amendment adopted which was agreed to by the Drainage Work Group dealing with runoff and sediment delivery option (RSDO) for repair cost apportionment.
  - Passed on to the ENR Policy and Legacy Committee. Hearing scheduled for Monday, March 26<sup>th</sup>.

**DITCHES – RUNOFF AND SEDIMENT DELIVERY OPTION (FOR REPAIR COST APPORTIONMENT)**

**LEADING EFFORT w/ AMC**

MAWD Board Direction: Promote consensus legislation put forth by the drainage work group.

- *Consensus was finally reached & the legislation was placed on HF3836 & SF 3410 (see above). This legislation was an agreed to bill so it is not controversial.*

**FLOOD HAZARD PROGRAMS / BONDING**

**SUPPORTING OUR PARTNERS**

MAWD Resolutions: Support stable funding for the DNR's Flood Damage Reduction Grant Program

Support bonding requests from watershed districts for the Flood Hazard Mitigation Program (16)

Support a \$500,000 request for flood water retention engineering in the Lac qui Parle Yellow Bank watershed (13)

- [HF 3742 Cedar River WD funding provided, bonds issues, and money appropriated](#) (Poppe)
  - 3/14/18 – referred to **Environment and Natural Resources Policy and Finance** committee
- [SF 3347 Cedar River WD bond issue and appropriation](#) (Sparks)
  - 3/14/18 – referred to **Capital Investment** committee
- [HF 2818 Buffalo-Red River WD flood hazard mitigation funding provided, bonds issued, \\$ appropriated](#) (Backer)
  - 2/20/18 – referred to **Environment and Natural Resources Policy and Finance** committee
- [SF 2509 Buffalo-Red River WD flood hazard mitigation bond issue and appropriation](#) (Westrom)
  - 2/20/18 – referred to **Capital Investment** committee

- [HF 1230 Lac qui Parle Yellow Bank WD funding provided, bonds issues, and money appropriated](#) (Swedzinski)
  - 2/15/17 – referred to **Environment and Natural Resources Policy and Finance** committee
- [SF 761 Lac qui Parle Yellow Bank WD grant bond issue and appropriation](#) (Dahms)
  - 2/09/17 – referred to **Capital Investment** committee

NOTE: All capital investment bills will be sent directly to the bonding committees for their consideration. The Capital Investment committee in the House has begun to hear bills, the Senate side has not. Really don't know when to expect this bill to be made public.

**LIMITED LIABILITY FOR COMMERCIAL SALT APPLICATION**      **SUPPORTING OUR PARTNERS**

MAWD Resolution: Support limited liability protections for certified commercial salt applicators (17)

- [HF 3577 Certified salt applicator program established, and liability limited](#) (Anselmo, R. Barr, Haley, Smith, Fenton, Loon, Jurgens, Pugh, Metsa, Fischer, Poston, Heintzeman)
  - 3/08/18 – referred to **Environment and Natural Resources Policy and Finance** committee
  - 3/14/18 – committee report, to adopt as amended and re-refer to **Civil Law and Data Practices Policy** committee
- [SF 3199 Certified salt applicator program establishment](#) (Ruud, Ingebrigtsen, P. Anderson, Hall, Tomassoni)
  - 3/12/18 – Referred to **Environment and Natural Resources Finance** committee
  - 3/14/18 – Withdrawn and re-referred to **Environment and Natural Resources Policy and Legacy Finance** committee

**WATERSHED MANAGEMENT IN MN RIVER BASIN**      **NEED TO ADD MAWD to LIST OF STAKEHOLDERS IF PASSED**

- [HF3940 Funding to reduce nutrients in the Minnesota River basin provided, and money appropriated](#) (C. Johnson, Considine)
  - 3/15/18 – referred to **Environment and Natural Resources Policy and Finance** committee
- [SF 3620 Minnesota River basin nutrient reduction strategy appropriation](#) (Frentz, Marty, Eaton)
  - 3/19/18 – referred to **Environment and Natural Resources Policy and Legacy Finance** committee

**METRO "SLOW THE FLOW"**      **MONITORING CLOSELY → ACT WHEN NECESSARY**

MAWD Board Direction: Monitor and act on any changes to 103B.

