

**SIXTY-SIXTH DAY**

St. Paul, Minnesota, Wednesday, May 10, 2023

The Senate met at 11:00 a.m. and was called to order by the President.

**CALL OF THE SENATE**

Senator Dziejdzic imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Jake Holck.

The members of the Senate gave the pledge of allegiance to the flag of the United States of America.

The roll was called, and the following Senators were present:

Abeler	Duckworth	Howe	Mann	Port
Anderson	Dziejdzic	Jasinski	Marty	Putnam
Bahr	Eichorn	Johnson	Maye Quade	Rarick
Boldon	Farnsworth	Klein	McEwen	Rasmusson
Carlson	Fateh	Koran	Miller	Rest
Champion	Frentz	Kreun	Mitchell	Seeberger
Coleman	Green	Kunesh	Mohamed	Utke
Cwodzinski	Gruenhagen	Kupec	Morrison	Weber
Dahms	Gustafson	Lang	Murphy	Wesenberg
Dibble	Hauschild	Latz	Nelson	Westlin
Dornink	Hawj	Lieske	Oumou Verbeten	Westrom
Draheim	Hoffman	Limmer	Pappas	Wiklund
Drazkowski	Housley	Lucero	Pha	Xiong

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communication was received.

May 10, 2023

The Honorable Bobby Joe Champion  
President of the Senate

Dear Senator Champion:

The Subcommittee on Committees met on May 1, 2023, and by appropriate action made the following appointments:

Pursuant to Minnesota Statutes

15.0145: Minnesota Council on Latino Affairs - Senator Dornink to serve at the pleasure of the appointing authority.

3.732: LCC Subcommittee on Claims - Senators Carlson and Westlin to serve at the pleasure of the appointing authority.

Sincerely,  
Senator Kari Dziedzic  
Chair, Subcommittee on Committees  
Senate District 60

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2:

**H.F. No. 2:** A bill for an act relating to employment; creating a family and medical benefit insurance program; requiring leave from employment under certain circumstances; allowing substitution of a private plan; prohibiting retaliation; classifying data; authorizing expedited rulemaking; transferring money; appropriating money; amending Minnesota Statutes 2022, sections 13.719, by adding a subdivision; 62A.01, subdivision 1; 177.27, subdivision 4; 181.032; 256B.0659, subdivision 18; 256B.85, subdivisions 13, 13a; 256J.561, by adding a subdivision; 256J.95, subdivisions 3, 11; 256P.01, subdivision 3; 268.19, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 268B.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Richardson, Edelson and Kotyza-Witthuhn have been appointed as such committee on the part of the House.

House File No. 2 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted May 9, 2023

Senator Mann moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2, and that a Conference Committee of 3 members be appointed by the

Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Senator Morrison moved that the name of Senator Fateh be added as a co-author to S.F. No. 1324. The motion prevailed.

Senator Marty moved that the name of Senator McEwen be added as a co-author to S.F. No. 1723. The motion prevailed.

Senator Coleman moved that her name be stricken as a co-author to S.F. No. 3327. The motion prevailed.

### RECESS

Senator Dziejdzic moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

### APPOINTMENTS

Senator Dziejdzic from the Subcommittee on Conference Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H.F. No. 2: Senators Mann, Maye Quade, and Kupec.

Senator Dziejdzic moved that the foregoing appointments be approved. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Reports of Committees.

### REPORTS OF COMMITTEES

**Senator Murphy from the Committee on State and Local Government and Veterans, to which was re-referred**

**S.F. No. 1949:** A bill for an act relating to gambling; authorizing and providing for sports betting; establishing licenses; prohibiting local restrictions; providing for taxation of sports betting; providing civil and criminal penalties; providing for amateur sports grants; requiring reports; appropriating money; amending Minnesota Statutes 2022, sections 245.98, subdivision 2; 260B.007, subdivision 16; 609.75, subdivisions 3, 4, 7, by adding a subdivision; 609.755; 609.76, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 240A; 299L; 609; proposing coding for new law as Minnesota Statutes, chapter 297J.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, after line 8, insert:

"Subd. 21. **Sports governing body.** "Sports governing body" means an organization that prescribes and enforces final rules and codes of conduct for a sporting event and participants engaged in the sport. For a sporting event sanctioned by a higher education institution, "sports governing body" means the athletic conference to which the institution belongs."

Page 6, line 3, delete "must" and insert "may"

Page 6, line 5, after "remitted" insert ", except the commissioner shall not promulgate a regulation setting a minimum hold requirement"

Page 6, line 7, delete "gross" and after "betting" insert "net"

Page 7, line 8, after "regulations" insert ", if any,"

Page 7, line 17, after the semicolon, insert "and"

Page 7, line 19, delete "and"

Page 7, delete lines 20 to 23

Page 7, line 24, delete "(18)" and insert "(17)"

Page 7, line 28, delete "(19)" and insert "(18)"

Page 9, after line 4, insert:

"Subd. 5. **Mobile sports betting start date.** The commissioner shall designate a start date for mobile sports betting that is not later than November 15, 2023. No person shall offer mobile sports betting in this state before the start date. All applicants for a mobile sports betting operator or mobile sports betting platform provider license that have submitted an application within 30 days of the date on which the commissioner begins to accept mobile sports betting operator or mobile sports betting platform provider license applications shall be given an equal opportunity to first commence offering, conducting, and operating mobile sports betting in this state on the same day."

Page 9, line 10, after the period, insert "Notwithstanding the foregoing, platform provider licenses may be transferred with the commissioner's approval."

Page 9, line 26, delete "person in a" and insert "whose exclusive or primary responsibility is to conduct mobile sports betting operations in this state."

Page 9, delete lines 27 and 28

Page 11, line 3, after "subdivision" insert ", except that an individual who has submitted to a national criminal history records check in this or any other state within the previous 12 months shall not be required to submit to another national criminal history records check provided that the person submits the results of such previous national criminal history records check"

Page 11, after line 20, insert:

"Subd. 6. **Applicability.** The requirements under this section do not apply to an elected or appointed representative of any applicant or licensee that is an Indian Tribe unless the representative is also a full-time employee of the applicant's or licensee's mobile sports betting operations."

Page 13, line 14, after "ten" insert "business"

Page 14, line 9, after "include" insert "commercially reasonable and practicable"

Page 14, line 12, after "those" insert "commercially reasonable and practicable"

Page 15, line 16, delete "either" and delete "or indirectly"

Page 16, line 11, delete "it" and insert "the mobile sports betting operator"

Page 16, line 19, after "application" insert "in addition to any other brand that the mobile sports betting platform provider uses to conduct, offer, or play mobile sports betting in Minnesota"

Page 17, delete subdivision 3 and insert:

"Subd. 3. **Advertising content.** (a) All advertisements for mobile sports betting must display "1-800-GAMBLER" or other national toll-free numbers approved by the commissioner for information and referral services for compulsive and problem gambling.

(b) Any advertisement for mobile sports betting referencing a promotion shall:

(1) disclose applicable terms if the authorized participant must risk or lose the authorized participant's own funds as part of the promotion or if such promotion has conditions that an authorized participant's own funds must be used to qualify for such promotion;

(2) not be described as "risk-free" if the authorized participant needs to incur any loss or risk the authorized participant's own money to use or withdraw winnings from the risk-free bet; and

(3) not restrict the authorized participant from withdrawing the authorized participant's own funds or withdraw winnings from bets placed using the authorized participant's own funds.

(c) Partnerships between mobile sports betting operators or mobile sports betting platform providers and colleges or universities shall not include any component that advertises, markets, or promotes sports betting activity unless such partnerships are exclusively with alumni networks or are content that is exclusively focused on responsible gambling education or problem gambling awareness.

(d) Mobile sports betting operators or mobile sports betting platform providers shall not enter name, image, and likeness endorsements or partnerships with amateur athletes in the state.

(e) No advertising, marketing, or other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of a mobile sports betting operator or mobile sports betting platform provider for sports betting shall be published, aired, displayed, disseminated, or distributed:

(1) on any college or university campus property, unless that advertising is generally available and primarily directed at an audience outside of college and campus; or

(2) in college- or university-owned news assets.

(f) Nothing in this act shall apply to any advertisements for commercial retail products or services other than mobile sports betting."

Page 18, line 13, after "operators" insert ", or a mobile sports betting platform provider on behalf of a mobile sports betting operator,"

Page 18, after line 22, insert:

"(b) A mobile sports betting account must provide a mechanism for an individual to set limits on the amount of time they spend on the mobile sports betting platform, set limits on the amount of money they spend on the platform, and self-exclude from using the mobile sports betting platform."

Page 18, line 23, delete "(b)" and insert "(c)"

Page 19, line 6, delete "place a wager" and insert "establish a mobile sports betting account"

Page 19, line 26, after "operator" insert "or mobile sports betting platform provider"

Page 20, line 5, after "operators" insert "and mobile sports betting platform providers"

Page 20, line 10, delete "PROHIBITION ON"

Page 20, line 13, after "unless" insert "the user opts-in to receiving such messages or"

Page 21, line 2, delete "is permitted to share" and insert "shall transmit"

Page 21, line 3, delete "as needed" and insert "and mobile sports betting platform providers"

Page 21, line 16, delete "and"

Page 21, line 19, delete the period and insert "; and"

Page 21, after line 19, insert:

"(5) for purposes of this subdivision, "owner" of a team shall mean an individual who owns more than five percent of the team."

Page 22, delete subdivision 3

Page 22, line 3, after "operator" insert "or mobile sports betting platform provider"

Page 22, line 7, delete "and its" and insert "or the mobile"

Page 22, line 8, delete "Cash reserves" and insert "Reserve requirements"

Page 22, line 9, delete "cash"

Page 22, after line 20, insert:

"(c) In lieu of holding cash reserves outlined in subdivision 2, paragraphs (a) and (b), a mobile sports betting operator or mobile sports betting platform provider may post a bond, securities, or an irrevocable letter of credit in an amount the commissioner deems necessary after taking into consideration the amount of the mobile sports betting operator's cash reserves, to protect the financial interests of people wagering on sporting events. If securities are deposited or an irrevocable letter of credit filed, the securities or letter of credit must be of a type or in the form provided under section 349A.07, subdivision 5, paragraphs (b) and (c)."

Page 23, lines 25, 30, and 32, after "operators" insert "or mobile sports betting platform providers"

Page 24, lines 4, 17, and 28, after "operator" insert "and mobile sports betting platform provider"

Page 24, line 20, delete "OF LICENSEES"

Page 24, line 22, delete "licensees" and insert "mobile sports betting operators and mobile sports betting platform providers"

Page 24, line 23, delete "licensee" and insert "mobile sports betting operators and mobile sports betting platform provider"

Page 28, line 5, after the comma, insert "mobile sports betting platform providers,"

Page 28, line 6, after the comma, insert "mobile sports betting platform provider application and licensing information,"

Page 28, line 12, after "betting" insert ", unless sharing of that data is otherwise allowed in this act"

Page 29, line 21, after "operator" insert "or mobile sports betting platform provider"

Page 30, lines 20 and 31, delete "50" and insert "35"

Page 30, line 30, delete "and"

Page 30, line 32, delete the period and insert "; and"

Page 30, after line 32, insert:

"(3) 30 percent must be distributed as follows:

(i) the first \$20,000,000 is appropriated to the Minnesota Racing Commission for the purposes of paragraph (e); and

(ii) thereafter, the first \$3,000,000 each fiscal year is appropriated to the Minnesota Racing Commission for the purposes of paragraph (e) and any amount collected in excess of \$3,000,000 in a fiscal year must be evenly distributed for the purposes identified in clauses (1) and (2).

(e) Money appropriated to the Minnesota Racing Commission under clause (3) must be granted in equal amounts to racetracks licensed under section 240.06 for the following purposes:

- (1) purse supplements for races to be conducted exclusively for Minnesota-bred horses;
- (2) breeders' awards for Minnesota-bred thoroughbred, standardbred, quarter horse, and Arabian horses;
- (3) to pay reimbursements to the commission for the cost of providing state stewards;
- (4) to assist in the transition of Minnesota-bred horses into retirement;
- (5) to fund research projects conducted by persons affiliated with a university or governmental research agency or institution related to equine illness and disease, performance-related accidents and injuries, and improvements of breeding techniques;
- (6) to fund mental health programs for jockeys, stewards, and backstretch employees who have direct involvement with the care and preparation of racing horses; and
- (7) to pay for increases in compensation to backstretch employees who have direct involvement with the care and preparation of racing horses.
- (f) By February 1 of every odd-numbered year, the Minnesota Racing Commission must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over pari-mutuel horse racing and sports wagering authorized in chapter 299L, detailing grants made under paragraph (e)."

Page 31, lines 7 and 9, after "operator" insert "or mobile sports betting platform provider"

Page 31, line 13, after "operator's" insert "or mobile sports betting platform provider's" and after "operator" insert "or mobile sports betting platform provider"

Page 33, line 19, after "who" insert "knowingly"

Page 39, line 31, after "associations" insert ", including institutions of higher education,"

Page 43, after line 22, insert:

## "ARTICLE 5

### CONFORMING AMENDMENTS

Section 1. Minnesota Statutes 2022, section 240.01, subdivision 1b, is amended to read:

Subd. 1b. **Advance deposit wager.** "Advance deposit wager" means a wager placed through an advance deposit wagering provider on a horse race ~~that is conducted outside of the state.~~

Sec. 2. **[299L.47] HISTORIC HORSE RACING.**

Subdivision 1. **Definition.** For purposes of this section, "historic horse race" means:

- (1) any horse race, whether running or harness, that was previously conducted at a licensed pari-mutuel facility;



(2) concluded with official results; and

(3) concluded without scratches, disqualifications, or dead-heat finishes.

Subd. 2. **Not authorized.** Nothing in this chapter shall be construed to authorize the approval or use of historic horse race operations either in-person or by means of electronic terminals."

Renumber the subdivisions in sequence

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Taxes.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

### **MOTIONS AND RESOLUTIONS - CONTINUED**

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages From the House.

### **MESSAGES FROM THE HOUSE**

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1999, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1999 is herewith transmitted to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted May 9, 2023

### **CONFERENCE COMMITTEE REPORT ON H. F. No. 1999**

A bill for an act relating to state government; appropriating money from outdoor heritage, clean water, parks and trails, and arts and cultural heritage funds; modifying prior appropriations; modifying provisions related to outdoor heritage fund and parks and trails fund; modifying Clean Water Legacy Act; requiring financial review of certain grant recipients; requiring reports; amending Minnesota Statutes 2022, sections 85.53, subdivision 2, by adding a subdivision; 85.536, subdivisions 1, 2; 97A.056, subdivisions 2, 11, 22; 114D.20, subdivision 2; 114D.30, subdivisions 4, 6, 7; 114D.50, subdivision 4; 129D.17, by adding subdivisions; Laws 2020, chapter 104, article 1, section 2, subdivision 5, as amended.

May 8, 2023

The Honorable Melissa Hortman  
Speaker of the House of Representatives

The Honorable Bobby Joe Champion  
President of the Senate

We, the undersigned conferees for H. F. No. 1999 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1999 be further amended as follows:

Delete everything after the enacting clause and insert:

**"ARTICLE 1**

**OUTDOOR HERITAGE FUND**

Section 1. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the outdoor heritage fund for the fiscal year indicated for each purpose. The "first year" is fiscal year 2024. The "second year" is fiscal year 2025. The "biennium" is fiscal years 2024 and 2025. The appropriations in this article are onetime appropriations.

<b><u>APPROPRIATIONS</u></b>	
<b><u>Available for the Year</u></b>	
<b><u>Ending June 30</u></b>	
<b><u>2024</u></b>	<b><u>2025</u></b>

Sec. 2. **OUTDOOR HERITAGE FUND**

Subdivision 1. <b><u>Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>171,135,000</u></b>	<b><u>\$</u></b>	<b><u>655,000</u></b>
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This appropriation is from the outdoor heritage fund. The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <b><u>Prairies</u></b>		<b><u>31,917,000</u></b>		<b><u>-0-</u></b>
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**(a) Minnesota Prairie Recovery Program, Phase XIII**

\$3,856,000 the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy to acquire land in fee and restore and enhance native prairie, grasslands, wetlands, and savanna. Subject to the evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are

eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. Annual income statements and balance sheets for income and expenses from land acquired with this appropriation must be submitted to the Lessard-Sams Outdoor Heritage Council no later than 180 days after the close of The Nature Conservancy's fiscal year. A list of proposed land acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan and must be consistent with the priorities identified in the *Minnesota Prairie Conservation Plan*.

**(b) Martin County DNR WMA Acquisition, Phase VII**

\$2,137,000 the first year is to the commissioner of natural resources for agreements to acquire land in fee and restore and enhance strategic prairie grassland, wetland, and other wildlife habitat in Martin and Watonwan Counties for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8, as follows: \$1,670,000 to Fox Lake Conservation League Inc.; \$421,000 to Ducks Unlimited; and \$46,000 to The Conservation Fund. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

**(c) RIM Grasslands Reserve, Phase V**

\$2,747,000 the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements and to restore and enhance grassland habitat under Minnesota Statutes, sections 103F.501 to 103F.531. Of this amount, up to \$46,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

**(d) Prairie Chicken Habitat Partnership of the Southern Red River Valley, Phase IX**

\$4,400,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever, in cooperation with the Minnesota Prairie Chicken Society, to acquire land in fee and restore and enhance lands in the southern Red River Valley for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, or to be designated and managed as waterfowl production areas in Minnesota, in cooperation with the United States Fish and Wildlife Service. Subject to the evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

**(e) Working Lands for Habitat**

\$2,709,000 the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements that allow long-term grazing while also protecting wildlife habitat and water quality under Minnesota Statutes, sections 103F.501 to 103F.531. Grazing plans must be developed before grazing is allowed. Of this amount, up to \$46,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

**(f) Accelerating the Wildlife Management Area Program, Phase XV**

\$5,216,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire

in fee and restore and enhance lands for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to the evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

**(g) Accelerating the USFWS Habitat Conservation Easement Program, Phase IV**

\$5,077,000 the first year is to the commissioner of natural resources for agreements to restore and enhance wetland and prairie habitat on habitat easements of the United States Fish and Wildlife Service as follows: \$3,391,000 to Ducks Unlimited and \$1,686,000 to Pheasants Forever. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

**(h) DNR Grassland Enhancement, Phase XV**

\$3,003,000 the first year is to the commissioner of natural resources to accelerate the restoration and enhancement of prairies, grasslands, and savannas in wildlife management areas, in scientific and natural areas, in aquatic management areas, on lands in the native prairie bank, in bluff prairies on state forest land in southeastern Minnesota, and in waterfowl production areas and refuge lands of the United States Fish and Wildlife Service. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

**(i) Enhanced Public Land - Grasslands, Phase VI**

\$2,772,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to enhance and restore grassland and wetland habitat on

public lands. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

**Subd. 3. Forests**

6,569,000

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**(a) Hardwood Hills Habitat Conservation Program**

\$1,894,000 the first year is to the commissioner of natural resources for agreements to acquire permanent conservation easements and restore and enhance forest habitats in the hardwood hills ecological section of west-central Minnesota as follows: \$175,000 to St. John's University and \$1,719,000 to Minnesota Land Trust. \$168,000 of the amount to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed permanent conservation easements, restorations, and enhancements must be provided as part of the required accomplishment plan.

**(b) Camp Ripley Sentinel Landscape Protection Program ACUB, Phase XI**

\$2,133,000 the first year is to the Board of Water and Soil Resources, in cooperation with the Morrison County Soil and Water Conservation District, to acquire permanent conservation easements and restore and enhance forest wildlife habitat within the boundaries of the Minnesota National Guard Camp Ripley Sentinel Landscape and Army Compatible Use Buffer. Up to \$111,000 to the Board of Water and Soil Resources is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

**(c) Protecting and Enhancing Public Land Forest Habitats by Strategically Acquiring Private Land Inholdings**

\$1,046,000 the first year is to the commissioner of natural resources for an agreement with the Ruffed Grouse Society to protect and enhance forest habitats by strategically acquiring private forest land inholdings to provide better public forest management, reduce fragmentation, and provide public access. A list of proposed acquisitions and enhancements must be provided as part of the required accomplishment plan.

**(d) DNR Forest Habitat Enhancement, Phase III**

\$1,496,000 the first year is to the commissioner of natural resources to restore and enhance forest wildlife habitats on public lands throughout Minnesota. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

**Subd. 4. Wetlands**

33,469,000

-0-

**(a) RIM Wetlands - Restoring the Most Productive Habitat in Minnesota, Phase XII**

\$4,122,000 the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements and to restore wetlands and native grassland habitat under Minnesota Statutes, section 103F.515. Of this amount, up to \$72,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

**(b) Shallow Lake and Wetland Protection and Restoration Program, Phase XII**

\$7,061,000 the first year is to the commissioner of natural resources for an

agreement with Ducks Unlimited to acquire land in fee for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, and to restore and enhance prairie lands, wetlands, and land that buffers shallow lakes. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

**(c) Wetland Habitat Protection and Restoration Program, Phase VIII**

\$3,012,000 the first year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements and restore and enhance prairie, wetland, and other habitat on permanently protected conservation easements in high-priority wetland habitat complexes in the prairie, forest/prairie transition, and forest regions. Of this amount, up to \$168,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed conservation easement acquisitions and restorations and enhancements must be provided as part of the required accomplishment plan.

**(d) Accelerating the Waterfowl Production Area Acquisition Program, Phase XIV**

\$5,231,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever, in cooperation with the United States Fish and Wildlife Service, to acquire land in fee and restore and enhance wetlands and grasslands to be designated and managed as waterfowl production areas in Minnesota. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

**(e) Wetland Enhancement in the Big Woods**

\$619,000 the first year is to the commissioner of natural resources for an agreement with



Scott-Le Sueur Waterfowlers to restore and enhance wetlands in Scott and Rice Counties. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

**(f) Living Shallow Lakes and Wetlands Enhancement and Restoration Initiative, Phase IX**

\$6,634,000 the first year is to the commissioner of natural resources for an agreement with Ducks Unlimited to restore and enhance shallow lakes, wetlands, and grasslands on public lands and wetlands and grasslands under permanent conservation easement for wildlife management. A list of proposed shallow-lake enhancements and wetland restorations must be provided as part of the required accomplishment plan.

**(g) Voyageurs National Park Wetland Restoration Project, Phase III**

\$1,153,000 the first year is to the commissioner of natural resources for an agreement with the National Park Service to restore and enhance wetland and lacustrine habitat in Voyageurs National Park. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

**(h) Accelerated Shallow Lakes and Wetland Enhancement, Phase XV**

\$3,695,000 the first year is to the commissioner of natural resources to enhance and restore shallow lakes and wetland habitat statewide. A list of proposed shallow lake and wetland restorations and enhancements must be provided as part of the required accomplishment plan.

**(i) Bone Lake South Wetland Acquisition**

\$1,942,000 the first year is to the commissioner of natural resources for an agreement with the Comfort Lake-Forest Lake Watershed District to acquire in fee and restore and enhance lands for wildlife and

water quality purposes in the Bone Lake watershed. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

**Subd. 5. Habitats**

97,349,000

-0-

**(a) Hennepin County Habitat Conservation Program, Phase III**

\$4,649,000 the first year is to the commissioner of natural resources for agreements to acquire permanent conservation easements and to restore and enhance wildlife habitat in Hennepin County as follows: \$1,687,000 to Hennepin County and \$2,962,000 to Minnesota Land Trust. \$216,000 of the amount to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed permanent conservation easements, restorations, and enhancements must be provided as part of the required accomplishment plan.