- [HF 2989 Watershed management organization planning requirements modified, and WD purpose modified](#) (Wagenius, Hoppe, Hansen, Gunther, Bly, Anselmo)
  - 2/22/18 – Referred to **Environment and Natural Resources Policy and Finance** committee
- [SF 3407 Watershed management organization planning requirements and district purposes modifications](#) (Dibble, Carlson, Cwodzinki, Hawj)
  - 3/15/18 – Referred to **Environment and Natural Resources Policy and Legacy Finance** committee

**MODIFICATION OF WATERSHED DISTRICT PROVISIONS**      **MONITORING CLOSELY → ACT WHEN NECESSARY**

MAWD Board Direction: Monitor and act on any changes to 103D.

- [HF 3805 Watershed district provisions modified](#) (Heintzeman)
  - 3/14/18 – referred to **Environment and Natural Resources Policy and Finance** committee
- [SF 3379 Watershed districts provisions modification](#) (Draheim)
  - 3/15/18 – referred to **Environment and Natural Resources Policy and Legacy Finance** committee

NOTE: These bills did not meet committee deadlines, so they should be dead for this session. There have been several meetings with the person pushing this legislation and MAWD lobbyist & Executive Director will meet with his lobbyist and principal on April 11<sup>th</sup>. We will continue to monitor to ensure the language does not show up anywhere else this session.

**MODIFICATION OF WATERSHED DISTRICT PLANNING REQUIREMENTS**      **MONITOR CLOSELY → ACT WHEN NECESSARY**

MAWD Board Direction: Monitor and act on any changes to 103D.

- [HF3603 Watershed district planning requirements modified](#) (Loon)
  - 3/12/18 - referred to **Environment and Natural Resources Policy and Finance** committee
  - Not heard in committee
- SF xxxx – no companion bill yet

**DITCHES – DNR PERMITS FOR 103E PROJECTS** **MONITOR**

MAWD Board Direction: Monitor and act on any changes to the 103E.

- [HF 2687 Public waters and public drainage system laws clarified](#) (Fabian, Hamilton, Poppe, Green, P. Anderson, Grossell, Torkelson, Dettmer)
  - 5/18/17 – Referred to **Environment and Natural Resources Policy and Finance** committee
- [SF 2419 Public waters and public drainage system laws clarification](#) (Westrom, Weber, Eken, Sparks, Ingebrigtsen)
  - 5/21/17 Referred to **Environment and Natural Resources Policy and Legacy Finance** committee

NOTE: DNR has issued a Guidance Memo on this topic. [See attached memo FYI.](#)

**DITCHES – DRAINAGE LIEN PRINCIPAL INTEREST RATE MODIFICATION (removes interest rate cap set by state court)**

MAWD Board Direction: Monitor and act on any changes to the 103E. **MONITOR**

- [HF 3512 Drainage lien principal interest rate modified, definitions modified, and code references updated](#) (Davids)
  - 3/08/18 – referred to **Environment and Natural Resources Policy and Finance** committee
  - 3/15/18 – removed from hearing agenda
- [SF 3097 Drainage lien principle interest rate modification](#) (Chamberlain)
  - 3/08/18 – referred to **Taxes** committee
  - 3/15/18 – withdrawn and re-referred to **Judiciary and Public Safety Finance and Policy** committee
  - 3/20/18 – Heard by committee and amended and re-referred to Taxes

**DITCHES – ALLOW BENEFITS TO BE UPDATED BASED ON MARKET VALUES FOR REPAIR PROJECTS** **MONITOR**

MAWD Board Direction: Monitor and act on any changes to the 103E.

- [HF 2876 Drainage system repair procedures modified](#) (Backer)
  - 2/20/18 – referred to **Environment and Natural Resources Policy and Finance** committee
- [SF 3181 Drainage systems repair procedures modification](#) (Westrom)
  - 3/12/18 – referred to **Agriculture, Rural Development, and Housing Policy** committee
  - 3/20/18 – Heard in committee, amended and re-referred to ENR Policy & Legacy Finance Committee

NOTE: BWSR sent letter to Bois de Sioux WD on 3/16/18 explaining they can do this already without any changes to law.

**GENERAL LEVY INCREASE** **LEADING THIS EFFORT**

MAWD Resolutions: Modify/increase the general fund levy limit for all non-metro watershed districts to \$500,000 (16)  
Support increasing the general fund levy limit for the Middle Fork Crow River Watershed District (17)

NOTE: Discussed with several legislators... one suggested an inflationary increase to \$350k, but no real interest in authoring the tax increase legislation

**CONSERVATION EASEMENT TAX RELIEF** **MONITOR**

MAWD Resolution: Advocate for allowing more favorable tax treatment of conservations easements (16)

- [HF 3512 Agricultural classification of land converted from agricultural use for environmental purposes allowed](#) (Davids)
  - 3/16/18 - Referred by Chair to **Property Tax and Local Government Finance Division** committee
- [SF 3097 Agricultural classification of land converted from agricultural use to environmental purposes authorization](#) (Chamberlain)
  - 3/15/18 – referred to **Taxes** committee, re-referred to ENR Finance, amended, re-referred back to Taxes.

## AGENCY PERMITTING, WATERSHED TRADING CREDIT

## **MONITOR**

- [HF 3120 Environmental agency permitting, rulemaking, and fees modified; watershed credit exchange program provided; compliance requirements modified; and money appropriated](#) (Fabian, Heintzeman, Lueck, Ecklund)
  - 2/26/19 – Referred to House ENR Policy & Finance Committee
  - 3/27/18 – Hearing scheduled
- [SF 2705 Environmental agencies permitting, rulemaking, and fees modifications; watershed credit exchange program establishment; effluent limitation compliance, appropriation](#) (Ingebrigtsen, Tomassoni, Ruud, Weber, Mathews)
  - 2/26/18 – Referred to Environmental and Natural Resources (ENR) Policy & Legacy Finance committee
  - 3/15/18 – Committee passed and re-referred to ENR Finance committee

## STORMWATER REUSE TASK FORCE

## **LEADING THIS EFFORT**

MAWD Resolution: Create a Stormwater Reuse Task Force that consists of local and state officials involved in water management (17)

NOTE: MDH released a report and subsequent conversations leave us to conclude that our concerns have been heard to the degree we will continue to work with them in an administrative capacity instead of using legislative action at this time.

## MANAGER PER DIEMS

MAWD Resolution: Increase per diems for managers to \$100 per day (15)

- No action taken on this initiative

## CLEAN WATER COUNCIL APPOINTMENTS

MAWD Resolution: Protect the integrity of Clean Water Council appointments from undue influence by state agencies (15)

- No action taken on this initiative

## AQUATIC INVASIVE SPECIES QUARANTINE

MAWD Resolution: Support temporary quarantine authority to control the spread of aquatic invasive species (17)

- No action taken on this initiative

## OTHER LEGISLATION OF POTENTIAL INTEREST TO WDs

HF2727 – Proposed **nitrogen fertilizer rule** adoption prohibited (Green) – 3/15/18 Ag Policy committee hearing

HF2887 – Nitrogen fertilizer rules prohibited unless approved by law (Backer) – 3/15/18 Ag Policy hearing

HF3607 – Nitrogen monitoring on state lands required (Green) – 3/15/18 Ag Policy hearing

HF3280 – **Wild rice** water findings established... **water quality standards** nullified (Lueck) – 3/15/18 Govt Ops hearing

SF2983 – Wild rice water findings, restricting application of WQ standards – 3/19/18 ENRPF hearing

HF2789 – Outdoor Heritage Fund **appropriations**, LGU notice before acquiring land in fee (Fabian) – 3/19 hearing

SF2934 – Environment and Natural Resource Trust Fund appropriation (Westrom) / HF 3352 (Heintzeman)

HF2782 – MN River-Mankato watershed water quality mitigation... bonds issued, \$ appropriated (Considine)/SF2822 (Frentz)

SF3269 – Wild rice waters restoration and enhancement appropriation (Bliss) / HF 3659 (Franke)

SF2705 – Online training appropriation for county feedlot officers (Sparks) / HF3052 (Davids)

SF2474 – Beaver control grant appropriation (Bakk) / HF2849 (Ecklund)

SF2878 – \$1M general fund appropriation to review technical accuracy of WQ standards, TMDLs, WRAPs, etc. (Nelson)

SF2637 – MPCA fee increase prohibition without legislative approval (Ingebrigtsen) / HF 2940 (Bliss)

HF3819 – Ramsey SWCD discontinued

HF3331 – Agricultural drain tiles exempted from sales tax (Poppe)

HF3699 – Well Water Awareness Act (Hansen) / SF 3341 (Klein)