**(b) Anoka Sand Plain Habitat Conservation, Phase VIII**

\$3,269,000 the first year is to the commissioner of natural resources for agreements to acquire permanent conservation easements and to restore and enhance wildlife habitat on public lands and easements in the Anoka Sand Plain ecoregion and intersecting minor watersheds as follows: \$802,000 to the Anoka Conservation District; \$839,000 to Great River Greening; \$175,000 to the National Wild Turkey Federation; \$280,000 to Sherburne County; and \$1,173,000 to Minnesota Land Trust. \$144,000 of the amount to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed permanent conservation easements, restorations, and

enhancements must be provided as part of the required accomplishment plan.

**(c) Accelerating Habitat Conservation in Southwest Minnesota, Phase II**

\$3,071,000 the first year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements and to restore and enhance high-quality wildlife habitat in southwest Minnesota. Of this amount, up to \$168,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed conservation easement acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

**(d) Buffalo-Red River Watershed District Stream Habitat Program, Phase III**

\$3,748,000 the first year is to acquire permanent conservation easements and restore and enhance aquatic and upland habitat associated with the Red River and Buffalo River watersheds. Of this amount, \$2,250,000 is to the commissioner of natural resources for an agreement with the Buffalo-Red River Watershed District and \$1,498,000 is to the Board of Water and Soil Resources. \$102,000 of the amount to the Board of Water and Soil Resources is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed acquisitions and restorations must be included as part of the required accomplishment plan.

**(e) Southeast Minnesota Protection and Restoration, Phase XI**

\$3,675,000 the first year is to the commissioner of natural resources for

agreements to acquire lands in fee and permanent conservation easements and to restore and enhance wildlife habitat on public lands and permanent conservation easements in southeast Minnesota as follows: \$1,311,000 to The Nature Conservancy; \$942,000 to Trust for Public Land; and \$1,422,000 to Minnesota Land Trust. \$168,000 of the amount to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

**(f) Protecting Minnesota's Lakes of Outstanding Biological Significance, Phase II**

\$3,648,000 the first year is to the commissioner of natural resources for agreements to acquire land in fee and permanent conservation easements and to restore and enhance lakes of outstanding biological significance in northeast and north-central Minnesota. Of this amount, \$1,507,000 is to Northern Waters Land Trust and \$2,141,000 is to Minnesota Land Trust. \$192,000 of the amount to Minnesota Land Trust is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed acquisitions must be included as part of the required accomplishment plan.

**(g) Fisheries Habitat Protection on Strategic North-Central Minnesota Lakes, Phase IX**

\$3,719,000 the first year is to the commissioner of natural resources for agreements to acquire land in fee and in permanent conservation easements and to restore and enhance wildlife habitat to sustain healthy fish habitat on coldwater lakes in

Aitkin, Cass, Crow Wing, and Hubbard Counties as follows: \$1,777,000 to Northern Waters Land Trust and \$1,942,000 to Minnesota Land Trust. Up to \$168,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of acquisitions must be provided as part of the required accomplishment plan.

**(h) DNR Wildlife Management Area and Scientific and Natural Area Acquisition, Phase XV**

\$2,340,000 the first year is to the commissioner of natural resources to acquire in fee and restore and enhance lands for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, and to acquire land in fee for scientific and natural area purposes under Minnesota Statutes, section 86A.05, subdivision 5. Subject to the evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

**(i) DNR Trout Stream Conservation Easements, Phase III**

\$1,043,000 the first year is to the commissioner of natural resources to acquire land in permanent conservation easements to protect trout-stream aquatic habitat. Of this amount, up to \$120,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the required accomplishment plan.

**(j) Metro Big Rivers, Phase XIII**

\$15,339,000 the first year is to the commissioner of natural resources for agreements to acquire land in fee and permanent conservation easements and to restore and enhance natural habitat systems associated with the Mississippi, Minnesota, and St. Croix Rivers and their tributaries in the metropolitan area as follows: \$700,000 to Minnesota Valley Trust; \$540,000 to Friends of the Mississippi River; \$928,000 to Great River Greening; \$11,171,000 to Trust for Public Land; and \$2,000,000 to Minnesota Land Trust. Up to \$192,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

**(k) St. Croix Watershed Habitat Protection and Restoration, Phase IV**

\$13,306,000 the first year is to the commissioner of natural resources for agreements to acquire land in fee and permanent conservation easements and to restore and enhance natural habitat systems in the St. Croix River watershed as follows: \$11,171,000 to Trust for Public Land; \$105,000 to Wild Rivers Conservancy; and \$2,030,000 to Minnesota Land Trust. Up to \$168,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

**(l) Shell Rock River Watershed Habitat Restoration Program, Phase XII**

\$2,198,000 the first year is to the commissioner of natural resources for an

agreement with the Shell Rock River Watershed District to acquire land in fee and to restore and enhance habitat in the Shell Rock River watershed. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

**(m) Integrating Habitat and Clean Water, Phase II**

\$3,269,000 the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements and restore and enhance wildlife habitat identified in One Watershed, One Plan for stacked benefit to wildlife and clean water. Up to \$85,000 of the amount is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

**(n) Cannon River Watershed Habitat Restoration and Protection Program, Phase XII**

\$2,981,000 the first year is to the commissioner of natural resources for agreements to acquire lands in fee and restore and enhance wildlife habitat in the Cannon River watershed as follows: \$119,000 to Clean River Partners; \$994,000 to Great River Greening; and \$1,868,000 to Trust for Public Land. A list of proposed land acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

**(o) Enhance Metro and Southeast Minnesota Trout Stream Habitats, Phase II**

\$1,690,000 the first year is to the commissioner of natural resources for an agreement with Minnesota Trout Unlimited to restore and enhance habitat for trout and other species in and along coldwater rivers, lakes, and streams in the metro and southeast regions of Minnesota. A list of proposed

restorations and enhancements must be provided as part of the required accomplishment plan.

**(p) Lake Nokomis Shoreline Enhancements for Turtles and Pollinators, Phase II**

\$755,000 the first year is to the commissioner of natural resources for an agreement with the Minneapolis Park and Recreation Board to enhance shoreline and upland habitat on Lake Nokomis. A list of proposed enhancements must be provided as part of the required accomplishment plan.

**(q) Upper Sioux Community Habitat Restoration**

\$966,000 the first year is to the commissioner of natural resources for an agreement with the Upper Sioux Community to restore and enhance oak savanna, forest, prairie, and other wildlife habitats on Tribal lands. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

**(r) Rum River Corridor Fish and Wildlife Habitat Enhancement, Phase II**

\$1,699,000 the first year is to the commissioner of natural resources for an agreement with the Anoka County Soil and Water Conservation District to restore and enhance upland and riverine habitat in the Rum River corridor. A list of proposed enhancements and restorations must be provided as part of the required accomplishment plan.

**(s) Restoring and Enhancing Minnesota's Important Bird Areas in the St. Croix River Valley**

\$1,034,000 the first year is to the commissioner of natural resources for an agreement with Audubon Minnesota to restore and enhance wildlife habitat in important bird areas and other priority wildlife areas in the St. Croix River Valley. A list of proposed restorations and



enhancements must be provided as part of the required accomplishment plan.

**(t) DNR St. Louis River Restoration Initiative, Phase X**

\$2,596,000 the first year is to the commissioner of natural resources to restore and enhance priority aquatic, riparian, and forest habitats in the St. Louis River estuary. Of this amount, up to \$140,000 is for an agreement with Minnesota Land Trust. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

**(u) DNR Aquatic Habitat Restoration and Enhancement, Phase XI**

\$4,122,000 the first year is to the commissioner of natural resources to restore and enhance aquatic habitat in degraded streams and aquatic management areas and to facilitate fish passage. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

**(v) DNR Roving Crew, Phase II**

\$8,732,000 the first year is to the commissioner of natural resources to restore and enhance fish and wildlife habitat on permanently protected lands throughout Minnesota using the roving crew program of the Department of Natural Resources. A list of restoration and enhancement projects must be provided as part of the required accomplishment plan.

**(w) Conservation Partners Legacy Grant Program: Statewide and Metro Habitat, Phase XV**

\$9,500,000 the first year is to the commissioner of natural resources for a program to provide competitive matching grants of up to \$500,000 to local, regional, state, and national organizations for enhancing, restoring, or protecting forests, wetlands, prairies, or habitat for fish, game,

or wildlife in Minnesota. Unless there are not enough eligible grant applications received, of this amount, at least \$2,500,000 is for grants in the seven-county metropolitan area and cities with a population of 50,000 or greater and at least \$3,000,000 is for grants to applicants that have not previously applied for money from the outdoor heritage fund. Grants must not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants must not be made from the appropriation in this paragraph for projects that have a total project cost exceeding \$1,000,000. Of the total appropriation, \$450,000 may be spent for personnel costs, outreach and support to first-time applicants, and other direct and necessary administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Grants may not be used to establish easement stewardship accounts. The program must require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant applications of \$25,000 or less, the commissioner must provide a separate, simplified application process. Subject to Minnesota Statutes, the commissioner of natural resources must, when evaluating projects of equal value, give priority to organizations that have a history of receiving, or a charter to receive, private contributions for local conservation or habitat projects. All restoration or enhancement projects must be on land permanently protected by a permanent covenant ensuring perpetual maintenance and protection of restored and enhanced habitat, by a conservation easement, or by public ownership or in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority must be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, 2026.

No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner must provide notice of the grant program in the summary of game and fish law prepared under Minnesota Statutes, section 97A.051, subdivision 2.

**Subd. 6. Administration**

1,831,000

655,000

**(a) Contract Management**

\$336,000 the first year is to the commissioner of natural resources for contract management duties assigned in this section. The commissioner must provide an accomplishment plan in the form specified by the Lessard-Sams Outdoor Heritage Council on expending this appropriation. The accomplishment plan must include a copy of the grant contract template and reimbursement manual. No money may be expended before the Lessard-Sams Outdoor Heritage Council approves the accomplishment plan. Money appropriated in this paragraph is available until June 30, 2025.

**(b) Legislative Coordinating Commission**

\$634,000 the first year and \$651,000 the second year are to the Legislative Coordinating Commission for administrative expenses of the Lessard-Sams Outdoor Heritage Council and for compensating and reimbursing expenses of council members. This appropriation is available until June 30, 2025. Minnesota Statutes, section 16A.281, applies to this appropriation.

**(c) Technical Evaluation Panel**

\$190,000 the first year is to the commissioner of natural resources for a technical evaluation panel to conduct up to 25 restoration and

enhancement evaluations under Minnesota Statutes, section 97A.056, subdivision 10. This appropriation is available until June 30, 2025.

**(d) Core Functions in Partner-Led OHF Land Acquisitions**

\$668,000 the first year is to the commissioner of natural resources to administer the initial development, restoration, and enhancement of fee title acquisitions funded through the outdoor heritage fund. Money may be used for land acquisition costs incurred by the department as part of conveying parcels to the Department of Natural Resources and for initial development activities on fee title acquisitions. This appropriation is available until June 30, 2026.

**(e) Legacy Website**

\$3,000 the first year and \$4,000 the second year are to the Legislative Coordinating Commission for the website required under Minnesota Statutes, section 3.303, subdivision 10.

**Subd. 7. Availability of Appropriation**

(a) Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Money appropriated to acquire land in fee title may be used to restore, enhance, and provide for public use of the land acquired with the appropriation. Public-use facilities must have a minimal impact on habitat in acquired lands.

(b) Money appropriated in this section is available as follows:

(1) money appropriated to acquire real property is available until June 30, 2027;

(2) money appropriated to restore and enhance land acquired with an appropriation in this article is available for four years after the acquisition date with a maximum end date of June 30, 2031;

(3) money appropriated to restore and enhance other land is available until June 30, 2028;

(4) notwithstanding clauses (1) to (3), money appropriated for a project that receives at least 15 percent of its funding from federal funds is available until a date sufficient to match the availability of federal funding to a maximum of six years if the federal funding was confirmed and included in the original approved draft accomplishment plan; and

(5) money appropriated for other projects is available until the end of the fiscal year in which it is appropriated.

#### **Subd. 8. Payment Conditions and Capital Equipment Expenditures**

All agreements referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Notwithstanding Minnesota Statutes, section 16A.41, expenditures directly related to each appropriation's purpose made on or after July 1, 2023, or the date of accomplishment plan approval, whichever is later, are eligible for reimbursement unless otherwise provided in this section. For purposes of administering appropriations and legislatively authorized agreements paid out of the outdoor heritage fund, an expense must be considered reimbursable by the administering agency when the recipient presents the agency with an invoice or binding agreement with the landowner and the recipient attests that the goods have been received or the landowner agreement is

binding. Periodic reimbursement must be made upon receiving documentation that the items articulated in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council have been achieved, including partial achievements as evidenced by progress reports approved by the Lessard-Sams Outdoor Heritage Council. Reasonable amounts may be advanced to projects to accommodate cash-flow needs, support future management of acquired lands, or match a federal share. The advances must be approved as part of the accomplishment plan. Capital equipment expenditures for specific items over \$10,000 must be itemized in and approved as part of the accomplishment plan.

**Subd. 9. Mapping**

Each direct recipient of money appropriated in this section, as well as each recipient of a grant awarded under this section, must provide geographic information to the Lessard-Sams Outdoor Heritage Council to map any lands that are acquired in fee with money appropriated in this section and open to public taking of fish and game. The commissioner of natural resources must include the lands acquired in fee with money appropriated in this section on maps showing public recreation opportunities. Maps must include information on and acknowledgment of the outdoor heritage fund, including a notation of any restrictions.

**Subd. 10. Opportunities for Youth**

(a) Each direct recipient of money appropriated in this section and each recipient of a grant awarded pursuant to this section must contact the commissioner of natural resources in writing to determine whether opportunities to coordinate with recipients of grants under Minnesota Statutes, section 84.976, or other opportunities providing training and education to racially, ethnically, and economically diverse youth in the

practical implementation of conservation practices that protect, restore, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife are available when implementing the projects funded in this section.

(b) Each direct recipient of money appropriated in this section and each recipient of a grant awarded pursuant to this section must contact Conservation Corps Minnesota in writing and consider use of their restoration and enhancement services.

(c) A copy of the written contacts required under this subdivision must be filed with the Lessard-Sams Outdoor Heritage Council within 15 days of execution.

**Subd. 11. Carryforward**

(a) The availability of the appropriation under Laws 2016, chapter 172, article 1, section 2, subdivision 5, paragraph (j), Roseau Lake Rehabilitation, is extended to June 30, 2024.

(b) The availability of the appropriation under Laws 2017, chapter 91, article 1, section 2, subdivision 2, paragraph (g), Reinvest in Minnesota (RIM) Buffers for Wildlife and Water - Phase VII, is extended to June 30, 2025.

(c) The availability of the appropriation under Laws 2018, chapter 208, article 1, section 2, subdivision 5, paragraph (i), Lower Mississippi River Habitat Partnership - Phase IV, is extended to June 30, 2027.

(d) The availability of the appropriation under Laws 2018, chapter 208, section 2, subdivision 5, paragraph (n), Buffalo River Watershed Stream Habitat Program, is extended to June 30, 2025.

(e) The availability of the appropriation under Laws 2020, chapter 104, article 1, section 2, subdivision 5, paragraph (a), Protecting

Coldwater Fisheries on Minnesota's North Shore, is extended to June 30, 2025.

(f) The availability of the appropriation under Laws 2020, chapter 104, article 1, section 2, subdivision 5, paragraph (h), Hennepin County Habitat Conservation Program - Phase II, is extended to June 30, 2025.

(g) The availability of the appropriation under Laws 2022, chapter 77, article 1, section 2, subdivision 6, paragraph (a), Contract Management, is extended to June 30, 2024.

(h) The availability of the appropriation under Laws 2022, chapter 77, article 1, section 2, subdivision 6, paragraph (b), Technical Evaluation Panel, is extended to June 30, 2024.

**EFFECTIVE DATE.** Subdivision 11 is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2022, section 97A.056, subdivision 2, is amended to read:

Subd. 2. **Lessard-Sams Outdoor Heritage Council.** (a) The Lessard-Sams Outdoor Heritage Council of 12 members is created in the legislative branch, consisting of:

(1) two public members appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration;

(2) two public members appointed by the speaker of the house;

(3) four public members appointed by the governor;

(4) two members of the senate appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration; and

(5) two members of the house of representatives appointed by the speaker of the house.

(b) Members appointed under paragraph (a) must not be registered lobbyists. In making appointments, the governor, senate Subcommittee on Committees of the Committee on Rules and Administration, and the speaker of the house shall consider geographic balance, gender, age, ethnicity, and varying interests including hunting and fishing. The governor's appointments to the council are subject to the advice and consent of the senate.

(c) Public members appointed under paragraph (a) shall have practical experience or expertise or demonstrated knowledge in the science, policy, or practice of restoring, protecting, and enhancing wetlands, prairies, forests, and habitat for fish, game, and wildlife.



(d) Legislative members appointed under paragraph (a) shall include the chairs of the legislative committees with jurisdiction over environment and natural resources finance or their designee, one member from the minority party of the senate, and one member from the minority party of the house of representatives.

(e) Public members serve four-year terms. Appointed legislative members serve at the pleasure of the appointing authority. Public and legislative members continue to serve until their successors are appointed. Public members shall be initially appointed according to the following schedule of terms:

(1) two public members appointed by the governor for a term ending the first Monday in January 2011;

(2) one public member appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration for a term ending the first Monday in January 2011;

(3) one public member appointed by the speaker of the house for a term ending the first Monday in January 2011;

(4) two public members appointed by the governor for a term ending the first Monday in January 2013;

(5) one public member appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration for a term ending the first Monday in January 2013; and

(6) one public member appointed by the speaker of the house for a term ending the first Monday in January 2013.

(f) Terms, compensation, and removal of public members are as provided in section 15.0575, except that a public member may be compensated at the rate of up to \$125 a day. A vacancy on the council may be filled by the appointing authority for the remainder of the unexpired term.

(g) Members shall elect a chair, vice-chair, secretary, and other officers as determined by the council. The chair may convene meetings as necessary to conduct the duties prescribed by this section.

(h) The Legislative Coordinating Commission may appoint nonpartisan staff and contract with consultants as necessary to support the functions of the council. The council has final approval authority for the hiring of a candidate for executive director. Up to one percent of the money appropriated from the fund may be used to pay for administrative expenses of the council and for compensation and expense reimbursement of council members.

Sec. 4. Minnesota Statutes 2022, section 97A.056, subdivision 11, is amended to read:

Subd. 11. **Recipient requirements.** (a) A state agency or other recipient of a direct appropriation from the outdoor heritage fund must compile and submit all information for funded projects or programs, including the proposed measurable outcomes and all other items required under section 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable or by January 15 of the applicable fiscal year, whichever comes first. The Legislative Coordinating

Commission must post submitted information on the website required under section 3.303, subdivision 10, as soon as it becomes available.

(b) When practicable, a direct recipient of an appropriation from the outdoor heritage fund shall prominently display on the recipient's website home page the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the website must direct the person to a web page that includes both the contact information that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission website required under section 3.303, subdivision 10.

(c) Future eligibility for money from the outdoor heritage fund is contingent upon a state agency or other recipient satisfying all applicable requirements in this section, as well as any additional requirements contained in applicable session law. If the Office of the Legislative Auditor, in the course of an audit or investigation, publicly reports that a recipient of money from the outdoor heritage fund has not complied with the laws, rules, or regulations in this section or other laws applicable to the recipient, the recipient must be listed in an annual report to the legislative committees with jurisdiction over the legacy funds. The list must be publicly available. The legislative auditor shall remove a recipient from the list upon determination that the recipient is in compliance. A recipient on the list is not eligible for future funding from the outdoor heritage fund until the recipient demonstrates compliance to the legislative auditor.

(d) A project or program receiving funding from the outdoor heritage fund must include an assessment of whether the funding celebrates cultural diversity or reaches diverse communities in Minnesota, including reaching low- and moderate-income households.

Sec. 5. Minnesota Statutes 2022, section 97A.056, subdivision 22, is amended to read:

Subd. 22. **Revenues.** (a) A recipient must disclose to the Lessard-Sams Outdoor Heritage Council and the commissioner all revenues that are received by the recipient before the availability of the appropriation ends and that are generated from activities on land acquired in fee title or easement, restored, or enhanced with money from the outdoor heritage fund. The revenues must be disclosed to the council and commissioner no later than ~~60~~ 90 days after the availability of the appropriation ends.

(b) For all revenues disclosed under paragraph (a), a recipient must:

(1) use the revenues to protect, restore, or enhance wetlands, prairies, forests, or habitat for fish, game, or wildlife according to the appropriation purposes and the approved accomplishment plan;

(2) use the revenues for other purposes as approved in the accomplishment plan by the Lessard-Sams Outdoor Heritage Council; or

(3) transfer the revenues to the outdoor heritage fund no later than ~~60~~ 90 days after the availability of the appropriation ends, unless otherwise approved by the council.

(c) Paragraph (b), clause (3), does not apply to the state and its departments and agencies.

Sec. 6. Laws 2020, chapter 104, article 1, section 2, subdivision 5, as amended by Laws 2021, First Special Session chapter 1, article 1, section 4, is amended to read:

Subd. 5. **Habitats** -0- 55,429,000

**(a) Protecting Coldwater Fisheries on Minnesota's North Shore**

\$1,809,000 the second year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements and to restore and enhance wildlife habitat in priority coldwater tributaries to Lake Superior. Of this amount, up to ~~\$144,000~~ \$240,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed conservation easement acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

**(b) Metro Big Rivers - Phase X**

\$6,473,000 the second year is to the commissioner of natural resources for agreements to acquire lands in fee and permanent conservation easements and to restore and enhance natural habitat systems associated with the Mississippi, Minnesota, and St. Croix Rivers and their tributaries in the metropolitan area. Of this amount, \$801,000 is to Minnesota Valley National Wildlife Refuge Trust Inc., \$300,000 is to Friends of the Mississippi River, \$366,000 is to Great River Greening, \$3,406,000 is to The Trust for Public Land, and \$1,600,000 is to Minnesota Land Trust. Up to \$144,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

**(c) Resilient Habitat for Heritage Brook Trout**

\$2,266,000 the second year is to the commissioner of natural resources for agreements to acquire land in fee and permanent conservation easements and to restore and enhance habitat in targeted watersheds of southeast Minnesota to improve heritage brook trout and coldwater communities. Of this amount, \$350,000 is to The Nature Conservancy, \$258,000 is to Trout Unlimited, \$857,000 is to The Trust for Public Land, and \$801,000 is to Minnesota Land Trust. Up to \$96,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

**(d) Fisheries Habitat Protection on Strategic North Central Minnesota Lakes - Phase VI**

\$2,814,000 the second year is to the commissioner of natural resources for agreements to acquire lands in fee and permanent conservation easements and to restore and enhance wildlife habitat to sustain healthy fish habitat on coldwater lakes in Aitkin, Cass, Crow Wing, and Hubbard Counties. Of this amount, \$883,000 is to Northern Waters Land Trust and \$1,931,000 is to Minnesota Land Trust. Up to \$192,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of acquisitions must be provided as part of the required accomplishment plan.

**(e) Accelerating Habitat Conservation in Southwest Minnesota**

\$3,044,000 the second year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements and to restore and enhance high-quality wildlife habitat in southwest Minnesota. Of this amount, up to \$144,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed conservation easement acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

**(f) Targeted RIM Easement Program to Individual Parcel: Pine and Leech Watersheds - Phase I**

\$2,458,000 the second year is to the Board of Water and Soil Resources to acquire and restore permanent conservation easements of high-quality forest, wetland, and shoreline habitat. Of this amount, \$164,000 is for an agreement with the Crow Wing County Soil and Water Conservation District. Up to \$97,000 of the total amount is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed acquisitions must be included as part of the required accomplishment plan.

**(g) Mississippi Headwaters Habitat Corridor Project - Phase V**

\$3,695,000 the second year is to acquire lands in fee and conservation easement and restore wildlife habitat in the Mississippi headwaters as follows:

(1) \$2,177,000 is to the commissioner of natural resources for agreements as follows: \$69,000 to the Mississippi Headwaters Board and \$2,108,000 to The Trust for Public Land; and

(2) \$1,518,000 is to the Board of Water and Soil Resources, of which up to \$175,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17.

A list of proposed acquisitions must be included as part of the required accomplishment plan.

**(h) Hennepin County Habitat Conservation Program - Phase II**

\$3,155,000 the second year is to the commissioner of natural resources for agreements with Hennepin County, in cooperation with Minnesota Land Trust, to acquire permanent conservation easements and to restore and enhance habitats in Hennepin County as follows: \$446,000 to Hennepin County and \$2,709,000 to Minnesota Land Trust. Up to \$264,000 to Minnesota Land Trust is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed permanent conservation easements, restorations, and enhancements must be provided as part of the required accomplishment plan.

**(i) Trout Unlimited Coldwater Fish Habitat Enhancement and Restoration - Phase XII**

\$1,474,000 the second year is to the commissioner of natural resources for an agreement with Trout Unlimited to restore and enhance habitat for trout and other species in and along coldwater rivers, lakes, and streams in Minnesota. A list of proposed land acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

**(j) DNR Aquatic Habitat Restoration and Enhancement - Phase III**

\$3,790,000 the second year is to the commissioner of natural resources to restore and enhance aquatic habitat in degraded streams and aquatic management areas and to facilitate fish passage. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

**(k) St. Louis River Restoration Initiative - Phase VII**

\$2,280,000 the second year is to the commissioner of natural resources to restore priority aquatic and riparian habitats in the St. Louis River estuary. A list of proposed restorations must be provided as part of the required accomplishment plan.

**(l) Knife River Habitat Rehabilitation - Phase V**

\$700,000 the second year is to the commissioner of natural resources for an agreement with Zeitgeist, a nonprofit corporation, in cooperation with the Lake Superior Steelhead Association, to restore and enhance trout habitat in the Knife River watershed. A list of proposed enhancements must be provided as part of the required accomplishment plan.

**(m) Shell Rock River Watershed Habitat Restoration Program - Phase IX**

\$1,918,000 the second year is to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to acquire lands in fee and to restore and enhance aquatic habitat in the Shell Rock River watershed. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

**(n) Rum River Wildlife and Fish Habitat Enhancement Using Bioengineered Bank Stabilization**

\$816,000 the second year is to the commissioner of natural resources for an agreement with the Anoka County Soil and

Water Conservation District to restore and enhance riverine habitat in the Rum River using eco-sensitive, habitat-building, and bioengineering approaches. A list of proposed enhancements must be provided as part of the required accomplishment plan.

**(o) Roseau River Habitat Restoration**

\$3,036,000 the second year is to the commissioner of natural resources for an agreement with the Roseau River Watershed District to restore and enhance riverine habitat in the Roseau River and the Roseau River Wildlife Management Area.

**(p) Sauk River Watershed Habitat Protection and Restoration - Phase II**

\$3,926,000 the second year is to the commissioner of natural resources for agreements to acquire lands in fee and permanent conservation easements and to restore and enhance wildlife habitat in the Sauk River watershed as follows: \$430,000 to the Sauk River Watershed District, \$2,073,000 to Pheasants Forever, and \$1,423,000 to Minnesota Land Trust. Up to \$168,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of acquisitions must be provided as part of the required accomplishment plan.

**(q) Southeast Wetland Restoration**

\$1,351,000 the second year is to the commissioner of natural resources for an agreement with the city of Mankato to acquire land in fee in the city of Mankato for wetland and grassland restoration. A list of acquisitions must be provided as part of the required accomplishment plan.

**(r) Conservation Partners Legacy Grant Program: Statewide and Metro Habitat - Phase XII**



\$10,424,000 the second year is to the commissioner of natural resources for a program to provide competitive matching grants of up to \$400,000 to local, regional, state, and national organizations for enhancing, restoring, or protecting forests, wetlands, prairies, or habitat for fish, game, or wildlife in Minnesota. Of this amount, at least \$3,250,000 is for grants in the seven-county metropolitan area and cities with a population of 50,000 or more. Grants must not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants must not be made from the appropriation in this paragraph for projects that have a total project cost exceeding \$575,000. Of the total appropriation, \$475,000 may be spent for personnel costs and other direct and necessary administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Grants may not be used to establish easement stewardship accounts. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by law. The program must require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant applications of \$25,000 or less, the commissioner must provide a separate, simplified application process. Subject to Minnesota Statutes, the commissioner of natural resources must, when evaluating projects of equal value, give priority to organizations that have a history of receiving, or a charter to receive, private contributions for local conservation or habitat projects. For grant requests to acquire land in fee or a conservation easement, the commissioner must give priority to projects associated with or within one mile of existing wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8; scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; or aquatic management areas under

Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. All restoration or enhancement projects must be on land permanently protected by a permanent covenant ensuring perpetual maintenance and protection of restored and enhanced habitat, by a conservation easement or public ownership or in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority must be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, 2024. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner must provide notice of the grant program in the summary of game and fish law prepared under Minnesota Statutes, section 97A.051, subdivision 2.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

## ARTICLE 2

### CLEAN WATER FUND

#### Section 1. **CLEAN WATER FUND APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the clean water fund and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15. The figures "2024" and "2025" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025. These are onetime appropriations.

#### **APPROPRIATIONS**

#### **Available for the Year**

#### **Ending June 30**

**2024**

**2025**

**Sec. 2. CLEAN WATER FUND**

<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>158,897,000</u></b>	<b><u>\$</u></b>	<b><u>159,499,000</u></b>
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This appropriation is from the clean water fund. The amounts that may be spent for each purpose are specified in the following sections.

**Subd. 2. Availability of Appropriation**

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with Minnesota Management and Budget *MMB Guidance to Agencies on Legacy Fund Expenditure*. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2024 appropriations are available until June 30, 2025, and fiscal year 2025 appropriations are available until June 30, 2026. If a project receives federal funds, the period of the appropriation is extended to equal the availability of federal funding.

**Subd. 3. Disability Access**

Where appropriate, grant recipients of clean water funds, in consultation with the Council on Disability and other appropriate governor-appointed disability councils, boards, committees, and commissions, should make progress toward providing people with disabilities greater access to programs, print publications, and digital media related to the programs the recipient funds using appropriations made in this article.

**Subd. 4. Increasing Diversity in Environmental Careers**

Agencies should work to provide opportunities that encourage a diversity of students to pursue careers in environment and natural resources when implementing appropriations in this article.

Sec. 3. DEPARTMENT OF AGRICULTURE            \$            20,839,000 \$            20,839,000

(a) \$350,000 the first year and \$350,000 the second year are to increase monitoring for pesticides and pesticide degradates in surface water and groundwater and to use data collected to assess pesticide use practices. This appropriation is available until June 30, 2028.

(b) \$3,000,000 the first year and \$3,000,000 the second year are for monitoring and evaluating trends in the concentration of nitrate in groundwater; promoting, developing, and evaluating regional and crop-specific nutrient best management practices, cover crops, and other vegetative cover; assessing adoption of best management practices and other recommended practices; education and technical support from University of Minnesota Extension; grants to support agricultural demonstration and implementation activities, including research activities at the Rosholt Research Farm; and other actions to protect groundwater from degradation from nitrate. This appropriation is available until June 30, 2028.

(c) \$4,799,000 the first year and \$4,799,000 the second year are for the agriculture best management practices loan program. Any unencumbered balance at the end of the second year must be added to the corpus of the loan fund.

(d) \$1,500,000 the first year and \$1,500,000 the second year are for technical assistance; research, demonstration, and promotion projects on properly implementing best management practices and vegetative cover; and more-precise information on nonpoint contributions to impaired waters and for grants to support on-farm demonstration of agricultural practices. This appropriation is available until June 30, 2028.

(e) \$40,000 the first year and \$40,000 the second year are for maintenance of the Minnesota Water Research Digital Library. Costs for information technology development or support for the digital library may be paid to the Office of MN.IT Services. This appropriation is available until June 30, 2028.

(f) \$3,500,000 the first year and \$3,500,000 the second year are to implement the Minnesota agricultural water quality certification program statewide. This appropriation is available until June 30, 2028.

(g) \$150,000 the first year and \$150,000 the second year are for a regional irrigation water quality specialist through University of Minnesota Extension. This appropriation is available until June 30, 2028.

(h) \$3,000,000 the first year and \$3,000,000 the second year are for grants to the Board of Regents of the University of Minnesota to fund the Forever Green agriculture initiative and to protect the state's natural resources while increasing the efficiency, profitability, and productivity of Minnesota farmers by incorporating perennial and winter-annual crops into existing agricultural practices. This appropriation is available until June 30, 2028.

(i) \$500,000 the first year and \$500,000 the second year are for testing drinking-water wells for pesticides and establishing a mitigation program for water treatment of contaminated wells. This appropriation is available until June 30, 2028.

(j) \$1,750,000 the first year and \$1,750,000 the second year are for conservation equipment assistance grants to purchase equipment or items to retrofit existing equipment that has climate and water quality benefits. This appropriation is available until June 30, 2028.

(k) \$1,500,000 the first year and \$1,500,000 the second year are for expanding the existing state weather station and soil temperature network to provide accurate and timely weather data to optimize the timing of irrigation, fertilizer, pesticide, and manure applications and support land management decisions. This appropriation is available until June 30, 2028.

(l) \$750,000 the first year and \$750,000 the second year are for grants for research and demonstration sites and projects to evaluate, develop, demonstrate, and promote regional and animal-specific recommendations for manure crediting and to develop or revise manure best management practices through University of Minnesota Extension. This appropriation is available until June 30, 2028.

Sec. 4. <u>POLLUTION CONTROL AGENCY</u>	\$	<u>24,187,000</u>	\$	<u>24,188,000</u>
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(a) \$9,050,000 the first year and \$9,050,000 the second year are for completing needed statewide assessments of surface water quality and trends according to Minnesota Statutes, chapter 114D. Of this amount, \$163,000 the first year and \$163,000 the second year are for grants to the Red River Watershed Management Board to enhance and expand the existing water quality and watershed monitoring river watch activities in schools in the Red River of the North watershed. By February 15, 2025, the Red River Watershed Management Board must provide a report to the commissioner and to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment and natural resources finance and policy and the clean water fund on the expenditure of this appropriation.

(b) \$6,350,000 the first year and \$6,350,000 the second year are to update watershed restoration and protection strategies, which include total maximum daily load (TMDL)

studies and TMDL implementation plans according to Minnesota Statutes, chapter 114D, for waters on the impaired waters list approved by the United States Environmental Protection Agency.

(c) \$1,000,000 the first year and \$1,000,000 the second year are for groundwater assessment, including enhancing the ambient monitoring network, modeling, evaluating trends.

(d) \$750,000 the first year and \$750,000 the second year are for implementing the St. Louis River System Area of Concern remedial action plan.

(e) \$1,500,000 the first year and \$1,500,000 the second year are for national pollutant discharge elimination system wastewater and stormwater TMDL implementation efforts.

(f) \$3,550,000 the first year and \$3,550,000 the second year are for enhancing the county-level delivery systems for subsurface sewage treatment system (SSTS) activities necessary to implement Minnesota Statutes, sections 115.55 and 115.56, for protecting groundwater. This appropriation includes base grants for all counties with SSTS programs. Counties that receive base grants must report the number of properties with noncompliant systems upgraded through an SSTS replacement, connection to a centralized sewer system, or other means, including property abandonment or buyout. Counties also must report the number of existing SSTS compliance inspections conducted in areas under county jurisdiction. The required reports must be part of the established annual reporting for SSTS programs. Of this amount, at least \$900,000 each year is available to counties for grants to low-income landowners to address systems that pose an imminent threat to public health or safety or fail to protect groundwater. A county receiving a grant under this paragraph must submit a report to the agency listing the

projects funded, including an account of the expenditures.

(g) \$650,000 the first year and \$650,000 the second year are for activities and grants that reduce chloride pollution.

(h) \$337,000 the first year and \$338,000 the second year are to support activities of the Clean Water Council according to Minnesota Statutes, section 114D.30, subdivision 1.

(i) \$1,000,000 the first year and \$1,000,000 the second year are for a grant program for sanitary sewer projects that are included in the draft or any updated *Voyageurs National Park Clean Water Project Comprehensive Plan* to restore the water quality of waters in Voyageurs National Park. Grants must be awarded to local government units for projects approved by the Voyageurs National Park Clean Water Joint Powers Board and must be matched by at least 25 percent from sources other than the clean water fund.

(j) Any unencumbered grant balances in the first year do not cancel but are available for grants in the second year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations in this section are available until June 30, 2028.

**Sec. 5. DEPARTMENT OF NATURAL RESOURCES**

**\$ 12,780,000 \$ 12,780,000**

(a) \$2,550,000 the first year and \$2,550,000 the second year are for streamflow monitoring.

(b) \$1,450,000 the first year and \$1,450,000 the second year are for lake Index of Biological Integrity (IBI) assessments.

(c) \$455,000 the first year and \$455,000 the second year are for assessing mercury and other fish contaminants, including PFAS compounds, and monitoring to track the status of impaired waters over time.



(d) \$2,150,000 the first year and \$2,150,000 the second year are for developing targeted, science-based watershed restoration and protection strategies and for technical assistance for local governments.

(e) \$2,000,000 the first year and \$2,000,000 the second year are for water-supply planning, aquifer protection, and monitoring activities and analysis.

(f) \$1,600,000 the first year and \$1,600,000 the second year are for technical assistance to support local implementation of nonpoint source restoration and protection activities and targeted forest stewardship for water quality.

(g) \$650,000 the first year and \$650,000 the second year are for applied research and tools, including maintaining and updating spatial data for watershed boundaries, streams, and water bodies and integrating high-resolution digital elevation data and for assessing the effectiveness of forestry best management practices for water quality.

(h) \$25,000 the first year and \$25,000 the second year are for maintaining and updating buffer maps and for technical guidance on interpreting buffer maps for local units of government implementing buffer requirements. Maps must be provided to local units of government and made available to landowners on the Department of Natural Resources website.

(i) \$100,000 the first year and \$100,000 the second year are for accelerating completion of or updates to county geologic atlases and supplementing water chemistry or chemical movement studies.

(j) \$300,000 the first year and \$300,000 the second year are for increasing native freshwater mussel production capacity and restoring and monitoring freshwater mussel restoration efforts.

(k) \$500,000 the first year and \$500,000 the second year are for implementing water storage projects on state-administered land to enhance water quality and ecological benefits.

(l) \$1,000,000 the first year and \$1,000,000 the second year are for providing technical and financial assistance for county and local governments to replace failing or ineffective culverts using modern designs that restore floodplain connectivity, biological connectivity, and channel stability. This appropriation is available for up to two additional years.

**Sec. 6. BOARD OF WATER AND SOIL RESOURCES**

**\$ 78,064,000 \$ 78,063,000**

(a) \$39,500,000 the first year and \$39,500,000 the second year are for grants to implement state-approved watershed-based plans. The grants may be used to implement projects or programs that protect, enhance, and restore surface water quality in lakes, rivers, and streams; protect groundwater from degradation; and protect drinking water sources. Projects must be identified in a comprehensive watershed plan developed under the One Watershed, One Plan program and seven-county metropolitan groundwater or surface water management frameworks as provided for in Minnesota Statutes, chapters 103B, 103C, 103D, and 114D. Grant recipients must identify a nonstate match and may use other legacy funds to supplement projects funded under this paragraph. This appropriation may be used for:

(1) implementing state-approved plans, including within the following watershed planning areas: Bois de Sioux - Mustinka, Buffalo-Red River, Cannon River, Cedar - Wapsipinicon, Chippewa River, Clearwater River, Cottonwood-Middle Minnesota, Crow Wing River, Des Moines River, Greater Zumbro River, Hawk Creek - Middle

Minnesota, Kettle and Upper St. Croix, Lac qui Parle-Yellow Bank, Lake of the Woods, Lake Superior North, Le Sueur River, Leech Lake River, Long Prairie River, Lower Minnesota River East, Lower Minnesota River West, Lower St. Croix River, Middle-Snake-Tamarac Rivers, Mississippi River Brainerd, Mississippi River Headwaters, Mississippi River St. Cloud, Mississippi River Winona/La Crescent, Missouri River Basin, Nemadji River, North Fork Crow River, Otter Tail, Pine River, Pomme de Terre River, Rainy-Rapid River, Rainy River Headwaters - Vermilion River, Rainy River-Rainy Lake/Lower Rainy River, Red Lake River, Redeye River, Root River, Roseau River, Rum River, Sand Hill River, Sauk River, Shell Rock and Winnebago River, Snake River, South Fork of the Crow River, St. Louis River, Thief River, Two Rivers Plus, Upper and Lower Red Lake, Upper Minnesota River, Upper Mississippi - Grand Rapids, Watonwan River, Wild Rice - Marsh, and Yellow Medicine River;

(2) seven-county metropolitan groundwater or surface water management frameworks; and

(3) other comprehensive watershed management plan planning areas that have a board-approved and local-government-adopted plan as authorized in Minnesota Statutes, section 103B.801.

The board must establish eligibility criteria and determine whether a planning area is ready to proceed and has the nonstate match committed.

(b) \$8,500,000 the first year and \$8,500,000 the second year are for grants to local government units to protect and restore surface water and drinking water; to keep water on the land; to protect, enhance, and restore water quality in lakes, rivers, and streams; and to protect groundwater and drinking water, including feedlot water

quality and subsurface sewage treatment system projects and stream bank, stream channel, shoreline restoration, and ravine stabilization projects. The projects must use practices demonstrated to be effective, be of long-lasting public benefit, include a match, and be consistent with total maximum daily load (TMDL) implementation plans, watershed restoration and protection strategies (WRAPS), or local water management plans or their equivalents. Up to 20 percent of this appropriation is available for land-treatment projects and practices that benefit drinking water.

(c) \$5,500,000 the first year and \$5,500,000 the second year are for accelerated implementation, local resource protection, enhancement grants, statewide analytical targeting or technology tools that fill an identified gap, program enhancements for technical assistance, citizen and community outreach, compliance, and training and certification.

(d) \$1,250,000 the first year and \$1,250,000 the second year are:

(1) to provide state oversight and accountability, evaluate and communicate results, provide implementation tools, and measure the value of conservation program implementation by local governments; and

(2) to prepare, in consultation with the commissioners of natural resources, health, agriculture, and the Pollution Control Agency, and submit to the legislature by March 1 each even-numbered year a biennial report detailing the recipients and projects funded and the results accomplished under this section.

(e) \$2,000,000 the first year and \$2,000,000 the second year are to provide assistance, oversight, and grants for supporting local governments in implementing and complying

with riparian protection and excessive soil loss requirements.

(f) \$2,500,000 the first year and \$2,500,000 the second year are for a working lands floodplain program and to purchase, restore, or preserve riparian land and floodplains adjacent to lakes, rivers, streams, and tributaries, by conservation easements or contracts to keep water on the land, to decrease sediment, pollutant, and nutrient transport; reduce hydrologic impacts to surface waters; and increase protection and recharge for groundwater. Up to \$200,000 is for deposit in a conservation easement stewardship account established according to Minnesota Statutes, section 103B.103.

(g) \$2,500,000 the first year and \$2,500,000 the second year are for permanent conservation easements on wellhead protection areas under Minnesota Statutes, section 103F.515, subdivision 2, paragraph (d), or for grants to local units of government for fee title acquisition to permanently protect groundwater supply sources on wellhead protection areas or for otherwise ensuring long-term protection of groundwater supply sources as described under alternative management tools in the Department of Agriculture Minnesota Nitrogen Fertilizer Management Plan, including using low-nitrogen cropping systems or implementing nitrogen fertilizer best management practices. Priority must be placed on land that is located where the vulnerability of the drinking water supply is designated as high or very high by the commissioner of health, where drinking water protection plans have identified specific activities that will achieve long-term protection, and on lands with expiring conservation reserve program contracts. Up to \$200,000 is for deposit in a conservation easement stewardship account established according to Minnesota Statutes, section 103B.103.

(h) \$100,000 the first year and \$100,000 the second year are for a technical evaluation panel to conduct restoration evaluations under Minnesota Statutes, section 114D.50, subdivision 6.

(i) \$1,750,000 the first year and \$1,750,000 the second year are for assistance, oversight, and grants to local governments to transition local water management plans to a watershed approach as provided for in Minnesota Statutes, section 103B.801.

(j) \$1,000,000 the first year and \$1,000,000 the second year are for technical assistance and grants for the conservation drainage program, in consultation with the Drainage Work Group, coordinated under Minnesota Statutes, section 103B.101, subdivision 13, and including projects to improve multipurpose water management under Minnesota Statutes, section 103E.015.

(k) \$1,500,000 the first year and \$1,500,000 the second year are to purchase permanent conservation easements to protect lands adjacent to public waters that have good water quality but that are threatened with degradation. Up to \$150,000 is for deposit in a conservation easement stewardship account established according to Minnesota Statutes, section 103B.103.

(l) \$425,000 the first year and \$425,000 the second year are for grants or contracts for a program to systematically collect data and produce county, watershed, and statewide estimates of soil erosion caused by water and wind, along with tracking adoption of conservation measures, including cover crops, to address erosion. This appropriation may be used for grants to or contracts with the University of Minnesota to complete this work.

(m) \$500,000 the first year and \$500,000 the second year are for developing and

implementing a water legacy grant program to expand partnerships for clean water.

(n) \$5,000,000 the first year and \$5,000,000 the second year are for permanent conservation easements to protect and restore wetlands and associated uplands. Up to \$300,000 is for deposit in a conservation easement stewardship account established according to Minnesota Statutes, section 103B.103.

(o) \$6,039,000 the first year and \$6,038,000 the second year are for financial and technical assistance to enhance adoption of cover crops and other soil health practices to achieve water quality or drinking water benefits. The board may use grants to local governments and agreements with the United States Department of Agriculture, AgCentric at Minnesota State Center for Excellence, and other practitioners and partners to accomplish this work. Up to \$450,000 is for an agreement with the University of Minnesota Office for Soil Health for applied research and education on Minnesota's agroecosystems and soil health management systems. This appropriation may be extended to leverage available federal funds.

(p) The board must contract for delivery of services with Conservation Corps Minnesota for restoration, maintenance, training, and other activities under this section for up to \$850,000 the first year and up to \$850,000 the second year.

(q) The board may shift grant, implementation, or easement funds in this section and may adjust the technical and administrative assistance portion of the funds to leverage federal or other nonstate funds or to address oversight responsibilities or high-priority activities identified by the board consistent with local water management plans.

(r) The board must require grantees to specify the outcomes that will be achieved by the grants.

(s) The appropriations in this section are available until June 30, 2028, except grant or easement funds are available for five years after the date a grant or other agreement is executed. Returned grant funds must be regranted consistent with the purposes of this section.

Sec. 7. **DEPARTMENT OF HEALTH**

\$            11,296,000 \$            11,904,000

(a) \$4,746,000 the first year and \$5,354,000 the second year are for developing health risk limits for contaminants found or anticipated to be found in Minnesota drinking water, to certify private laboratories to conduct analyses for these contaminants, and to increase the capacity of the department's laboratory to analyze for these contaminants.

(b) \$1,500,000 the first year and \$1,500,000 the second year are for ensuring safe drinking water for private well users, including studying the occurrence and magnitude of contaminants in private wells; developing guidance and conducting outreach and education about well testing and mitigation; awarding grants to local governments; and designing voluntary interventions to reduce health risks to private well owners.

(c) \$3,750,000 the first year and \$3,750,000 the second year are for protecting sources of drinking water, including planning, implementation, and surveillance activities and grants to local governments and public water systems.

(d) \$750,000 the first year and \$750,000 the second year are to develop and deliver groundwater restoration and protection strategies on a watershed scale for use in local comprehensive water planning efforts, to provide resources to local governments for activities that protect sources of drinking



water, and to enhance approaches that improve the capacity of local governmental units to protect and restore groundwater resources.

(e) \$250,000 the first year and \$250,000 the second year are to develop public health policies and an action plan to address threats to safe drinking water, including development of a statewide plan for protecting drinking water that incorporates select recommendations from the University of Minnesota's *Future of Drinking Water* report.

(f) \$300,000 the first year and \$300,000 the second year are for developing a statewide recreational water portal that includes an inventory of public beaches and information about local monitoring results and closures and that provides information about preventing illness and recreational water stewardship.

(g) Unless otherwise specified, the appropriations in this section are available until June 30, 2027.

Sec. 8. **METROPOLITAN COUNCIL**

**\$ 1,875,000 \$ 1,875,000**

(a) \$1,125,000 the first year and \$1,125,000 the second year are to implement projects that address emerging threats to the drinking water supply; provide cost-effective regional solutions; leverage interjurisdictional coordination; support local implementation of water supply reliability projects; support the growing needs of community water suppliers facing challenges, including PFAS, radium, manganese, and selenium contamination, groundwater appropriation limitations, system reliability and resilience, and increased regional growth; and prevent degradation of groundwater resources in the metropolitan area. These projects provide communities with:

(1) potential solutions to leverage regional water use by using surface water, stormwater, wastewater, and groundwater;

(2) an analysis of infrastructure requirements for different alternatives;

(3) development of planning-level cost estimates, including capital costs and operating costs;

(4) identification of funding mechanisms and an equitable cost-sharing structure for regionally beneficial water supply development projects; and

(5) development of subregional groundwater models and strategies.

(b) \$750,000 the first year and \$750,000 the second year are for the water demand reduction grants to assist municipalities in the metropolitan area with implementing water demand reduction measures to ensure the reliability and protection of drinking water supplies.

Sec. 9. UNIVERSITY OF MINNESOTA

\$

1,500,000

\$ 1,500,000

(a) \$500,000 the first year and \$500,000 the second year are for developing Part A of county geologic atlases. This appropriation is available until June 30, 2030.

(b) \$1,000,000 the first year and \$1,000,000 the second year are for a program to evaluate performance and technology transfer for stormwater best management practices, to evaluate best management performance and effectiveness to support meeting total maximum daily loads, to develop standards and incorporate state-of-the-art guidance using minimal impact design standards as the model, and to implement a system to transfer knowledge and technology across local government, industry, and regulatory sectors. This appropriation is available until June 30, 2030.



(5) to promptly seek the delisting of waters from the impaired waters list when those waters are shown to achieve the designated uses applicable to the waters;

(6) to achieve compliance with federal Clean Water Act requirements in Minnesota;

(7) to support effective measures to prevent the degradation of groundwater according to the groundwater degradation prevention goal under section 103H.001; and

(8) to support effective measures to restore degraded groundwater.

Sec. 13. Minnesota Statutes 2022, section 114D.30, subdivision 4, is amended to read:

Subd. 4. **Terms; compensation; removal.** The terms of members representing the state agencies and the Metropolitan Council are four years and are coterminous with the governor. The terms of other nonlegislative members of the council shall be as provided in section 15.059, subdivision 2. Members may serve until their successors are appointed and qualify. Compensation and removal of nonlegislative council members is as provided in section 15.059, subdivisions 3 and 4, except that a nonlegislative member may be compensated at the rate of up to \$125 a day. Compensation of legislative members is as determined by the appointing authority. The Pollution Control Agency may reimburse legislative members for expenses. A vacancy on the council may be filled by the appointing authority provided in subdivision 1 for the remainder of the unexpired term.

Sec. 14. Minnesota Statutes 2022, section 114D.30, subdivision 6, is amended to read:

Subd. 6. **Recommended appropriations.** (a) The Clean Water Council ~~shall recommend~~ must submit recommendations to the governor and the legislature ~~the manner in which~~ on how money from the clean water fund should be appropriated for the purposes stated in article XI, section 15, of the Minnesota Constitution and section 114D.50.

(b) The council's recommendations must:

(1) be to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation and ensure that at least five percent of the clean water fund is spent only to protect drinking water sources;

(2) be consistent with the purposes, policies, goals, and priorities in this chapter; and

(3) allocate adequate support and resources to identify degraded groundwater and impaired waters, develop TMDLs, implement restoration of groundwater and impaired waters, and provide assistance and incentives to prevent groundwater and surface waters from becoming degraded or impaired and improve the quality of surface waters which are listed as impaired but have no approved TMDL.

(c) The council must recommend methods of ensuring that awards of grants, loans, or other funds from the clean water fund specify the outcomes to be achieved as a result of the funding and specify standards to hold the recipient accountable for achieving the desired outcomes. Expenditures from the fund must be appropriated by law.

Sec. 15. Minnesota Statutes 2022, section 114D.30, subdivision 7, is amended to read:

Subd. 7. **Reports to legislature.** ~~(a)~~ By January 15 each odd-numbered year, the council must submit a report to the legislature ~~on~~ that includes:

(1) a summary of the activities for which money has been or will be spent for in the current biennium;

(2) the activities for which money is recommended to recommendations required under subdivision 6 for how money in the clean water fund should be spent in the next biennium, including recommended legislative bill language; and

(3) the impact on economic development of the implementation of efforts to protect and restore groundwater and the impaired waters program.

~~(b) By January 15 each even-numbered year, the council may submit to the legislature supplemental recommendations on the manner in which money from the clean water fund should be appropriated in the next fiscal year.~~

**EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to recommendations for fiscal year 2026 and beyond.

Sec. 16. Minnesota Statutes 2022, section 114D.50, subdivision 4, is amended to read:

Subd. 4. **Expenditures; accountability.** (a) A project receiving funding from the clean water fund must meet or exceed the constitutional requirements to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater and drinking water from degradation. Priority may be given to projects that meet more than one of these requirements. A project receiving funding from the clean water fund shall include measurable outcomes, as defined in section 3.303, subdivision 10, ~~and~~; a plan for measuring and evaluating the results; and an assessment of whether the funding celebrates cultural diversity or reaches diverse communities in Minnesota, including reaching low- and moderate-income households. A project must be consistent with current science and incorporate state-of-the-art technology.

(b) Money from the clean water fund shall be expended to balance the benefits across all regions and residents of the state.

(c) A state agency or other recipient of a direct appropriation from the clean water fund must compile and submit all information for proposed and funded projects or programs, including the proposed measurable outcomes and all other items required under section 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable or by January 15 of the applicable fiscal year, whichever comes first. The Legislative Coordinating Commission must post submitted information on the website required under section 3.303, subdivision 10, as soon as it becomes available. Information classified as not public under section 13D.05, subdivision 3, paragraph (d), is not required to be placed on the website.

(d) Grants funded by the clean water fund must be implemented according to section 16B.98 and must account for all expenditures. Proposals must specify a process for any regrantee envisioned. Priority for grant proposals must be given to proposals involving grants that will be competitively awarded.

(e) Money from the clean water fund may only be spent on projects that benefit Minnesota waters.

(f) When practicable, a direct recipient of an appropriation from the clean water fund shall prominently display on the recipient's website home page the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the website must direct the person to a web page that includes both the contact information that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission website required under section 3.303, subdivision 10.

(g) Future eligibility for money from the clean water fund is contingent upon a state agency or other recipient satisfying all applicable requirements in this section, as well as any additional requirements contained in applicable session law. If the Office of the Legislative Auditor, in the course of an audit or investigation, publicly reports that a recipient of money from the clean water fund has not complied with the laws, rules, or regulations in this section or other laws applicable to the recipient, the recipient must be listed in an annual report to the legislative committees with jurisdiction over the legacy funds. The list must be publicly available. The legislative auditor shall remove a recipient from the list upon determination that the recipient is in compliance. A recipient on the list is not eligible for future funding from the clean water fund until the recipient demonstrates compliance to the legislative auditor.

(h) Money from the clean water fund may be used to leverage federal funds through execution of formal project partnership agreements with federal agencies consistent with respective federal agency partnership agreement requirements.

(i) Any state agency or organization requesting a direct appropriation from the clean water fund must inform the Clean Water Council and the house of representatives and senate committees having jurisdiction over the clean water fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.

**Sec. 17. CLEAN WATER FUND APPROPRIATION EXTENSIONS.**

**Subdivision 1. Department of Health; contamination in private wells.** The availability of the appropriation from the clean water fund to the commissioner of health under Laws 2019, First Special Session chapter 2, article 2, section 8, paragraph (d), is extended to June 30, 2024.

**Subd. 2. Department of Health; water reuse implementation.** The availability of the appropriation from the clean water fund to the commissioner of health under Laws 2019, First Special Session chapter 2, article 2, section 8, paragraph (g), is extended to June 30, 2024.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

**ARTICLE 3**

**PARKS AND TRAILS FUND**

Section 1. **PARKS AND TRAILS FUND APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the parks and trails fund and are available for the fiscal years indicated for each purpose. The figures "2024" and "2025" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025. These are onetime appropriations.

<b><u>APPROPRIATIONS</u></b>	
<b><u>Available for the Year</u></b>	
<b><u>Ending June 30</u></b>	
<b><u>2024</u></b>	<b><u>2025</u></b>

Sec. 2. **PARKS AND TRAILS**

Subdivision 1. <b><u>Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>72,155,000</u></b>	<b><u>\$</u></b>	<b><u>64,455,000</u></b>
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The amounts that may be spent for each purpose are specified in the following sections.

Subd. 2. **Availability of Appropriation**

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with Minnesota Management and Budget *MMB Guidance to Agencies on Legacy Fund Expenditure*. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2024 appropriations are available until June 30, 2026, and fiscal year 2025 appropriations are available until June 30, 2027. If a project receives federal funds, the period of the appropriation is extended to equal the availability of federal funding.

Subd. 3. **Disability Access**

Where appropriate, grant recipients of parks and trails funds, in consultation with the Council on Disability and other appropriate governor-appointed disability councils, boards, committees, and commissions, should make progress toward providing people with disabilities greater access to programs, print publications, and digital media related to the programs the recipient funds using appropriations made in this article.

**Subd. 4. Energy and Water Conservation**

Grant recipients of parks and trails funds should prioritize water and energy conservation technology and the use of renewable energy for construction and building projects funded with an appropriation made in this article.

**Sec. 3. DEPARTMENT OF NATURAL RESOURCES**

\$ 43,580,000 \$ 38,931,000

(a) \$28,572,000 the first year and \$25,524,000 the second year are for state parks, recreation areas, and trails to:

- (1) connect people to the outdoors;
- (2) acquire land and create opportunities;
- (3) maintain existing holdings; and
- (4) improve cooperation by coordinating with partners to implement the 25-year long-range parks and trails legacy plan.

(b) The commissioner may spend money appropriated under paragraph (a) on I Can! programs, including but not limited to programs designed to provide underserved youth and youth who identify as lesbian, gay, bisexual, transgender, and queer the opportunity to experience the outdoors with similar peers.

(c) \$14,286,000 the first year and \$12,762,000 the second year are for grants for parks and trails of regional significance



outside the seven-county metropolitan area under Minnesota Statutes, section 85.535. The grants awarded under this paragraph must be based on the lists of recommended projects submitted to the legislative committees under Minnesota Statutes, section 85.536, subdivision 10, from the Greater Minnesota Regional Parks and Trails Commission established under Minnesota Statutes, section 85.536. Grants funded under this paragraph must support parks and trails of regional or statewide significance that meet the applicable definitions and criteria for regional parks and trails contained in the *Greater Minnesota Regional Parks and Trails Strategic Plan* adopted by the Greater Minnesota Regional Parks and Trails Commission on April 22, 2015. Grant recipients identified under this paragraph must submit a grant application to the commissioner of natural resources. Up to 2.5 percent of the appropriation may be used by the commissioner for the actual cost of issuing and monitoring the grants for the commission. Of the amount appropriated, \$475,000 the first year and \$475,000 the second year are for the Greater Minnesota Regional Parks and Trails Commission to carry out its duties under Minnesota Statutes, section 85.536, including the continued development of a statewide system plan for regional parks and trails outside the seven-county metropolitan area.

(d) By January 15, 2024, the Greater Minnesota Regional Parks and Trails Commission must submit a list of projects that contains the commission's recommendations for funding from the parks and trails fund for fiscal year 2025 to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment and natural resources and the parks and trails fund.

(e) By January 15, 2024, the Greater Minnesota Regional Parks and Trails

Commission must submit a report that contains the commission's criteria for funding from the parks and trails fund, including the criteria used to determine if a park or trail is of regional significance, to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment and natural resources and the parks and trails fund.

(f) \$722,000 the first year and \$645,000 the second year are for coordination and projects between the department, the Metropolitan Council, and the Greater Minnesota Regional Parks and Trails Commission; enhanced web-based information for park and trail users; and support of activities of the Parks and Trails Legacy Advisory Committee.

(g) The commissioner must contract for services with Conservation Corps Minnesota for restoration, maintenance, and other activities under this section for at least \$850,000 the first year and \$850,000 the second year.

(h) Grant recipients of an appropriation under this section must give consideration to contracting with Conservation Corps Minnesota for restoration, maintenance, and other activities.

(i) In addition to the requirements under paragraph (g), the commissioner should work to provide other opportunities that encourage a diversity of students to pursue careers in environment and natural resources when implementing appropriations in this section.

Sec. 4. **METROPOLITAN COUNCIL**

**\$ 28,572,000 \$ 25,524,000**

(a) \$28,572,000 the first year and \$25,524,000 the second year are for distribution according to Minnesota Statutes, section 85.53, subdivision 3.

(b) Money appropriated under this section and distributed to implementing agencies

must be used only to fund the list of projects approved by the elected representatives of each of the metropolitan parks implementing agencies. Projects funded by the money appropriated under this section must be substantially consistent with the project descriptions and dollar amounts approved by each elected body. Any money remaining after completing the listed projects may be spent by the implementing agencies on projects to support parks and trails.

(c) Grant agreements entered into by the Metropolitan Council and recipients of money appropriated under this section must ensure that the money is used to supplement and not substitute for traditional sources of funding.

(d) The implementing agencies receiving appropriations under this section must give consideration to contracting with Conservation Corps Minnesota for restoration, maintenance, and other activities.

Sec. 5. LEGISLATURE

\$

3,000 \$

-0-

\$3,000 the first year is for the Legislative Coordinating Commission for the website required under Minnesota Statutes, section 3.303, subdivision 10.

Sec. 6. Minnesota Statutes 2022, section 85.53, subdivision 2, is amended to read:

Subd. 2. **Expenditures; accountability.** (a) A project or program receiving funding from the parks and trails fund must meet or exceed the constitutional requirement to support parks and trails of regional or statewide significance. A project or program receiving funding from the parks and trails fund must include measurable outcomes, as defined in section 3.303, subdivision 10, ~~and~~ a plan for measuring and evaluating the results; and an assessment of whether the funding celebrates cultural diversity or reaches diverse communities in Minnesota, including reaching low- and moderate-income households. A project or program must be consistent with current science and incorporate state-of-the-art technology, except when the project or program is a portrayal or restoration of historical significance.

(b) Money from the parks and trails fund shall be expended to balance the benefits across all regions and residents of the state.

(c) A state agency or other recipient of a direct appropriation from the parks and trails fund must compile and submit all information for funded projects or programs, including the proposed measurable outcomes and all other items required under section 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable or by January 15 of the applicable fiscal year, whichever comes first. The Legislative Coordinating Commission must post submitted information on the website required under section 3.303, subdivision 10, as soon as it becomes available.

(d) Grants funded by the parks and trails fund must be implemented according to section 16B.98 and must account for all expenditures. Proposals must specify a process for any regrants envisioned. Priority for grant proposals must be given to proposals involving grants that will be competitively awarded.

(e) Money from the parks and trails fund may only be spent on projects located in Minnesota.

(f) When practicable, a direct recipient of an appropriation from the parks and trails fund shall prominently display on the recipient's website home page the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the website must direct the person to a web page that includes both the contact information that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission website required under section 3.303, subdivision 10.

(g) Future eligibility for money from the parks and trails fund is contingent upon a state agency or other recipient satisfying all applicable requirements in this section, as well as any additional requirements contained in applicable session law. If the Office of the Legislative Auditor, in the course of an audit or investigation, publicly reports that a recipient of money from the parks and trails fund has not complied with the laws, rules, or regulations in this section or other laws applicable to the recipient, the recipient must be listed in an annual report to the legislative committees with jurisdiction over the legacy funds. The list must be publicly available. The legislative auditor shall remove a recipient from the list upon determination that the recipient is in compliance. A recipient on the list is not eligible for future funding from the parks and trails fund until the recipient demonstrates compliance to the legislative auditor.

(h) Any state agency or organization requesting a direct appropriation from the parks and trails fund must inform the house of representatives and senate committees having jurisdiction over the parks and trails fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.

Sec. 7. Minnesota Statutes 2022, section 85.53, is amended by adding a subdivision to read:

Subd. 7. **Free park days.** An implementing agency, county, or city that charges an entrance fee or requires a vehicle permit must provide free access to all its parks at least four days each calendar year in order to be eligible for money appropriated from the parks and trails fund. The implementing agency, county, or city must publicly announce the date when entrance will be free at least 30 days in advance of the date it occurs.

Sec. 8. Minnesota Statutes 2022, section 85.536, subdivision 1, is amended to read:

Subdivision 1. **Establishment; purpose.** The Greater Minnesota Regional Parks and Trails Commission is created to undertake system planning and provide recommendations to the legislature for grants funded by the parks and trails fund to counties ~~and~~, cities, and Tribal governments outside of the seven-county metropolitan area for parks and trails of regional significance.

Sec. 9. Minnesota Statutes 2022, section 85.536, subdivision 2, is amended to read:

Subd. 2. **Commission.** The commission shall include 13 members appointed by the governor with two members from each of the regional parks and trails districts determined under subdivision 5 and one member at large. Membership terms, compensation, and removal of members and filling of vacancies are as provided in section 15.0575, except that a commission member may be compensated at the rate of up to \$125 a day.

Sec. 10. **PARKS AND TRAILS FUND APPROPRIATION EXTENSIONS.**

Subdivision 1. **Beaver Island Regional Trail; city of St. Cloud.** The availability of the grant to the city of St. Cloud for the Beaver Island Regional Trail construction and restoration project from the parks and trails fund appropriation under Laws 2019, First Special Session chapter 2, article 3, section 3, paragraph (b), is extended to June 30, 2024.

Subd. 2. **Robinson Park; city of Sandstone.** The portions of the appropriations from the parks and trails fund in Laws 2019, First Special Session chapter 2, article 3, section 3, paragraph (b), and Laws 2021, First Special Session chapter 1, article 3, section 3, paragraph (b), that were granted to the city of Sandstone for the Robinson Park project are available until June 30, 2025.

Subd. 3. **Parks and trails of regional significance.** The appropriations from the parks and trails fund in Laws 2019, First Special Session chapter 2, article 3, section 3, paragraph (b), are available until June 30, 2025.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 11. **EXPANDING ACCESS TO PARKS AND TRAILS FUND GRANTS IN GREATER MINNESOTA; REPORT.**

By January 15, 2024, the commissioner of natural resources, in cooperation with the Greater Minnesota Regional Parks and Trails Commission, must submit a report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the parks and trails fund with recommendations for expanding eligibility of parks and trails fund grants under Minnesota Statutes, section 85.536, to Tribal governments and for expanding cooperation with nonprofit organizations, including any necessary statutory changes.

## ARTICLE 4

### ARTS AND CULTURAL HERITAGE FUND

Section 1. **ARTS AND CULTURAL HERITAGE FUND APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the entities and for the purposes specified in this article. The appropriations are from the arts and cultural heritage

fund and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15, except that any unencumbered balance remaining under this article from the first year does not cancel but is available in the second year. The figures "2024" and "2025" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2024, and June 30, 2025, respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025. All appropriations in this article are onetime.

**APPROPRIATIONS**  
**Available for the Year**  
**Ending June 30**  
**2024**                      **2025**

**Sec. 2. ARTS AND CULTURAL HERITAGE**

<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>103,024,000</u></b>	<b><u>\$</u></b>	<b><u>88,928,000</u></b>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

**Subd. 2. Availability of Appropriation**

Money appropriated in this article must not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must not be spent on institutional overhead charges that are not directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with Minnesota Management and Budget *MMB Guidance to Agencies on Legacy Fund Expenditure*. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2024 appropriations are available until June 30, 2025, and fiscal year 2025 appropriations are available until June 30, 2026. Water and energy conservation technology and the use of renewable energy should be priorities for construction and building projects funded through this appropriation. If a project receives federal funds, the period of the appropriation is extended to equal the availability of federal funding.

**Subd. 3. Minnesota State Arts Board**47,421,00044,796,000

(a) The amounts in this subdivision are appropriated to the Minnesota State Arts Board for arts, arts education, arts preservation, and arts access. Grant agreements entered into by the Minnesota State Arts Board and other recipients of appropriations in this subdivision must ensure that these funds are used to supplement and not substitute for traditional sources of funding. Each grant program established in this appropriation must be separately administered from other state appropriations for program planning and outcome measurements, but may take into consideration other state resources awarded in the selection of applicants and grant award size.

**(b) Arts and Arts Access Initiatives**

\$35,737,000 the first year and \$36,437,000 the second year are to support Minnesota artists and arts organizations in creating, producing, and presenting high-quality arts activities; to preserve, maintain, and interpret art forms and works of art so that they are accessible to Minnesota audiences; to overcome barriers to accessing high-quality arts activities; and to instill the arts into the community and public life in this state. Grants provided under this paragraph must prioritize artists and arts organizations that plan to present art from communities that have been historically underrepresented in the arts or that improve access to the programs and projects for groups, including youth and historically underserved communities, that have struggled to access arts programming in the past.

**(c) Arts Education**

\$7,263,000 the first year and \$6,269,000 the second year are for high-quality, age-appropriate arts education for Minnesotans of all ages to develop

knowledge, skills, and understanding of the arts. Priority in the award of grants under this paragraph must be given to providing educational opportunities to underserved communities with grants for organizations or entities providing opportunities to K-12 students throughout the state for arts education, including access to arts instruction, arts programming, museums, and arts presentations.

**(d) Arts and Cultural Heritage**

\$2,421,000 the first year and \$2,090,000 the second year are for events and activities that represent, preserve, and maintain the diverse cultural arts traditions, including folk and traditional artists and art organizations, represented in this state.

**(e) Significant Art Project St. Paul**

\$2,000,000 the first year is for a grant to the Minnesota United Foundation for the design, land development, land transfer fees, and production costs of a public art project in St. Paul at the United Village site celebrating Minnesota arts and cultural heritage and providing a unique public art experience through sculpture and design. The project funded by this paragraph must have a matching grant from nonpublic funds and must include a public-private partnership agreement providing an agreement for the future ownership, maintenance, taxes, and associated costs for the art project and project site. The project funded by this paragraph must have a permanent sign indicating the project was funded through the arts and cultural heritage fund. This appropriation is available until June 30, 2028.

**(f) Administrative Costs**

Up to five percent of the totals in paragraphs (b) to (e) each year is for administering grant programs, delivering technical services, providing fiscal oversight for the statewide



system, and ensuring accountability in fiscal years 2024 and 2025.

**(g) Regional Arts Councils**

Thirty percent of the remaining total appropriation to each of the categories listed in paragraphs (b) to (d) is for grants to the regional arts councils. Notwithstanding any other provision of law, regional arts council grants or other arts council grants for touring programs, projects, or exhibits must ensure the programs, projects, or exhibits are able to tour in their own region as well as all other regions of the state.

(h) Any unencumbered balance remaining under this subdivision the first year does not cancel but is available the second year.

**Subd. 4. Minnesota Historical Society**

18,004,000

18,977,000

(a) The amounts in this subdivision are appropriated to the governing board of the Minnesota Historical Society to preserve and enhance access to Minnesota's history and its cultural and historical resources. Grant agreements entered into by the Minnesota Historical Society and other recipients of appropriations in this subdivision must ensure that these funds are used to supplement and not substitute for traditional sources of funding. Funds directly appropriated to the Minnesota Historical Society must be used to supplement and not substitute for traditional sources of funding. The appropriations in this subdivision are onetime, and any unencumbered balance remaining under this subdivision in the first year does not cancel but is available for the second year. Notwithstanding Minnesota Statutes, section 16A.28, for historic preservation projects that improve historic structures, the amounts are available until June 30, 2027. The Minnesota Historical Society or grant recipients of the Minnesota Historical Society using arts and cultural heritage funds under this subdivision must give consideration to Conservation Corps

Minnesota and Northern Bedrock Historic Preservation Corps, or an organization carrying out similar work, for projects with the potential to need historic preservation services.

**(b) Historical Grants and Programs**

**(1) Statewide Historic and Cultural Grants**

\$6,451,000 the first year and \$7,035,000 the second year are for statewide historic and cultural grants to local, county, regional, or other historical or cultural organizations or for activities to preserve significant historic and cultural resources. Money must be distributed through a competitive grant process. The Minnesota Historical Society must administer the money using established grant mechanisms with assistance from the advisory committee created under Laws 2009, chapter 172, article 4, section 2, subdivision 4, paragraph (b), item (ii).

**(2) Statewide History Programs**

\$7,395,000 the first year and \$8,125,000 the second year are for historic and cultural programs and purposes related to the heritage of the state.

Of this amount, \$50,000 the first year and \$50,000 the second year are for the production and distribution of "Making Minnesota" on Minnesota's natural resources, legacy, culture, and history, to be made available free of cost.

**(3) History Partnerships**

\$2,183,000 the first year and \$3,067,000 the second year are for history partnerships involving multiple organizations, which may include the Minnesota Historical Society, to preserve and enhance access to Minnesota's history and cultural heritage in all regions of the state.

**(4) Statewide Survey of Historical and Archaeological Sites**

\$375,000 the first year and \$375,000 the second year are for one or more contracts to be competitively awarded to conduct statewide surveys or investigations of Minnesota's sites of historical, archeological, and cultural significance. Results of the surveys or investigations must be published in a searchable form and available to the public cost free. The Minnesota Historical Society, the Office of the State Archeologist, the Indian Affairs Council, and the State Historic Preservation Office must each appoint a representative to an oversight board to select contractors and direct the conduct of the surveys or investigations. The oversight board must consult with the Departments of Transportation and Natural Resources.

(5) Digital Library

\$375,000 the first year and \$375,000 the second year are for a digital library project to preserve, digitize, and share Minnesota images, documents, and historical materials. The Minnesota Historical Society must cooperate with the Minitex interlibrary loan system and must jointly share this appropriation for these purposes.

**(c) Grants**

(1) \$100,000 the first year is for a grant to the Litchfield Opera House to repair and update the Litchfield Opera House;

(2) \$275,000 the first year is for a grant to the Dakota County Historical Society to upgrade and improve the Lawshe Memorial Museum;

(3) \$500,000 the first year is for a grant to Olmsted County Historical Society to rehabilitate the historic George Stoppel stone house and barn and to construct an accessible pathway to the farmstead;

(4) \$100,000 the first year is for a grant to the Minnesota Transportation Museum for

programming at the historical Jackson Street Roundhouse in St. Paul to preserve and share the history and culture of railroads in Minnesota; and

(5) \$250,000 the first year is for a grant to Special Guerrilla Units Veterans and Families of USA, Inc. to collect, document, archive, preserve, and make available to the public Hmong Special Guerrilla Units veterans' histories and for programming and educational efforts to teach the public about their history serving as proxy soldiers for the United States during the Secret War in Laos.

**Subd. 5. Department of Education**

3,000,000

2,750,000

(a) \$2,750,000 each year is appropriated to the commissioner of education for grants to the 12 Minnesota regional library systems to provide educational opportunities in the arts, history, literary arts, and cultural heritage of Minnesota. When possible, funding under this subdivision should be used to promote and share the work of Minnesota authors, including authors from diverse backgrounds. This money must be allocated using the formulas in Minnesota Statutes, section 134.355, subdivisions 3 to 5, with the remaining 25 percent to be distributed to all qualifying systems in an amount proportionate to the number of qualifying system entities in each system. For purposes of this subdivision, "qualifying system entity" means a public library, a regional library system, a regional library system headquarters, a county, or an outreach service program. This money may be used to sponsor programs provided by regional libraries or to provide grants to local arts and cultural heritage programs for programs in partnership with regional libraries. This money must be distributed in ten equal payments per year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2025, as grants or contracts in this subdivision are available until June 30, 2026.

(b) \$250,000 the first year is appropriated to the commissioner of education for a water safety grant program. The commissioner of education must allocate grants to eligible applicants. Eligible applicants include nonprofit organizations and city and county parks and recreation programs providing swimming lessons to youth. Eligible applicants are not required to partner with other entities. Grant funds must primarily be used to provide scholarships to low-income and at-risk children for swimming lessons. Up to 15 percent of the grant funds may also be used to hire water safety instructors or lifeguards or train water safety instructors or lifeguards in nationally recognized water safety practices and instruction.

**Subd. 6. Department of Administration**

17,040,000

14,105,000

(a) The amounts in this subdivision are appropriated to the commissioner of administration for grants to the named organizations for the purposes specified in this subdivision. The commissioner of administration may use a portion of this appropriation for costs that are directly related to and necessary for the administration of grants in this subdivision.

(b) Grant agreements entered into by the commissioner and recipients of appropriations under this subdivision must ensure that money appropriated in this subdivision is used to supplement and not substitute for traditional sources of funding.

**(c) Minnesota Public Radio**

\$2,050,000 each year is for Minnesota Public Radio to create programming and expand news service on Minnesota's cultural heritage and history.

**(d) Association of Minnesota Public Educational Radio Stations**

\$2,050,000 the first year and \$2,050,000 the second year are to the Association of

Minnesota Public Educational Radio Stations for production and acquisition grants in accordance with Minnesota Statutes, section 129D.19.

**(e) Public Television**

\$5,000,000 the first year and \$4,500,000 the second year are to the Minnesota Public Television Association for production and acquisition grants according to Minnesota Statutes, section 129D.18. Of the amount in the first year, \$1,000,000 is for producing Minnesota military and veterans' history stories and unique immigrant stories from around the state.

**(f) Wilderness Inquiry**

\$500,000 the first year and \$600,000 the second year are to Wilderness Inquiry to preserve Minnesota's outdoor history, culture, and heritage by connecting Minnesota youth and families to natural resources.

**(g) Como Park Zoo**

\$1,725,000 each year is to the Como Park Zoo and Conservatory for program development that features educational programs and habitat enhancement, special exhibits, music appreciation programs, and historical garden access and preservation.

**(h) Science Museum of Minnesota**

\$825,000 each year is to the Science Museum of Minnesota for arts, arts education, and arts access and to preserve Minnesota's history and cultural heritage, including student and teacher outreach, statewide educational initiatives, and community-based exhibits that preserve Minnesota's history and cultural heritage.

**(i) Appetite for Change**

\$200,000 the first year is to the nonprofit Appetite for Change for the Community Cooks programming, which will preserve the

cultural heritage of growing and cooking food in Minnesota.

**(j) Lake Superior Zoo**

\$150,000 each year is to the Lake Superior Zoo to develop educational exhibits and programs.

**(k) Great Lakes Aquarium**

\$250,000 each year is to the Lake Superior Center Authority to prepare, fabricate, and install a hands-on exhibit with interactive learning components to educate Minnesotans on the history of the natural landscape of the state.

**(l) State Band**

\$25,000 the first year and \$25,000 the second year are to the Minnesota state band to provide free concerts throughout the state.

**(m) Veterans Memorial Park in Wyoming**

\$100,000 the first year is for a grant to the city of Wyoming to build the Veterans Memorial Plaza and related interpretive walk in Railroad Park.

**(n) Great Northern Festival**

\$75,000 the first year and \$75,000 the second year are for a grant to support the Great Northern Festival, which connects attendees to parks, outdoor spaces, and cultural venues through a festival.

**(o) Governor's Council on Developmental Disabilities**

\$50,000 the first year is to the Minnesota Governor's Council on Developmental Disabilities to continue to preserve and raise awareness of the history of Minnesotans with developmental disabilities.

**(p) Minnesota Council on Disability**

\$125,000 the first year and \$125,000 the second year are to the Minnesota Council on Disability to provide educational

opportunities in the arts, history, and cultural heritage of Minnesotans with disabilities in conjunction with the 50th anniversary of the Minnesota Council on Disability. This appropriation is available until June 30, 2027.

**(q) Keller Regional Park**

\$500,000 the first year is for a grant to Ramsey County to preserve Minnesota's cultural heritage by enhancing the tuj lub courts at Keller Regional Park.

**(r) Vietnam War Anniversary**

\$250,000 the first year is for a grant to the commissioner of veterans affairs to prepare and host a commemoration program for the 50th anniversary of the Vietnam War.

**(s) St. Paul Cultural Art Installation**

\$500,000 the first year is for a grant to the city of St. Paul for an art installation celebrating Olympic gold medalist Suni Lee.

**(t) One Heartland Center**

\$50,000 each year is for a grant to One Heartland Center for programming and outdoor activities for families and youth in Minnesota.

**(u) Forest Lake Veterans Memorial**

\$100,000 the first year is for a grant to the Forest Lake Veterans Memorial Committee to construct a memorial to veterans of the United States armed forces at Lakeside Memorial Park in the city of Forest Lake. This appropriation is available until June 30, 2027.

**(v) Hmong Plaza**

\$450,000 the first year is for a grant to the city of St. Paul to construct the Hmong Plaza at Phalen Lake.

**(w) Camille Gage Artist Fellowship**



\$55,000 the first year and \$55,000 the second year are for a grant to YWCA Minneapolis to fund an annual fellowship to be known as the Camille J. Gage Artist Fellowship. Of this amount, up to \$5,000 each year may be used for administrative expenses. YWCA Minneapolis must select a person for the Camille J. Gage Artist Fellowship after an application process that allows both applications by interested persons and nominations of persons by third parties. By October 1, 2026, YWCA Minneapolis must report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over legacy on the use of money appropriated under this paragraph and on the activities of the person selected for the Camille J. Gage Artist Fellowship under this paragraph. This appropriation is available until June 30, 2026.

**(x) Minnesota African American Heritage Museum and Gallery**

\$235,000 the first year and \$125,000 the second year are for arts and cultural heritage programming celebrating African American and Black communities in Minnesota. Of the amount in the first year, \$110,000 is for C. Caldwell Fine Arts for an outdoor mural project in North Minneapolis to work with young people to develop skills while using art as the impetus.

**(y) Tibetan American Foundation of Minnesota**

\$25,000 the first year and \$25,000 the second year are for a grant to the Tibetan American Foundation of Minnesota to celebrate and teach the art, culture, and heritage of Tibetan Americans in Minnesota.

**(z) Hong De Wu Guan**

\$25,000 the first year is for a grant to Hong De Wu Guan to create cultural arts projects like Lion Dance for after-school programs for youth.

**(aa) Sepak Takraw of USA**

\$50,000 the first year is for a grant to the Sepak Takraw of USA to work with youth and after-school programs in the community to teach the cultural games of tuj lub and sepak takraw. This appropriation may not be used to hold events.

**(bb) 30,000 Feet**

\$75,000 the first year and \$75,000 the second year are for a grant to 30,000 Feet, a nonprofit organization, to help youth and community artists further develop their artistic skills, to create community art and artistic performances, and to promote and share African American history and culture through the arts.

**(cc) Siengkane Lao Minnesota**

\$50,000 the first year and \$50,000 the second year are for a grant to Siengkane Lao MN to create cultural arts projects and to preserve traditional performances.

**(dd) Hmong Cultural Center**

\$150,000 the first year and \$150,000 the second year are for a grant to the Hmong Cultural Center of Minnesota for museum-related programming and educational outreach activities to teach the public about the historical, cultural, and folk arts heritage of Hmong Minnesotans.

**(ee) Comunidades Latinas Unidas En Servicio**

\$250,000 the first year and \$250,000 the second year are for a grant to Comunidades Latinas Unidas En Servicio (CLUES) to expand arts programming to celebrate Latino cultural heritage; support local artists; and provide professional development, networking, and presentation opportunities.

**(ff) Hmong RPA Writing System**

\$300,000 the first year and \$300,000 the second year are for grants to recipients who have demonstrated knowledge and interest in preserving Hmong culture to preserve

Hmong Minnesotans' heritage, history, language, and culture. Grants must be used in conjunction with Minnesota universities to improve and develop a unified and standardized Latin alphabet form of the Hmong RPA writing system. No portion of this appropriation may be used to encourage religious membership or to conduct personal ceremonies or events.

**(gg) Somali Museum of Minnesota**

\$125,000 the first year and \$125,000 the second year are for a grant to the Somali Museum of Minnesota for heritage arts and cultural vitality programs to provide classes, exhibits, presentations, and outreach about the Somali community and heritage in Minnesota.

**(hh) Minnesota Museum of American Art**

\$200,000 the first year and \$200,000 the second year are for a grant to the Minnesota Museum of American Art for exhibit programming and for a Native American Fellowship at the museum.

**(ii) Fanka Programs**

\$250,000 the first year and \$250,000 the second year are for a grant to Ka Joog statewide Somali-based collaborative programs for arts and cultural heritage. The funding must be used for Fanka programs to provide arts education and workshops, mentor programs, and community presentations and community engagement events throughout Minnesota.

**(jj) The Bakken Museum**

\$150,000 the first year is for a grant to The Bakken Museum for interactive exhibits and outreach programs on arts and cultural heritage.

**(kk) 4-H Shooting Sports**

\$50,000 the first year is to the University of Minnesota Extension Office to provide grants

to Minnesota 4-H chapters that have members participating in state and national 4-H-sanctioned shooting sports events. Eligible costs for grant money include shooting sports equipment and supplies and event fees associated with participating in state shooting sports events.

**(II) Public Art Saint Paul**

\$75,000 each year is for a grant to Public Art Saint Paul for art programming at the Wakpa Triennial Art Festival to showcase new art across the Twin Cities by Minnesota artists in outdoor and indoor settings and to encourage visitors to experience the arts and culture produced by local arts and culture organizations.

**Subd. 7. Minnesota Zoo**

2,000,000

2,000,000

The amounts in this subdivision are appropriated to the Minnesota Zoological Board for programs at and development of the Minnesota Zoological Garden and to provide access and education related to programs on the cultural heritage of Minnesota.

**Subd. 8. Minnesota Humanities Center**

12,855,000

3,600,000

(a) The amounts in this subdivision are appropriated to the Board of Directors of the Minnesota Humanities Center for the purposes specified in this subdivision. The Minnesota Humanities Center may use up to 5.5 percent of the appropriations for the administration of these funds and to cover the cost of administering, planning, evaluating, and reporting these grants. The Minnesota Humanities Center must develop a written plan to issue the grants under this subdivision and must submit the plan for review and approval by the commissioner of administration. The written plan must require the Minnesota Humanities Center to create and adhere to grant policies that are similar to those established according to Minnesota

Statutes, section 16B.97, subdivision 4, paragraph (a), clause (1).

No grants awarded under this subdivision may be used for travel outside the state of Minnesota. The grant agreement must specify the repercussions for failing to comply with the grant agreement.

**(b) Programs and Purposes**

\$2,000,000 each year is for statewide humanities programs and to support and expand outreach, partnerships, and humanities programming with organizations and individuals throughout the state, including but not limited to programming related to veterans and the military experience, professional development opportunities for educators, and programming celebrating, representing, and reflecting upon the heritage of diverse Minnesota communities that have been historically underserved.

**(c) Children's Museum Grants**

\$1,600,000 the first year and \$1,600,000 the second year are for arts and cultural heritage grants to children's museums for arts and cultural exhibits and related educational outreach programs. Of this amount:

(1) \$500,000 each year is for the Minnesota Children's Museum, St. Paul; and

(2) \$1,100,000 each year is for grants to children's museums to be distributed through a competitive grant process for children's museums. Priority must be given to youth education, new exhibits development, outreach to underserved and diverse communities, and programming that celebrates cultural diversity. The Minnesota Humanities Center must administer these funds using established grant mechanisms.

**(d) Community Identity and Heritage Grant Program; Administration and Capacity-Building Grants**

(1) \$75,000 the first year is for outreach and education on the humanities center grant program with a focus on reaching diverse community organizations and providing assistance with grant opportunities, qualifications, and reporting requirements, and specifically providing technical assistance and a nontraditional application process to improve access to grant funding for diverse communities.

(2) \$8,850,000 the first year is for a competitive grant program to provide grants to organizations or individuals working to create, celebrate, and teach the art, culture, and heritage of diverse Minnesota communities, including but not limited to Asian and Pacific Island communities, the Somali diaspora and other African immigrant communities, Indigenous communities with a focus on the 11 Tribes in Minnesota, the African American community, the Latinx community, the LGBTQIA+ community, and other underrepresented cultural groups, including communities of Black, Indigenous, and people of color, to celebrate the cultural diversity of Minnesota. At least \$2,000,000 of the grant funding in this clause must be for grants greater than \$150,000. An individual or organization that receives a grant under this clause must do at least one of the following:

(i) preserve and honor the cultural heritage of Minnesota;

(ii) provide education and student outreach on cultural diversity;

(iii) support the development of culturally diverse humanities programming, including arts programming, by individuals and organizations; or

(iv) empower communities in building identity and culture, including preserving and honoring communities whose Indigenous cultures are endangered or disappearing.

(3) Of the amount in clause (2), \$750,000 the first year is for capacity-building grants to organizations working with and promoting the culture of underserved communities to assist with:

(i) training and assisting staff on grant writing and grant reporting;

(ii) the costs of consultation and training from experts in nonprofit management; and

(iii) capacity-building and fundraising capabilities for smaller organizations.

(4) Of the amount in clause (2), \$100,000 the first year is available for emergency grants to respond to urgent community needs to organizations otherwise qualified to receive grants under clause (2). Grants under this clause should be designed to be awarded on a rolling basis based on emerging needs to assist communities responding to major events and to facilitate the process of grieving, encourage healing, create memorials, or assist in recovery of the community. This amount is available through the second year and any amount not expended by October 15 of the second year may be used for general programming costs or grants under this paragraph.

**(e) Civics Grants Program**

\$300,000 the first year is for grants to support programs and organizations providing civics education for youth on law, democracy, government, and debate and to conduct civics education programs.

**(f) Fiscal Accountability Study**

\$30,000 the first year is for a study on fiscal sponsorship and fiscal oversight to study and report on best practices in grant making to nonprofit organizations. This funding is available in the second year, and the study may be conducted by an entity hired by the

Board of Directors of the Minnesota Humanities Center.

**Subd. 9. Indian Affairs Council**

2,300,000

2,300,000

\$850,000 each year is to provide grants to Minnesota Tribal Nations to preserve Dakota and Ojibwe Indian language and to foster education programs and services for Dakota and Ojibwe language.

\$650,000 each year is for grants to Dakota and Ojibwe language-immersion educational institutions.

\$600,000 each year is to provide grants to preserve the Dakota and Ojibwe Indian language through support of projects and services and to support educational programs and immersion efforts in Dakota and Ojibwe language.

\$50,000 each year is for a Dakota and Ojibwe Indian language working group coordinated by the Indian Affairs Council.

\$150,000 each year is for the Indian Affairs Council to carry out responsibilities under Minnesota Statutes, section 307.08, to comply with Public Law 101-601, the Native American Graves Protection and Repatriation Act.

**Subd. 10. Department of Agriculture**

400,000

400,000

The amounts in this subdivision are appropriated to the commissioner of agriculture for grants to county agricultural societies to enhance arts access and education and to preserve and promote Minnesota's history and cultural heritage as embodied in its county fairs. The grants may be distributed in equal amounts to each of the county fairs that submitted an application. The grants are in addition to the aid distribution to county agricultural societies under Minnesota Statutes, section 38.02. The commissioner of agriculture must develop grant-making criteria and guidance for expending money



under this subdivision to provide funding for projects and events that provide access to the arts or the state's agricultural, historical, and cultural heritage. The commissioner must seek input from all interested parties. Money not used in the first year may be used in the second year.

**Subd. 11. Legislative Coordinating Commission** 4,000 -0-

The amount in this subdivision is appropriated to the Legislative Coordinating Commission to maintain the website required under Minnesota Statutes, section 3.303, subdivision 10.

**Subd. 12. Legacy Arts and Cultural Heritage Access Days**

A portion of all funding from the arts and cultural heritage fund appropriations in this section must be used by grantees to improve access to programs, exhibits, and events that traditionally have a fee for entry. Grantees are encouraged to provide access to all community members using free programming days and to distribute free or reduced-cost tickets to improve access to all households throughout the state to increase participation in arts, history, and cultural programs that may be inaccessible due to cost. Grantees may partner with nonprofits that provide low- or no-cost access to arts and cultural heritage events and provide open access to free or reduced-cost programming to all economically disadvantaged households. All grantees should work to promote and advertise the ability to attend programs, exhibits, and events through free-access days for all Minnesotans and free or reduced-cost ticketing programs and provide instructions on how these programs work.

**Subd. 13. Minnesota Historical Society Fiscal Year 2023 Appropriations** -0- -0-

(a) \$2,226,000 in fiscal year 2023 is for statewide historic and cultural grants to local, county, regional, or other historical or

cultural organizations or for activities to preserve significant historic and cultural resources. Money must be distributed through a competitive grant process. The Minnesota Historical Society must administer the money using established grant mechanisms with assistance from the advisory committee created under Laws 2009, chapter 172, article 4, section 2, subdivision 4, paragraph (b), item (ii). This is a onetime appropriation and any unencumbered balance remaining in fiscal year 2023 does not cancel but is available until June 30, 2024.

(b) \$358,000 in fiscal year 2023 is for history partnerships involving multiple organizations, which may include the Minnesota Historical Society, to preserve and enhance access to Minnesota's history and cultural heritage in all regions of the state. This is a onetime appropriation and any unencumbered balance remaining in fiscal year 2023 does not cancel but is available until June 30, 2024.

(c) \$510,000 in fiscal year 2023 is for one or more contracts to be competitively awarded to conduct statewide surveys or investigations of Minnesota's sites of historical, archaeological, and cultural significance. This is a onetime appropriation and any unencumbered balance remaining in fiscal year 2023 does not cancel but is available until June 30, 2024.

**EFFECTIVE DATE.** Subdivision 13 is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2022, section 129D.17, is amended by adding a subdivision to read:

Subd. 6. **Report.** Each fiscal agent who receives funding from the arts and cultural heritage fund in a biennial budget must submit a report by February 15 the next odd-numbered year to the chairs and ranking minority members of the legislative committees with jurisdiction over the legacy arts and cultural heritage fund. Each report must cover the two years prior to the report and include:

- (1) an accounting of funding that has been distributed;
- (2) an accounting of funding not yet expended;
- (3) summary information on programs supported by the funding;

(4) an assessment of whether the funding celebrates cultural diversity or reaches diverse communities in Minnesota;

(5) summary information on competitive grant programs, when offered; and

(6) grant information for grants provided to individuals, entities, or organizations, including whether the programs or projects awarded funding have been completed."

Delete the title and insert:

"A bill for an act relating to state government; appropriating money from outdoor heritage, clean water, parks and trails, and arts and cultural heritage funds; modifying prior appropriations; modifying provisions related to outdoor heritage fund and parks and trails fund; modifying Clean Water Legacy Act; requiring reports; amending Minnesota Statutes 2022, sections 85.53, subdivision 2, by adding a subdivision; 85.536, subdivisions 1, 2; 97A.056, subdivisions 2, 11, 22; 114D.20, subdivision 2; 114D.30, subdivisions 4, 6, 7; 114D.50, subdivision 4; 129D.17, by adding a subdivision; Laws 2020, chapter 104, article 1, section 2, subdivision 5, as amended."

We request the adoption of this report and repassage of the bill.

House Conferees: Leon Lillie, Samakab Hussein, Kaohly Vang Her, Ethan Cha

Senate Conferees: Founq Hawj, Kelly Morrison, Zaynab Mohamed

Senator Hawj moved the foregoing recommendations and Conference Committee report on H.F. No. 1999 be now adopted, and that the bill be repassed as amended by the Conference Committee.

The roll was called, and there were yeas 39 and nays 24, as follows:

Those who voted in the affirmative were:

Abeler	Fateh	Klein	Miller	Port
Boldon	Frentz	Kunesh	Mitchell	Putnam
Carlson	Gustafson	Kupec	Mohamed	Rest
Champion	Hauschild	Latz	Murphy	Seeberger
Coleman	Hawj	Mann	Nelson	Westlin
Cwodzinski	Hoffman	Marty	Oumou Verbeten	Wiklund
Dibble	Housley	Maye Quade	Pappas	Xiong
Dziedzic	Jasinski	McEwen	Pha	

Pursuant to Rule 40, Senator Murphy cast the affirmative vote on behalf of the following Senators: Marty and Pha.

Those who voted in the negative were:

Anderson	Drazkowski	Gruenhagen	Lieske	Utke
Bahr	Duckworth	Howe	Limmer	Weber
Dahms	Eichorn	Johnson	Lucero	Wesenberg
Dornink	Farnsworth	Koran	Rarick	Westrom
Draheim	Green	Kreun	Rasmusson	

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senator: Draheim.

The motion prevailed. So the recommendations and Conference Committee report were adopted.

H.F. No. 1999 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 40 and nays 24, as follows:

Those who voted in the affirmative were:

Abeler	Fateh	Klein	Miller	Pha
Boldon	Frentz	Kunesh	Mitchell	Port
Carlson	Gustafson	Kupec	Mohamed	Putnam
Champion	Hauschild	Latz	Morrison	Rest
Coleman	Hawj	Mann	Murphy	Seeberger
Cwodzinski	Hoffman	Marty	Nelson	Westlin
Dibble	Housley	Maye Quade	Oumou Verbeten	Wiklund
Dziedzic	Jasinski	McEwen	Pappas	Xiong

Pursuant to Rule 40, Senator Murphy cast the affirmative vote on behalf of the following Senators: Marty and Pha.

Those who voted in the negative were:

Anderson	Drazkowski	Gruenhagen	Lieske	Utke
Bahr	Duckworth	Howe	Limmer	Weber
Dahms	Eichorn	Johnson	Lucero	Wesenberg
Dornink	Farnsworth	Koran	Rarick	Westrom
Draheim	Green	Kreun	Rasmusson	

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senator: Draheim.

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 2073, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 2073 is herewith transmitted to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted May 9, 2023

**CONFERENCE COMMITTEE REPORT ON H. F. No. 2073**

A bill for an act relating to higher education; providing funding and policy related changes for the Office of Higher Education, Minnesota State Colleges and Universities, the University of Minnesota, and the Mayo Clinic; creating and modifying certain scholarships and student aid programs; creating and modifying grant programs to higher education institutions; establishing the Inclusive Higher Education Technical Assistance Center; creating a direct admissions program; providing aid to postsecondary institutions for unemployment insurance; establishing higher education bonding policy; requiring financial review of nonprofit grant recipients; requiring reports; appropriating money; amending Minnesota Statutes 2022, sections 136A.101, subdivisions 5a, 7; 136A.121, subdivisions 6, 9, 13; 136A.1241, subdivision 5; 136A.125, subdivision 4; 136A.126, subdivision 4; 136A.1312; 136A.1791, subdivision 3a; 136A.246, subdivisions 4, 5, 6, 8; 136F.04, subdivision 1; 136F.38, subdivisions 3, 4, 5; 175.45, subdivision 1; 354B.23, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 135A; 136A; 268; repealing Minnesota Statutes 2022, sections 136F.03; 136F.38, subdivision 2.

May 8, 2023

The Honorable Melissa Hortman  
Speaker of the House of Representatives

The Honorable Bobby Joe Champion  
President of the Senate

We, the undersigned conferees for H. F. No. 2073 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 2073 be further amended as follows:

Delete everything after the enacting clause and insert:

**"ARTICLE 1****APPROPRIATIONS****Section 1. APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2024" and "2025" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025.

**APPROPRIATIONS**  
**Available for the Year**

	<u>Ending June 30</u>	
	<u>2024</u>	<u>2025</u>
<b>Sec. 2. <u>MINNESOTA OFFICE OF HIGHER EDUCATION</u></b>		
<b>Subdivision 1. <u>Total Appropriation</u></b>	<b>\$ <u>340,411,000</u></b>	<b>\$ <u>435,963,000</u></b>
<u>The amounts that may be spent for each purpose are specified in the following subdivisions.</u>		
<b>Subd. 2. <u>State Grants</u></b>	<u>234,744,000</u>	<u>224,167,000</u>
<u>(a) If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available for it.</u>		
<u>(b) The base for this appropriation is \$225,066,000 for fiscal year 2026 and later.</u>		
<b>Subd. 3. <u>Child Care Grants</u></b>	<u>6,694,000</u>	<u>6,694,000</u>
<b>Subd. 4. <u>State Work-Study</u></b>	<u>14,502,000</u>	<u>14,502,000</u>
<b>Subd. 5. <u>Interstate Tuition Reciprocity</u></b>	<u>8,500,000</u>	<u>8,500,000</u>
<u>If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available to meet reciprocity contract obligations.</u>		
<b>Subd. 6. <u>Safety Officer's Survivors</u></b>	<u>100,000</u>	<u>100,000</u>
<u>This appropriation is to provide educational benefits under Minnesota Statutes, section 299A.45, to eligible dependent children and to the spouses of public safety officers killed in the line of duty.</u>		
<u>If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available for it.</u>		
<b>Subd. 7. <u>Indian Scholarships</u></b>	<u>3,500,000</u>	<u>3,500,000</u>
<u>The commissioner must contract with or employ at least one person with demonstrated competence in American Indian culture and residing in or near the city of Bemidji to</u>		

assist students with the scholarships under Minnesota Statutes, section 136A.126, and with other information about financial aid for which the students may be eligible. This appropriation includes funding to administer the American Indian scholarship program.

**Subd. 8. Tribal College Supplemental Assistance Grants**

3,150,000

3,150,000

(a) For Tribal college assistance grants under Minnesota Statutes, section 136A.1796.

(b) In addition to grants made pursuant to Minnesota Statutes, section 136A.1796, the commissioner shall use this appropriation to make grants of \$1,000,000 each to Leech Lake Tribal College, White Earth Tribal College, and Red Lake Nation Tribal College, to be used for the Tribal colleges' general operations and maintenance expenses. A Tribal college must use grant funds received under this section to supplement, not supplant, any existing funding. By September 30, 2024, each Tribal college receiving a grant under this paragraph must submit a report to the commissioner of the Office of Higher Education and to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance and policy. The report must include an accurate and detailed account of how the funds were spent, and a copy of the college's most recent audit report.

(c) The commissioner may use no more than three percent of this appropriation to administer the program grants.

**Subd. 9. Intervention for College Attendance Program Grants**

1,942,000

1,142,000

For the intervention for college attendance program under Minnesota Statutes, section 136A.861.

\$300,000 in fiscal year 2024 is for providing onetime catalyst funding on a competitive basis to postsecondary institutions, nonprofit

organizations, and local government organizations to create or enhance supports, navigation, and precollege services for students who were formerly incarcerated.

The commissioner may use no more than three percent of this appropriation to administer the intervention for college attendance program grants.

Subd. 10. <u>Student-Parent Information</u>	<u>122,000</u>	<u>122,000</u>
Subd. 11. <u>Get Ready!</u>	<u>180,000</u>	<u>180,000</u>
Subd. 12. <u>Minnesota Education Equity Partnership</u>	<u>45,000</u>	<u>45,000</u>
Subd. 13. <u>Midwest Higher Education Compact</u>	<u>115,000</u>	<u>115,000</u>
Subd. 14. <u>United Family Medicine Residency Program</u>	<u>501,000</u>	<u>501,000</u>

For a grant to United Family Medicine residency program. This appropriation shall be used to support up to 21 resident physicians each year in family practice at United Family Medicine residency programs and shall prepare doctors to practice family care medicine in underserved rural and urban areas of the state. It is intended that this program will improve health care in underserved communities, provide affordable access to appropriate medical care, and manage the treatment of patients in a cost-effective manner.

Subd. 15. <u>MnLINK Gateway and Minitex</u>	<u>6,555,000</u>	<u>6,605,000</u>
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The base for this appropriation for fiscal year 2026 is \$6,655,000 and for fiscal year 2027 is \$6,708,000.

Subd. 16. <u>Statewide Longitudinal Education Data System</u>	<u>2,550,000</u>	<u>2,550,000</u>
Subd. 17. <u>Hennepin Healthcare</u>	<u>645,000</u>	<u>645,000</u>

For transfer to Hennepin Healthcare for graduate family medical education programs at Hennepin Healthcare.

Subd. 18. <u>College Possible</u>	<u>550,000</u>	<u>550,000</u>
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(a) This appropriation is for immediate transfer to College Possible to support programs of college admission and college graduation for low-income students through an intensive curriculum of coaching and support at both the high school and postsecondary levels.

(b) This appropriation must be used by College Possible only for programs supporting students who are residents of Minnesota and attending colleges or universities within Minnesota.

(c) By February 1 of each year, College Possible must report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over higher education and E-12 education on activities funded by this appropriation. The report must include but is not limited to information about the work of College Possible Minnesota throughout the state; the number of College Possible coaches hired; the number of existing partner high schools; the geographic distribution of participants; the number of high school and college students specifically supported by the appropriations funds; the percentages of students who applied to college, were admitted into college, and enrolled in college from the previous program year; the number of college graduates supported by the appropriation funding in the previous program year; and a list of all communities and partner institutions benefiting from coaching and support through College Possible programming.

(d) The base for this appropriation is \$0 for fiscal year 2026 and thereafter.

**Subd. 19. Spinal Cord Injury and Traumatic Brain Injury Research Grant Program**

3,000,000

3,000,000

For transfer to the spinal cord and traumatic brain injury grant account in the special

revenue fund under Minnesota Statutes, section 136A.901, subdivision 1.

The commissioner may use no more than three percent of the amount transferred under this subdivision to administer the grant program.

<b><u>Subd. 20. Summer Academic Enrichment Program</u></b>	<u>250,000</u>	<u>250,000</u>
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For summer academic enrichment grants under Minnesota Statutes, section 136A.091.

The commissioner may use no more than three percent of this appropriation to administer the grant program under this subdivision.

<b><u>Subd. 21. Dual Training Competency Grants; Office of Higher Education</u></b>	<u>8,020,000</u>	<u>4,632,000</u>
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For transfer to the Dual Training Competency Grants account in the special revenue fund under Minnesota Statutes, section 136A.246, subdivision 10. The base for this transfer is \$3,132,000 for fiscal year 2026 and thereafter. \$132,000 each year is for transfer to the Department of Labor and Industry.

<b><u>Subd. 22. Campus Sexual Assault Reporting</u></b>	<u>25,000</u>	<u>25,000</u>
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For the sexual assault reporting required under Minnesota Statutes, section 135A.15.

<b><u>Subd. 23. Campus Sexual Violence Prevention and Response Coordinator</u></b>	<u>150,000</u>	<u>150,000</u>
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For the Office of Higher Education to staff a campus sexual violence prevention and response coordinator to serve as a statewide resource providing professional development and guidance on best practices for postsecondary institutions. \$50,000 each year is for administrative funding to conduct trainings and provide materials to postsecondary institutions.

<b><u>Subd. 24. Emergency Assistance for Postsecondary Students</u></b>	<u>3,579,000</u>	<u>3,579,000</u>
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(a) \$3,579,000 the first year and \$3,579,000 the second year are for emergency assistance for postsecondary students. Of this appropriation:

(1) \$2,250,000 the first year and \$2,250,000 the second year are for the Minnesota State Colleges and Universities for direct emergency grants to students;

(2) \$779,000 the first year and \$779,000 the second year are for the University of Minnesota for direct emergency grants to students;

(3) \$500,000 the first year and \$500,000 the second year are for the Office of Higher Education to allocate emergency grant funds to Minnesota Tribal Colleges and eligible nonprofit institutions as defined under Minnesota Statutes, section 136A.103, located in Minnesota with a demonstrable homeless student population. The Office of Higher Education shall develop a plan to distribute funds to institutions and provide guidance as to how grants are disbursed to students. The commissioner shall determine the application process and the grant amounts; and

(4) \$50,000 per year may be used by the commissioner for the administrative costs associated with this section.

(b) The funds must be used for emergency grants to students to meet immediate student needs that could result in a student not completing the term or their program including, but not limited to, emergency housing, food, and transportation. Institutions shall minimize any negative impact on student financial aid resulting from the receipt of emergency funds.

(c) The commissioner must not distribute the funds under this section until the Office of Higher Education has worked with the institutions and approved their plans for the

distribution of the grants to students and the method of their reporting requirements.

(d) At the end of each biennium, institutions must return any unused funds to the Office of Higher Education.

**Subd. 25. Grants to Student Teachers in Shortage Areas**

1,300,000

1,300,000

For grants to student teachers in shortage areas under Minnesota Statutes, section 136A.1275.

The commissioner may use no more than three percent of the appropriation for administration of the program. The base for this appropriation is \$500,000 for fiscal year 2026 and thereafter.

**Subd. 26. Grants to Underrepresented Student Teachers**

1,925,000

1,925,000

For grants to underrepresented student teachers under Minnesota Statutes, section 136A.1274.

The commissioner may use no more than three percent of the appropriation for administration of the program. The base for this appropriation is \$1,125,000 for fiscal year 2026 and thereafter.

**Subd. 27. Teacher Shortage Loan Repayment**

1,000,000

1,000,000

For transfer to the teacher shortage loan repayment account in the special revenue fund under Minnesota Statutes, section 136A.1791, subdivision 8.

The commissioner may use no more than three percent of the amount transferred under this subdivision to administer the program. The base for this appropriation is \$200,000 for fiscal year 2026 and thereafter.

**Subd. 28. Large Animal Veterinarian Loan Forgiveness Program**

375,000

375,000

For transfer to the large animal veterinarian loan forgiveness program account in the

special revenue fund under Minnesota Statutes, section 136A.1795, subdivision 2.

**Subd. 29. Agricultural Educators Loan Forgiveness** 50,000 50,000

For transfer to the agricultural education loan forgiveness account in the special revenue fund under Minnesota Statutes, section 136A.1794, subdivision 2.

**Subd. 30. Aviation Degree Loan Forgiveness Program** 25,000 25,000

For transfer to the aviation degree loan forgiveness program account in the special revenue fund under Minnesota Statutes, section 136A.1789, subdivision 2.

**Subd. 31. Grants for Students with Intellectual and Developmental Disabilities** 200,000 200,000

For grants for students with intellectual and developmental disabilities under Minnesota Statutes, section 136A.1215.

**Subd. 32. Loan Repayment Assistance Program** 55,000 55,000

For a grant to the Loan Repayment Assistance Program of Minnesota to provide education debt relief to attorneys with full-time employment providing legal advice or representation to low-income clients or support services for this work.

**Subd. 33. Minnesota Independence College and Community** 2,000,000 2,000,000

For a grant to Minnesota Independence College and Community for need-based scholarships and tuition reduction. Beginning with students first enrolled in the fall of 2019, eligibility is limited to resident students as defined in Minnesota Statutes, section 136A.101, subdivision 8. This is a onetime appropriation and is available until June 30, 2027.

**Subd. 34. Student Loan Debt Counseling** 200,000 200,000

For student loan debt counseling under Minnesota Statutes, section 136A.1788.

The Office of Higher Education may use no more than three percent of the appropriation to administer the student loan debt counseling program.

<b>Subd. 35. <u>Hunger-Free Campus Grants</u></b>	<u>1,500,000</u>	<u>1,000,000</u>
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For the Hunger-Free Campus program under Minnesota Statutes, section 135A.137. Of this amount, up to \$500,000 the first year is for grants not to exceed \$25,000 to institutions for equipment necessary to operate an on-campus food pantry. The commissioner shall establish an application and process for distributing the grant funds. This appropriation is available until June 30, 2026.

<b>Subd. 36. <u>Fostering Independence Higher Education Grants</u></b>	<u>4,247,000</u>	<u>4,416,000</u>
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\$4,247,000 the first year and \$4,416,000 the second year are for grants to eligible students under Minnesota Statutes, section 136A.1241. The Office of Higher Education may use no more than three percent of the appropriation to administer grants.

<b>Subd. 37. <u>Concurrent Enrollment Grants</u></b>	<u>340,000</u>	<u>340,000</u>
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For concurrent enrollment grants under Minnesota Statutes, section 136A.91.

<b>Subd. 38. <u>Student Parent Support Initiative</u></b>	<u>3,000,000</u>	<u>3,000,000</u>
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For grants to support student parents under Minnesota Statutes, section 136A.1251. Of this amount, up to \$338,000 each year is for administrative and promotional costs.

<b>Subd. 39. <u>Director of Tribal Relations</u></b>	<u>134,000</u>	<u>143,000</u>
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<b>Subd. 40. <u>Direct Admissions Program</u></b>	<u>650,000</u>	<u>650,000</u>
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For the direct admissions program under Minnesota Statutes, section 136A.84.

<b>Subd. 41. <u>American Indian Scholars</u></b>	<u>8,500,000</u>	<u>8,500,000</u>
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To support implementation of Minnesota Statutes, section 135A.121.

\$4,032,000 in fiscal year 2024 and \$4,032,000 in fiscal year 2025 are for transfer to the Board of Regents of the University of Minnesota.

\$4,468,000 in fiscal year 2024 and \$4,468,000 in fiscal year 2025 are for transfer to the Board of Trustees of the Minnesota State Colleges and Universities.

**Subd. 42. Next Generation Nursing Initiative** 3,000,000 -0-

For transfer to the Board of Trustees of the Minnesota State Colleges and Universities for HealthForce Minnesota to coordinate and implement the Next Generation Nursing Assistant Training Program for the recruitment and training of students to become certified nursing assistants. The program must use a "free up-front" model for covering the student costs. This appropriation may also be used for marketing and outreach across the state and covering the cost for retraining, retesting, and refresher courses. This appropriation is available until June 30, 2025.

**Subd. 43. Higher Education Public Service Feasibility Study** 75,000 -0-

For the commissioner of the Office of Higher Education to conduct a feasibility study on creating and implementing a Minnesota service initiative. By October 31, 2023, the commissioner shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education on the feasibility of creating and implementing a Minnesota service initiative to increase student civic engagement. The report must include but is not limited to information about the program design, implementation challenges and recommendations, outcomes, and the feasibility of scaling the program over time.

<b>Subd. 44. <u>Inclusive Higher Education</u></b>	<u>1,000,000</u>	<u>1,000,000</u>
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(a) \$250,000 the first year and \$250,000 the second year are to enter into a contract establishing the Inclusive Higher Education Technical Assistance Center under Minnesota Statutes, section 135A.161.

(b) \$750,000 the first year and \$750,000 the second year are transferred from the general fund to the inclusive higher education grant account under Minnesota Statutes, section 135A.162, subdivision 4. Up to five percent of the transfer can be used for administrative expenses.

<b>Subd. 45. <u>Paramedic Scholarship Program</u></b>	<u>3,200,000</u>	<u>-0-</u>
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For the paramedic scholarship program under article 2, section 31. Of this amount:

(1) \$3,000,000 is for awarding 600 student scholarships;

(2) \$100,000 is for promotion of the program and student recruitment efforts; and

(3) \$100,000 is for administering the program.

This appropriation is available until expended or until June 30, 2026, whichever occurs first.

<b>Subd. 46. <u>Addiction Medicine Graduate Medical Education Fellowship</u></b>	<u>270,000</u>	<u>270,000</u>
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(a) For a grant to Hennepin County Medical Center to support up to six physicians enrolled in an addiction medicine fellowship program. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

(b) Each year, in order to receive funds under this subdivision, Hennepin County Medical Center must certify to the commissioner the number of physicians actually enrolled in an addiction medicine fellowship for that year. The commissioner shall transfer to Hennepin County Medical Center \$90,000 for each



physician enrolled in an addiction medicine fellowship subject to the total funds appropriated by this subdivision.

(c) This appropriation shall be used to prepare fellows to practice addiction medicine in rural and underserved areas of the state, and to train fellows in: diagnostic interviewing; motivational interviewing; addiction counseling; recognition and care of common acute withdrawal syndromes and complications; pharmacotherapies of addictive disorders; epidemiology and pathophysiology of addiction; identification and treatment of addictive disorders in special populations; secondary interventions; the use of screening and diagnostic instruments; inpatient care; and working within a multidisciplinary team.

**Subd. 47. Unemployment Insurance Aid**

158,000

158,000

For unemployment insurance aid to Tribal colleges under Minnesota Statutes, section 268.193. Of the amount appropriated, \$24,000 each year is for administration of the unemployment insurance aid.

**Subd. 48. Foster Care Grant**

500,000

500,000

\$500,000 the first year and \$500,000 the second year are for a grant to the Foster Advocates Nonprofit Organization for an education support and wraparound service program that provides assistance and support to individuals who were in foster care at the age of 13 or later, and for individuals who are transitioning from foster care to adulthood, up to age 27, to improve the likelihood of completing a degree and securing a stable career. The program shall provide one-on-one mentoring, leadership development, and additional resources to support each student's education journey through high school graduation and institutions of higher education. This is a onetime appropriation.

**Subd. 49. North Star Promise**-0-117,226,000

\$117,226,000 the second year is transferred from the general fund to the account in the special revenue fund under Minnesota Statutes, section 136A.1465, subdivision 6. The base for the transfer is \$49,500,000 in fiscal year 2026 and thereafter.

**Subd. 50. North Star Promise; Administrative Costs**496,000202,000

For administrative and promotion expenses to implement and direct the scholarship awards under Minnesota Statutes, section 136A.1465.

**Subd. 51. Postsecondary Student Basic Needs Working Group**44,000-0-

\$44,000 the first year is to administer the postsecondary student basic needs working group under article 2, section 33, and provide stipends to participants of the working group who are students. A student participant must receive a stipend, as determined by the commissioner, for each meeting the student attends. This is a onetime appropriation.

**Subd. 52. Report on Minnesota State Colleges and Universities Course Placement Practices**250,000-0-

\$250,000 the first year is for the purposes of creating a report on Minnesota State Colleges and Universities placement practice under article 2, section 34. This is a onetime appropriation.

**Subd. 53. Agency Administration**6,498,0006,724,000

The base for this appropriation is \$6,096,000 in fiscal year 2026 and each year thereafter.

**Subd. 54. Balances Forward**

A balance in the first year under this section does not cancel, but is available for the second year.

**Subd. 55. Transfers**

The commissioner of the Office of Higher Education may transfer unencumbered balances from the appropriations in this section to the state grant appropriation, the interstate tuition reciprocity appropriation, the child care grant appropriation, the Indian scholarship appropriation, the state work-study appropriation, the get ready appropriation, the intervention for college attendance appropriation, the student-parent information appropriation, the summer academic enrichment program appropriation, the public safety officers' survivors appropriation, and the fostering independence higher education grant program. The commissioner may transfer unencumbered balances from the hunger-free campus appropriations to the emergency assistance for postsecondary students grant. To the extent there is a projected surplus in the appropriation for either the student teachers in shortage areas grant program or the underrepresented student teacher grant program, the commissioner may transfer unencumbered balances between the two programs as needed to meet demand. Transfers from the child care, state work-study, or the hunger-free campus appropriations may only be made to the extent there is a projected surplus in the appropriation. A transfer may be made only with prior written notice to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over higher education finance.

**Sec. 3. BOARD OF TRUSTEES OF THE MINNESOTA STATE COLLEGES AND UNIVERSITIES**

<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>948,896,000</u></b>	<b><u>\$</u></b>	<b><u>923,232,000</u></b>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

<b><u>Subd. 2. Central Office and Shared Services Unit</u></b>		<b><u>35,401,000</u></b>		<b><u>36,401,000</u></b>
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For the Office of the Chancellor and the Shared Services Division.

**Subd. 3. Operations and Maintenance**

909,380,000

882,716,000

(a) This appropriation includes \$25,000,000 in fiscal year 2024 and \$50,000,000 in fiscal year 2025 for student tuition relief. The Board of Trustees may not set the tuition rates in any undergraduate degree-granting program for the 2023-2024 and 2024-2025 academic years at a rate greater than the 2022-2023 academic year rates. The student tuition relief may not be offset by increases in mandatory fees, charges, or other assessments to the student. Colleges and universities are permitted to increase differential tuition charges in fiscal years 2024 and 2025 where costs for course or program delivery have increased due to extraordinary circumstances beyond the control of the college or university. Rates and rationale must be approved by the Board of Trustees. The base for this appropriation in fiscal year 2026 and later is \$37,500,000, which must be used for student tuition relief.

(b) This appropriation includes \$50,000,000 in fiscal year 2024 for onetime campus support. The Board of Trustees must allocate this amount to all colleges and universities based upon each institution's estimated tuition revenue loss due to declines in enrollment from fiscal year 2019 to fiscal year 2023, except that no institution shall receive an allocation less than \$300,000. This is a onetime appropriation. The base for this appropriation in fiscal year 2026 and later is \$0.

(c) \$5,700,000 in fiscal year 2024 and \$5,700,000 in fiscal year 2025 are to provide supplemental aid for operations and maintenance to the president of each two-year institution in the system with at least one campus that is not located in a metropolitan county, as defined in Minnesota Statutes, section 473.121, subdivision 4. The

board shall transfer at least \$158,000 for each campus not located in a metropolitan county in each year to the president of each institution that includes such a campus.

(d) The Board of Trustees is requested to help Minnesota close the attainment gap by funding activities which improve retention and completion for students of color.

(e) \$4,500,000 in fiscal year 2024 and \$4,500,000 in fiscal year 2025 are for workforce development scholarships under Minnesota Statutes, section 136F.38. The base for this appropriation is \$4,500,000 in fiscal year 2026 and each year thereafter.

(f) \$300,000 in fiscal year 2024 and \$300,000 in fiscal year 2025 are for transfer to the Cook County Higher Education Board to provide educational programming, workforce development, and academic support services to remote regions in northeastern Minnesota. The Cook County Higher Education Board shall continue to provide information to the Board of Trustees on the number of students served, credit hours delivered, and services provided to students.

(g) \$40,000 in fiscal year 2024 and \$40,000 in fiscal year 2025 to implement the sexual assault policies required under Minnesota Statutes, section 135A.15.

(h) \$9,500,000 in fiscal year 2024 and \$9,500,000 in fiscal year 2025 are for enterprise-wide technology, including upgrading the Integrated Statewide Record System and maintaining enterprise-wide technology services.

(i) \$1,050,000 in fiscal year 2024 and \$1,050,000 in fiscal year 2025 are to reduce students' out-of-pocket costs by expanding free offerings in course materials and resources, including through open educational resources, open textbooks, and implementation of Z-Degrees under

Minnesota Statutes, section 136F.305. The base for this appropriation in fiscal year 2026 and later is \$50,000.

(j) \$3,158,000 in fiscal year 2024 and \$3,158,000 in fiscal year 2025 are to expand student support services. This appropriation provides funding to campuses to address basic needs insecurity, mental health, and other high-need student support services by increasing the amount of available resources to students. In addition, this funding provides systemwide resources and coordination, including electronic connections for peer support and professional clinical support for mental health. These systemwide resources must be available online 24 hours a day, seven days a week.

(k) \$6,750,000 in fiscal year 2024 and \$6,750,000 in fiscal year 2025 are for upgrades to college and university equipment and learning environments. The amount appropriated in fiscal year 2025 must be matched with cash or in-kind contributions from nonstate sources. Up to 1.5 percent of the appropriation may be used for administration of the program. This is a onetime appropriation. The base for this appropriation in fiscal year 2026 and later is \$0.

(l) \$6,750,000 in fiscal year 2024 and \$6,750,000 in fiscal year 2025 are to develop and expand industry sector programming to build capacity and support new and redesigned curricular options with an emphasis on offering students work-based learning experiences. The amount appropriated in fiscal year 2025 must be matched with cash or in-kind contributions from nonstate sources. Up to 1.5 percent of the appropriation may be used for administration of the program. This is a onetime appropriation. The base for this appropriation in fiscal year 2026 and later is \$0.

(m) \$861,000 in fiscal year 2024 and \$872,000 in fiscal year 2025 are for costs associated with the increased employer contribution rates for the higher education individual retirement account plan under Minnesota Statutes, section 354B.23, subdivision 3. The base for fiscal year 2026 is \$883,000 and for fiscal year 2027 is \$894,000.

(n) \$482,000 the first year and \$282,000 the second year are to pay the cost of supplies and equipment necessary to provide access to menstrual products for purposes of Minnesota Statutes, section 135A.1365.

(o) \$809,000 in fiscal year 2024 and \$809,000 in fiscal year 2025 are for unemployment insurance aid under Minnesota Statutes, section 268.193, to institutions within the system.

(p) \$475,000 in fiscal year 2024 is to develop a transparent pathway for current child development associate credential holders to be awarded academic credit that aligns with related academic certificate, diploma, and degree programs. Money must be used to develop curriculum at eight colleges and universities, develop training and advising tools for those institutions, and form a statewide advisory committee to advise the project development.

(q) The total operations and maintenance base for fiscal year 2026 is \$833,227,000 and for fiscal year 2027 and later is \$833,238,000.

Subd. 4. Learning Network of Minnesota 4,115,000 4,115,000

**Sec. 4. BOARD OF REGENTS OF THE UNIVERSITY OF MINNESOTA**

**Subdivision 1. Total Appropriation** **\$ 759,153,000** **\$ 748,889,000**

Appropriations by Fund  
2024 2025

General	<u>756,996,000</u>	<u>746,732,000</u>
Health Care Access	<u>2,157,000</u>	<u>2,157,000</u>

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

<b>Subd. 2. <u>Operations and Maintenance</u></b>	<u>686,558,000</u>	<u>676,294,000</u>
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(a) \$15,000,000 in fiscal year 2024 and \$15,000,000 in fiscal year 2025 are to: (1) increase the medical school's research capacity; (2) improve the medical school's ranking in National Institutes of Health funding; (3) ensure the medical school's national prominence by attracting and retaining world-class faculty, staff, and students; (4) invest in physician training programs in rural and underserved communities; and (5) translate the medical school's research discoveries into new treatments and cures to improve the health of Minnesotans.

(b) \$7,800,000 in fiscal year 2024 and \$7,800,000 in fiscal year 2025 are for health training restoration. This appropriation must be used to support all of the following: (1) faculty physicians who teach at eight residency program sites, including medical resident and student training programs in the Department of Family Medicine; (2) the Mobile Dental Clinic; and (3) expansion of geriatric education and family programs.

(c) \$4,000,000 in fiscal year 2024 and \$4,000,000 in fiscal year 2025 are for the Minnesota Discovery, Research, and InnoVation Economy funding program for cancer care research.

(d) \$500,000 in fiscal year 2024 and \$500,000 in fiscal year 2025 are for the University of Minnesota, Morris branch, to cover the costs of tuition waivers under Minnesota Statutes, section 137.16.



(e) \$5,000,000 in fiscal year 2024 and \$5,000,000 in fiscal year 2025 are for systemwide safety and security measures on University of Minnesota campuses. The base amount for this appropriation is \$1,000,000 in fiscal year 2026 and later.

(f) \$366,000 in fiscal year 2024 and \$366,000 in fiscal year 2025 are for unemployment insurance aid under Minnesota Statutes, section 268.193.

(g) \$10,000,000 the first year is for programs at the University of Minnesota Medical School Campus on the CentraCare Health System Campus in St. Cloud. This appropriation may be used for tuition support, a residency program, a rural health research program, a program to target scholarships to students from diverse backgrounds, and a scholarship program targeted at students who will practice in rural areas. This appropriation is available until June 30, 2027, and must be spent on the CentraCare Health System Campus in the greater St. Cloud area. This is a onetime appropriation.

(h) \$374,000 the first year and \$110,000 the second year are to pay the cost of supplies and equipment necessary to provide access to menstrual products for purposes of article 2, section 2.

(i) The total operations and maintenance base for fiscal year 2026 and later is \$672,294,000.

**Subd. 3. Primary Care Education Initiatives**

2,157,000

2,157,000

This appropriation is from the health care access fund.

**Subd. 4. Special Appropriations**

**(a) Agriculture and Extension Service**

42,922,000

42,922,000

For the Agricultural Experiment Station and the Minnesota Extension Service:

(1) the agricultural experiment stations and Minnesota Extension Service must convene agricultural advisory groups to focus research, education, and extension activities on producer needs and implement an outreach strategy that more effectively and rapidly transfers research results and best practices to producers throughout the state;

(2) this appropriation includes funding for research and outreach on the production of renewable energy from Minnesota biomass resources, including agronomic crops, plant and animal wastes, and native plants or trees. The following areas should be prioritized and carried out in consultation with Minnesota producers, renewable energy, and bioenergy organizations:

(i) biofuel and other energy production from perennial crops, small grains, row crops, and forestry products in conjunction with the Natural Resources Research Institute (NRRI);

(ii) alternative bioenergy crops and cropping systems; and

(iii) biofuel coproducts used for livestock feed;

(3) this appropriation includes funding for the College of Food, Agricultural, and Natural Resources Sciences to establish and provide leadership for organic agronomic, horticultural, livestock, and food systems research, education, and outreach and for the purchase of state-of-the-art laboratory, planting, tilling, harvesting, and processing equipment necessary for this project;

(4) this appropriation includes funding for research efforts that demonstrate a renewed emphasis on the needs of the state's agriculture community. The following areas should be prioritized and carried out in consultation with Minnesota farm organizations:

(i) vegetable crop research with priority for extending the Minnesota vegetable growing season;

(ii) fertilizer and soil fertility research and development;

(iii) soil, groundwater, and surface water conservation practices and contaminant reduction research;

(iv) discovering and developing plant varieties that use nutrients more efficiently;

(v) breeding and development of turf seed and other biomass resources in all three Minnesota biomes;

(vi) development of new disease-resistant and pest-resistant varieties of turf and agronomic crops;

(vii) utilizing plant and livestock cells to treat and cure human diseases;

(viii) the development of dairy coproducts;

(ix) a rapid agricultural response fund for current or emerging animal, plant, and insect problems affecting production or food safety;

(x) crop pest and animal disease research;

(xi) developing animal agriculture that is capable of sustainably feeding the world;

(xii) consumer food safety education and outreach;

(xiii) programs to meet the research and outreach needs of organic livestock and crop farmers; and

(xiv) alternative bioenergy crops and cropping systems; and growing, harvesting, and transporting biomass plant material; and

(5) by February 1, 2025, the Board of Regents must submit a report to the legislative committees and divisions with

jurisdiction over agriculture and higher education finance on the status and outcomes of research and initiatives funded in this paragraph.

**(b) Health Sciences**

9,204,000

9,204,000

\$346,000 each year is to support up to 12 resident physicians in the St. Cloud Hospital family practice residency program. The program must prepare doctors to practice primary care medicine in rural areas of the state. The legislature intends this program to improve health care in rural communities, provide affordable access to appropriate medical care, and manage the treatment of patients in a more cost-effective manner. The remainder of this appropriation is for the rural physicians associates program; the Veterinary Diagnostic Laboratory; health sciences research; dental care; the Biomedical Engineering Center; and the collaborative partnership between the University of Minnesota and Mayo Clinic for regenerative medicine, research, clinical translation, and commercialization.

**(c) College of Science and Engineering**

1,140,000

1,140,000

For the geological survey and the talented youth mathematics program.

**(d) System Special**

9,181,000

9,181,000

(1) For general research, the Labor Education Service, Natural Resources Research Institute, Center for Urban and Regional Affairs, Bell Museum of Natural History, and the Humphrey exhibit. The base for this appropriation is \$7,181,000 for fiscal year 2026 and each year thereafter.

(2) \$4,000,000 in fiscal year 2024 and \$4,000,000 in fiscal year 2025 are for the Natural Resources Research Institute to invest in applied research in natural resource stewardship and economic development to attract and retain top talent; provide matching funds for federal grants; upgrade facilities,

equipment, and training; and expand entrepreneurial support and outreach efforts. The base for this appropriation for fiscal year 2026 and each year thereafter is \$2,000,000. This appropriation is available until June 30, 2027.

**(e) University of Minnesota and Mayo Foundation Partnership**

7,991,000

7,991,000

This appropriation is for the following activities:

(1) \$7,491,000 in fiscal year 2024 and \$7,491,000 in fiscal year 2025 are for the direct and indirect expenses of the collaborative research partnership between the University of Minnesota and the Mayo Foundation for research in biotechnology and medical genomics. An annual report on the expenditure of these funds must be submitted to the governor and the chairs of the legislative committees responsible for higher education finance by June 30 of each fiscal year.

(2) \$500,000 in fiscal year 2024 and \$500,000 in fiscal year 2025 are to award competitive grants to conduct research into the prevention, treatment, causes, and cures of Alzheimer's disease and other dementias.

**Subd. 5. Academic Health Center**

The appropriation for Academic Health Center funding under Minnesota Statutes, section 297F.10, is estimated to be \$22,250,000 each year.

**Sec. 5. MAYO CLINIC**

**Subdivision 1. Total Appropriation**

\$

1,799,000

\$ 1,799,000

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

**Subd. 2. Medical School**

665,000

665,000

The state must pay a capitation each year for each student who is a resident of Minnesota.

The appropriation may be transferred between each year of the biennium to accommodate enrollment fluctuations. It is intended that during the biennium the Mayo Clinic use the capitation money to increase the number of doctors practicing in rural areas in need of doctors.

**Subd. 3. Family Practice and Graduate Residency Program**

1,134,000

1,134,000

The state must pay stipend support for up to 42 residents each year.

## ARTICLE 2

### HIGHER EDUCATION PROVISIONS

#### Section 1. [135A.121] AMERICAN INDIAN SCHOLARS.

Subdivision 1. **Establishment.** The American Indian Scholars program is established to provide a first-dollar tuition and fee free pathway for eligible Minnesota American Indian students to complete an undergraduate education.

Subd. 2. **Eligibility.** To be eligible each year for the program a student must:

(1) be enrolled in an undergraduate certificate, diploma, or degree program at the University of Minnesota or a Minnesota state college or university;

(2) be either (i) a Minnesota resident for resident tuition purposes who is an enrolled member or citizen of a federally recognized American Indian Tribe or Canadian First Nation, or (ii) an enrolled member or citizen of a Minnesota Tribal Nation, regardless of resident tuition status; and

(3) have not (i) obtained a baccalaureate degree, or (ii) been enrolled for 180 credits or the equivalent, excluding courses taken that qualify as developmental education or below college-level.

Subd. 3. **Administration.** Minnesota State Colleges and Universities must and the University of Minnesota is requested to provide a full tuition and fee waiver to a student eligible under subdivision 2. Funds appropriated with reference to this section may be used to offset the institutional costs of the waivers; fund existing waivers, scholarships, or grant programs for students eligible under subdivision 2; provide student supports for eligible students; and administer these programs.

Subd. 4. **Reports.** (a) Each institution receiving funds under this section must annually report to the commissioner of the Office of Higher Education the following:

(1) how the systems or institutions have administered, distributed, and awarded the funds;

(2) enrollment and graduation data for all eligible students, including applicants and recipients of funds; and

(3) the aggregate awarded financial aid information for all recipients of funds under this program.

(b) Using the data submitted to the office by institutions pursuant to paragraph (a), as well as other data available to the office, the office shall provide the following on its website by placing a prominent link on its website home page:

(1) information made available in a searchable database, including but not limited to persistence and completion, debt of graduates, employment and wage information, and other relevant data for each institution subject to paragraph (a); and

(2) other information and links that are useful to students and parents who are in the process of selecting a college or university.

Sec. 2. [135A.1365] ACCESS TO MENSTRUAL PRODUCTS.

The Board of Trustees of the Minnesota State Colleges and Universities shall, and the Board of Regents of the University of Minnesota is requested to, provide students with access to menstrual products at no charge. The products must be available in restrooms used by students. For purposes of this section, "menstrual products" means pads, tampons, or other similar products used in connection with the menstrual cycle.

Sec. 3. Minnesota Statutes 2022, section 135A.137, subdivision 2, is amended to read:

Subd. 2. **Designation approval.** ~~(a) The statewide student associations representing the state community and technical colleges and the state universities~~ student advisory council under section 136A.031 shall create an application process and an award for institutions applying for grant funds. The student advisory council shall review applications and provide make recommendations to the commissioner. The commissioner shall have final approval for the designation at each state college and university, respectively and the award amount.

~~(b) The University of Minnesota Student Association at each institution shall create an application process and an award and provide final approval for the designation at each University of Minnesota institution.~~

~~(c) The Minnesota Association of Private College Students and the Student Advisory Council member representing Tribal colleges pursuant to section 136A.031, subdivision 3, shall create an application process and an award and provide final approval for the designation at each nonprofit degree-granting institution.~~

Sec. 4. Minnesota Statutes 2022, section 135A.137, subdivision 3, is amended to read:

Subd. 3. **Competitive grant.** (a) Institutions eligible for a grant under this subdivision include public postsecondary institutions, nonprofit private postsecondary institutions, and Tribal colleges.

(b) The commissioner shall establish a competitive grant program to distribute grants to eligible institutions to meet and maintain the requirements under subdivision 1, paragraph (a). Initial grants shall be made to institutions that have not earned the designation and demonstrate a need for funding to meet the hunger-free campus designation requirements. Sustaining grants shall be made to institutions that have earned the designation and demonstrate both a partnership with a local food

bank or organization that provides regular, on-campus food distributions and a need for funds to maintain the requirements under subdivision 1, paragraph (a).

(c) The commissioner shall give preference to applications for initial grants and to applications from institutions with the highest number of federal Pell Grant eligible students enrolled. The commissioner shall consider the head count at the institution when awarding grants. The maximum grant award for an initial institution designation is ~~\$8,000~~ \$25,000. The maximum grant award for sustaining an institution designation is ~~\$5,000~~ \$15,000.

(d) The commissioner, in collaboration with student associations representing eligible institutions, shall create an application process and establish selection criteria for awarding the grants.

(e) No more than 20 percent of the total grant awards each fiscal year shall be for grants to nonprofit private postsecondary institutions.

**Sec. 5. [135A.161] INCLUSIVE HIGHER EDUCATION TECHNICAL ASSISTANCE CENTER.**

Subdivision 1. Definitions. (a) For purposes of this section and section 135A.162, the following terms have the meanings given.

(b) "Center" means the Inclusive Higher Education Technical Assistance Center.

(c) "Commissioner" means the commissioner of the Office of Higher Education.

(d) "Comprehensive transition and postsecondary program for students with intellectual disabilities" means a degree, certificate, or nondegree program that is offered by an institution of higher education for students with intellectual disabilities and approved by the United States Department of Education.

(e) "Director" means the director of the Inclusive Higher Education Technical Assistance Center.

(f) "Inclusive higher education" means institution-approved access to higher education for students with an intellectual disability that allows for the same rights, privileges, experiences, benefits, and outcomes that result from a college experience the same as a matriculating student, resulting in a meaningful credential conferred by the institution of higher education. Inclusive higher education includes:

(1) academic access and inclusive instruction;

(2) person-centered planning;

(3) career development;

(4) campus engagement;

(5) self-determination;

(6) paid internships and employment;



(7) on- or off-campus living, when available to other students;

(8) campus community clubs, events, and activity participation;

(9) peer mentors and support; and

(10) a degree, certificate, or nondegree credential.

(g) "National Coordinating Center" means the federally funded National Coordinating Center, as identified in United States Code, title 20, section 1140q, that provides training and technical assistance supporting evidence-based and student-centered research and practice for inclusive higher education initiatives for students with intellectual disabilities.

(h) "Office" means the Office of Higher Education.

(i) "Student with an intellectual disability" means a student with an intellectual disability as defined in Code of Federal Regulations, title 34, section 668.231.

Subd. 2. **Establishment.** The commissioner must contract with the Institute on Community Integration at the University of Minnesota to establish the Inclusive Higher Education Technical Assistance Center. The purpose of the center is to increase access to self-sustaining postsecondary education options across Minnesota for students with an intellectual disability to earn meaningful credentials through degree, certificate, and nondegree initiatives leading to competitive integrated employment, genuine community membership, and more independent living. The center must:

(1) coordinate and facilitate the statewide initiative to expand and enhance inclusive higher education opportunities;

(2) provide expertise in inclusive higher education for students with an intellectual disability;

(3) provide technical assistance:

(i) to Minnesota institutions of higher education;

(ii) to local education agencies; and

(iii) as requested by the commissioner; and

(4) provide information to students with intellectual disabilities and their families.

Subd. 3. **Director; advisory committee.** (a) The center must name a director.

(b) The center must make hiring decisions based on the Institute on Community Integration's values of diversity and inclusion of staff with disabilities.

(c) The director must appoint an advisory committee and seek the committee's review and recommendations on broad programmatic direction. The advisory committee must be composed of 50 percent students with an intellectual disability. The remaining positions must be filled by family members, key stakeholders, and allies. The director must convene the advisory committee at least quarterly. The advisory committee shall:

- (1) review and recommend inclusive higher education offerings;
- (2) review and recommend updates to state policy and practice;
- (3) document existing and potential funding sources; and
- (4) identify obstacles and barriers to students with an intellectual disability to access inclusive higher education opportunities.

Subd. 4. **Responsibilities.** (a) The center must advise and offer technical assistance to all Minnesota institutions of higher education planning or offering an inclusive higher education initiative to operate in accordance with federal requirements, the model Program Accreditation Standards for Postsecondary Education Programs for Students with Intellectual Disabilities, and guiding principles for inclusive higher education as developed by the National Coordinating Center.

(b) The center must monitor federal and state law related to inclusive higher education and notify the governor, the legislature, and the Office of Higher Education of any change in law which may impact inclusive higher education.

(c) The center must provide technical assistance to institutions of higher education, administrators, faculty, and staff by:

(1) offering institution faculty and staff training and professional development to start, operate, or enhance their inclusive higher education initiative;

(2) providing faculty and staff with information, training, and consultation on the comprehensive transition and postsecondary program requirements, model Program Accreditation Standards for Postsecondary Education Programs for Students with Intellectual Disabilities, and guiding principles;

(3) organizing and offering learning community events, an annual inclusive higher education conference and community of practice events to share best practices, provide access to national experts, and address challenges and concerns;

(4) assisting institutions of higher education with identifying existing or potential funding sources for the institution of higher education, student financial aid, and funding for students with an intellectual disability; and

(5) advising faculty and staff with an inclusive higher education option of specific grant applications and funding opportunities.

(d) The center must disseminate information to students with an intellectual disability, their parents, and local education agencies, including but not limited to information about:

(1) postsecondary education options, services, and resources that are available at inclusive institutions of higher education;

(2) technical assistance and training provided by the center, the National Coordinating Center, and key stakeholder organizations and agencies; and

(3) mentoring, networking, and employment opportunities.

Sec. 6. [135A.162] INCLUSIVE HIGHER EDUCATION GRANTS.

Subdivision 1. **Establishment.** (a) The commissioner of the Office of Higher Education in collaboration with the director of the Inclusive Higher Education Technical Assistance Center must establish a competitive grant program for Minnesota institutions of higher education to develop new or enhance existing inclusive higher education initiatives to enroll or increase enrollment of students with an intellectual disability. The commissioner and director must collaborate to establish the grant program framework, including:

- (1) minimum grant requirements;
- (2) application format;
- (3) criteria for evaluating applications;
- (4) grant selection process;
- (5) milestones and accountability; and
- (6) reporting.

(b) The commissioner must send a description of the competitive grants, including materials describing the grant purpose and goals, an application, compliance requirements, and available funding to each institution of higher education that meets the requirements of subdivision 2, clauses (1) and (2).

Subd. 2. **Eligible grantees.** A public or nonprofit postsecondary two-year or four-year institution is eligible to apply for a grant under this section if the institution:

- (1) is accredited by the Higher Learning Commission; and
- (2) meets the eligibility requirements under section 136A.103.

Subd. 3. **Application.** (a) Applications must be made to the commissioner on a form developed and provided by the commissioner. The commissioner must, to the greatest extent possible, make the application form as short and simple to complete as is reasonably possible. The commissioner must establish a schedule for applications and grants. The application must include without limitation a written plan to develop or enhance a sustainable inclusive higher education initiative that:

(1) offers the necessary supports to students with an intellectual disability to access the same rights, privileges, experiences, benefits, and outcomes of a typically matriculating student;

(2) includes the development of a meaningful credential for students with an intellectual disability to attain upon successful completion of the student's postsecondary education;

(3) adopts admission standards that do not require a student with an intellectual disability to complete a curriculum-based, achievement college entrance exam that is administered nationwide;

(4) ensures that students with an intellectual disability:

(i) have access and choice in a wide array of academic courses to enroll in for credit or audit that align with the student's interest areas and are attended by students without disabilities;

(ii) have the option to live on or off campus in housing that is available to typically matriculating students;

(iii) have access and support for genuine membership in campus life, including events, social activities and organizations, institution facilities, and technology; and

(iv) are able to access and utilize campus resources available to typical matriculating students;

(5) provides students with an intellectual disability with the supports and experiences necessary to seek and sustain competitive integrated employment;

(6) develops and promotes the self-determination skills of students with an intellectual disability;

(7) utilizes peer mentors who support enrolled students with an intellectual disability in academic, campus engagement, residence life, employment, and campus clubs and organizations;

(8) provides professional development and resources for university professors and instructors to utilize universal design for learning and differentiated instruction that supports and benefits all students; and

(9) presents a ten-year plan including student enrollment projections for sustainability of an initiative that is financially accessible and equitable for all interested students with an intellectual disability.

(b) Eligible institutions of higher education may apply for funding in subsequent years for up to a total of ten years of funding.

(c) Receipt of grant funds does not preclude nor replace the provision of accommodation for enrolled students with disabilities.

Subd. 4. **Grant account.** An inclusive higher education grant account is created in the special revenue fund for depositing money appropriated to or received by the commissioner for the program. Money deposited in the account is appropriated to the commissioner, does not cancel, and is continuously available for grants under this section. The commissioner may use up to five percent of the amount deposited into the account for the administration of this section.

Subd. 5. **Grant awards.** (a) The commissioner must award grants to eligible institutions of higher education on a competitive basis using criteria established in collaboration with the center. The commissioner must consider and prioritize applicants that have submitted for or received a comprehensive transition and postsecondary program designation, or applicants with documented progress or intent toward submitting for federal approval. An eligible institution of higher education may apply annually for and receive up to \$200,000 per year for four years and \$100,000 in subsequent years pending performance and the funding limitation in subdivision 3, paragraph (b).

(b) A grant recipient must:

(1) adopt the model Program Accreditation Standards for Postsecondary Education Programs for Students with Intellectual Disabilities and the inclusive higher education guiding principles as developed by the National Coordinating Center;

(2) provide a 25 percent match for the grant funds, either monetary or in-kind; and

(3) collaborate with the Office of Higher Education, the center, and key stakeholders in the development of the inclusive higher education initiative.

Subd. 6. **Grantee reporting.** By August 1 and January 1 following a fiscal year in which a grant was received and for five years thereafter, the grantee must submit a report to the director that includes the status and outcomes of the initiative funded. The report must include performance indicators and information deemed relevant by the director and commissioner. The report must include the following performance indicators:

(1) student recruitment and number of students enrolled;

(2) student retainment effort and retention rate;

(3) initiative goals and outcomes;

(4) student attainment rate;

(5) graduated student employment rates and salary levels at year one and year five after completion; and

(6) additional performance indicators or information established under subdivision 1, paragraph (a), clauses (5) and (6).

Subd. 7. **Reporting.** The director must evaluate the development and implementation of the Minnesota inclusive higher education initiatives receiving a grant under this section. The director must submit an annual report by October 1 on the progress to expand Minnesota inclusive higher education options for students with intellectual disabilities to the commissioner and chairs and ranking minority members of the legislative committees with jurisdiction over higher education policy and finance. The report must include statutory and budget recommendations.

**EFFECTIVE DATE.** This section is effective July 1, 2023, except that the reporting requirements under subdivision 7 are effective July 1, 2024.

Sec. 7. Minnesota Statutes 2022, section 136A.031, subdivision 3, is amended to read:

Subd. 3. **Student Advisory Council.** (a) A Student Advisory Council (SAC) to the office is established. The members of SAC shall include: the chair of the University of Minnesota student senate; the state chair of the Minnesota State University Student Association; the president of the Minnesota State College Student Association and an officer of the Minnesota State College Student Association, one in a community college course of study and one in a technical college course of study; a student who is enrolled in a private nonprofit postsecondary institution, to be elected by students enrolled in Minnesota Private College Council institutions; a student who is enrolled in a private career school, to be elected by students enrolled in Minnesota private career schools; and a student who is enrolled in a Minnesota tribal college to be elected by students enrolled in Minnesota

tribal colleges. If students from the private career schools or tribal colleges do not elect a representative, the commissioner must appoint a student representative. If students from the Minnesota Private College Council institutions do not elect a representative, the Minnesota Private College Council must appoint the private nonprofit representative. A member may be represented by a student designee who attends an institution from the same system that the absent member represents. The SAC shall select one of its members to serve as chair.

(b) The office shall inform the SAC of all matters related to student issues under consideration. The SAC shall report to the office quarterly and at other times that the SAC considers desirable. The SAC shall determine its meeting times, but it shall also meet with the office within 30 days after the commissioner's request for a meeting.

(c) The SAC shall:

(1) bring to the attention of the office any matter that the SAC believes needs the attention of the office;

(2) fulfill the requirements under section 135A.137, subdivision 2;

(3) make recommendations to the office as it finds appropriate; and

~~(3)~~ (4) approve student appointments by the office for each advisory group as provided in subdivision 4.

Sec. 8. Minnesota Statutes 2022, section 136A.101, subdivision 5a, is amended to read:

Subd. 5a. **Assigned family responsibility.** "Assigned family responsibility" means the amount of a family's contribution to a student's cost of attendance, as determined by a federal need analysis. For dependent students, the assigned family responsibility is 79 percent of the parental contribution. If the parental contribution is less than \$0, the assigned family responsibility is 100 percent of the parental contribution. For independent students with dependents other than a spouse, the assigned family responsibility is 71 percent of the student contribution. For independent students without dependents other than a spouse, the assigned family responsibility is 35 percent of the student contribution. If the student contribution is less than \$0, the assigned family responsibility is 100 percent of the student contribution. For a student registering for less than full time, the office shall prorate the assigned family responsibility using the ratio of the number of credits the student is enrolled in to the number of credits for full-time enrollment.

Sec. 9. Minnesota Statutes 2022, section 136A.101, subdivision 7, is amended to read:

Subd. 7. **Student.** "Student" means a person who is enrolled for at least ~~three credits~~ one credit per term, in a program or course of study that applies to a degree, diploma, or certificate. Credit equivalencies assigned by an institution that are applicable to federal Pell grant calculations shall be counted as part of a student's credit load.

Sec. 10. Minnesota Statutes 2022, section 136A.121, subdivision 6, is amended to read:

Subd. 6. **Cost of attendance.** (a) The recognized cost of attendance consists of: (1) an allowance specified in law for living and miscellaneous expenses, and (2) an allowance for tuition and fees

equal to the lesser of the average tuition and fees charged by the institution, or a tuition and fee maximum if one is established in law. If no living and miscellaneous expense allowance is established in law, the allowance is equal to ~~109~~ 115 percent of the federal poverty guidelines for a one person household in Minnesota for nine months. If no tuition and fee maximum is established in law, the allowance for tuition and fees is equal to the lesser of: (1) the average tuition and fees charged by the institution, and (2) for two-year programs, an amount equal to the highest tuition and fees charged at a public two-year institution, or for four-year programs, an amount equal to the highest tuition and fees charged at a public university.

(b) For a student registering for less than full time, the office shall prorate the cost of attendance ~~to the actual number of credits for which the student is enrolled~~ using the ratio of the number of credits the student is enrolled in to the number of credits for full-time enrollment.

(c) The recognized cost of attendance for a student who is confined to a Minnesota correctional institution shall consist of the tuition and fee component in paragraph (a), with no allowance for living and miscellaneous expenses.

(d) For the purpose of this subdivision, "fees" include only those fees that are mandatory and charged to full-time resident students attending the institution. Fees do not include charges for tools, equipment, computers, or other similar materials where the student retains ownership. Fees include charges for these materials if the institution retains ownership. Fees do not include optional or punitive fees.

Sec. 11. Minnesota Statutes 2022, section 136A.121, subdivision 9, is amended to read:

Subd. 9. **Awards.** An undergraduate student who meets the office's requirements is eligible to apply for and receive a grant in any year of undergraduate study unless the student has obtained a baccalaureate degree or ~~previously has been enrolled full time or the equivalent for eight semesters or the equivalent~~ previously has received a state grant award for 180 credits or the equivalent, excluding (1) courses taken from a Minnesota school or postsecondary institution which is not participating in the state grant program and from which a student transferred no credit, and (2) courses taken that qualify as developmental education or below college-level. A student enrolled in a two-year program at a four-year institution is only eligible for the tuition and fee maximums established by law for two-year institutions.

Sec. 12. Minnesota Statutes 2022, section 136A.121, subdivision 13, is amended to read:

Subd. 13. **Deadline.** The deadline for the office to accept applications for state grants for a term is ~~30 days after the start of that term~~ June 30 of the fiscal year for which the student applies for a grant.

Sec. 13. Minnesota Statutes 2022, section 136A.121, subdivision 19, is amended to read:

Subd. 19. **Reporting.** By November 1 and February 15, the office must provide, to the committees of the legislature with jurisdiction over higher education finance and policy, updated ~~state grant~~ spending projections for the state grant and the North Star Promise, taking into account the most current and projected enrollment and tuition and fee information, economic conditions, and other relevant factors. Before submitting state grant spending projections, the office must meet and consult

with representatives of public and private postsecondary institutions, the Department of Management and Budget, the Governor's Office, legislative staff, and financial aid administrators.

Sec. 14. Minnesota Statutes 2022, section 136A.1241, subdivision 5, is amended to read:

Subd. 5. **Foster grant amount; payment; opt-out.** (a) Each student shall be awarded a foster grant based on the federal need analysis. Applicants are encouraged to apply for all other sources of financial aid. The amount of the foster grant must be equal to the applicant's recognized cost of attendance after ~~deducting~~ accounting for:

- (1) the ~~student aid index as calculated by~~ results of the federal need analysis;
- (2) the amount of a federal Pell Grant award for which the applicant is eligible;
- (3) the amount of the state grant;
- (4) the Federal Supplemental Educational Opportunity Grant;
- (5) the sum of all Tribal scholarships;
- (6) the amount of any other state and federal gift aid;
- (7) the Education and Training Voucher Program;
- (8) extended foster care benefits under section 260C.451;
- (9) the amount of any private grants or scholarships, excluding grants and scholarships provided by the private institution of higher education in which the eligible student is enrolled; and
- (10) for public institutions, the sum of all institutional grants, scholarships, tuition waivers, and tuition remission amounts.

(b) The foster grant shall be paid directly to the eligible institution where the student is enrolled.

(c) An eligible private institution may opt out of participating in the foster grant program established under this section. To opt out, the institution shall provide notice to the office by September 1 for the next academic year.

(d) An eligible private institution that does not opt out under paragraph (c) and accepts the student's application to attend the institution must provide institutional grants, scholarships, tuition waivers, or tuition remission in an amount equal to the difference between:

- (1) the institution's cost of attendance as calculated under subdivision 4, paragraph (b), clause (1); and
- (2) the sum of the foster grant under this subdivision and the sum of the amounts in paragraph (a), clauses (1) to (9).

(e) An undergraduate student who is eligible may apply for and receive a foster grant in any year of undergraduate study unless the student has obtained a baccalaureate degree or previously has been enrolled full time as defined in section 136A.101, subdivision 7a, or the equivalent for



eight semesters or the equivalent, or received a foster grant for five years, whichever occurs first. A foster grant must not be awarded to a student for more than three years for a two-year degree, certificate, or diploma, or five years for a four-year undergraduate degree.

(f) Foster grants may be awarded to an eligible student for four quarters, three semesters, or the equivalent during the course of a single fiscal year. In calculating the award amount, the office must use the same calculation it would for any other term.

Sec. 15. Minnesota Statutes 2022, section 136A.125, subdivision 4, is amended to read:

Subd. 4. **Amount and length of grants.** (a) The maximum award to the applicant shall be \$6,500 for each eligible child per academic year, except that the campus financial aid officer may apply to the office for approval to increase grants by up to ten percent to compensate for higher market charges for infant care in a community.

(b) Applicants with ~~expected family~~ contributions at or below the qualifying ~~expected family~~ contribution as determined by the federal need analysis for the federal Pell Grant, as determined by the commissioner, qualify for the maximum award. Applicants with ~~expected family~~ contributions as determined by the federal need analysis exceeding that threshold but less than 200 percent of the qualifying ~~expected family~~ contribution receive an amount proportional to their ~~expected family~~ contribution as determined by the commissioner.

(c) The academic year award amount must be disbursed by academic term using the following formula:

(1) the academic year amount described in paragraph (a);

(2) divided by the number of terms in the academic year; and

(3) multiplied by the applicable enrollment factor:

(i) 1.00 for undergraduate students enrolled in 12 or more semester credits or the equivalent or for graduate students enrolled in six or more semester credits or the equivalent;

(ii) 0.75 for undergraduate students enrolled in nine, ten, or 11 semester credits or the equivalent or for graduate students enrolled in five semester credits or the equivalent;

(iii) 0.50 for undergraduate students enrolled in six, seven, or eight semester credits or the equivalent or for graduate students enrolled in three or four semester credits or the equivalent; and

(iv) 0.25 for undergraduate students enrolled in at least one but less than six semester credits or the equivalent or for graduate students enrolled in one or two semester credits or the equivalent.

(d) Payments shall be made each academic term to the student or to the child care provider, as determined by the institution. Institutions may make payments more than once within the academic term.

Sec. 16. [136A.1251] STUDENT-PARENT SUPPORT INITIATIVE.

Subdivision 1. **Grants.** (a) To address the needs and support the educational goals of expectant and parenting college students across Minnesota, the commissioner shall award grants and provide support services to institutions and partnering entities that assist expectant parents and parents or legal guardians of young children. Grants shall be awarded to postsecondary institutions, professional organizations, community-based organizations, or other applicants deemed appropriate by the commissioner. Grants must be used to offer services to support the academic goals, health, and well-being of student parents. Services and costs eligible for grant funding include but are not limited to:

- (1) program development costs;
- (2) costs related to the start-up of on-campus child care;
- (3) evaluation and data collection; and
- (4) direct assistance to student parents including:
  - (i) scholarships;
  - (ii) basic needs support; and
  - (iii) expenses related to child care.

(b) Postsecondary institutions may act as the fiscal agents in partnership with a local nongovernmental agency, child care center, or other organization that serves student parents.

Subd. 2. **Application process.** The commissioner shall develop a grant application process. The commissioner shall support projects in a manner that attempts to ensure eligible students throughout the state have access to program services.

Subd. 3. **Postsecondary institution reporting.** Each postsecondary institution shall allow students to identify whether the student is a parent, a legal guardian, acting as a parent, or an expectant parent on an annual basis on a form used to collect demographic data from students. The postsecondary institution shall provide the information to the commissioner annually on a date and in a manner prescribed by the commissioner.

Subd. 4. **Health-related supports.** The commissioner, in partnership with the Department of Health, shall provide health-related supports. Activities for health-related supports include:

- (1) ensuring programs, services, and materials are medically accurate, age appropriate, culturally and linguistically appropriate, and inclusive of all populations;
- (2) working with community health care providers and other service support organizations that serve the target population for this program; and
- (3) providing technical assistance and training for institutional parent support center staff on how to conduct screenings and referrals for the health concerns of student parents, including alcohol misuse, substance use disorders, depression, anxiety, intimate partner violence, tobacco and nicotine, and other health concerns.

Subd. 5. **Report and evaluation.** By August 1 of each odd-numbered year, the commissioner shall submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance regarding the grant recipients and their activities. The report shall include information about the students served, the organizations providing services, program activities, program goals, and outcomes.

Sec. 17. Minnesota Statutes 2022, section 136A.126, subdivision 4, is amended to read:

Subd. 4. **Award amount.** (a) Each student shall be awarded a scholarship based on the federal need analysis. Applicants are encouraged to apply for all other sources of financial aid. The amount of the award must not exceed the applicant's cost of attendance, as defined in subdivision 3, after ~~deducting~~ accounting for:

- (1) the ~~expected family contribution as calculated by~~ results of the federal need analysis;
- (2) the amount of a federal Pell Grant award for which the applicant is eligible;
- (3) the amount of the state grant;
- (4) the federal Supplemental Educational Opportunity Grant;
- (5) the sum of all institutional grants, scholarships, tuition waivers, and tuition remission amounts;
- (6) the sum of all Tribal scholarships;
- (7) the amount of any other state and federal gift aid; and
- (8) the amount of any private grants or scholarships.

(b) The award shall be paid directly to the postsecondary institution where the student receives federal financial aid.

(c) Awards are limited as follows:

- (1) the maximum award for an undergraduate is \$4,000 per academic year;
- (2) the maximum award for a graduate student is \$6,000 per academic year; and
- (3) the minimum award for all students is \$100 per academic year.

(d) Scholarships may not be given to any Indian student for more than three years of study for a two-year degree, certificate, or diploma program or five years of study for a four-year degree program at the undergraduate level and for more than five years at the graduate level. Students may acquire only one degree per level and one terminal graduate degree. Scholarships may not be given to any student for more than ten years including five years of undergraduate study and five years of graduate study.

(e) Scholarships may be given to an eligible student for four quarters, three semesters, or the equivalent during the course of a single fiscal year. In calculating the award amount, the office must use the same calculation it would for any other term.

Sec. 18. Minnesota Statutes 2022, section 136A.1312, is amended to read:

**136A.1312 FINANCIAL AID ADMINISTRATOR, PROFESSIONAL JUDGMENT.**

Nothing in this chapter or in the office's rules shall be interpreted as limiting the ability of student financial aid administrators, on the basis of adequate documentation, to ~~make necessary adjustments to the cost of attendance and expected family contribution computations~~ adjust a student's dependency status or elements of a student's cost of attendance for federal needs analysis calculation to allow for treatment of individual students with special circumstances, with the exception of the cost of attendance defined under section 136A.121, subdivision 6. In addition, nothing in this chapter or in the office's rules shall be interpreted as limiting the ability of the student financial aid administrator to use supplementary information about the financial status of eligible applicants with special circumstances in selecting recipients of state financial aid and determining the amount of awards. Nothing in this section precludes a financial aid administrator from establishing an appeals process for other extenuating circumstances.

Sec. 19. **136A.1465** NORTH STAR PROMISE.

Subdivision 1. **Definitions.** The following terms have the meanings given:

(1) "eligible student" means a resident student under section 136A.101, subdivision 8, who is enrolled in any public postsecondary educational institution or Tribal college;

(2) "gift aid" means all financial aid designated for the student's educational expenses, including a grant, scholarship, tuition waiver, fellowship stipend, or other third-party payment, that is not a loan or pursuant to a work-study program;

(3) "office" means the Office of Higher Education;

(4) "public postsecondary educational institution" means an institution operated by this state, the Board of Regents of the University of Minnesota, or a Tribal college;

(5) "scholarship" means funds to pay 100 percent of tuition and fees remaining after deducting grants and other scholarships;

(6) "Tribal college" means a college defined in section 136A.1796, subdivision 1, paragraph (c); and

(7) "tuition and fees" means the actual tuition and fees charged by an institution.

Subd. 2. **Conditions for eligibility.** A scholarship may be awarded to an eligible student who:

(1) has completed the Free Application for Federal Student Aid (FAFSA) or the state aid application;

(2) has a family adjusted gross income below \$80,000;

(3) has not earned a baccalaureate degree at the time the scholarship is awarded;

(4) is enrolled in at least one credit per fall, spring, or summer semester; and

(5) is meeting satisfactory academic progress as defined in section 136A.101, subdivision 10.

Subd. 3. **Scholarship.** (a) Beginning in the 2024-2025 academic year, scholarships shall be awarded to eligible students in an amount not to exceed 100 percent of tuition and fees after grants and other scholarships are deducted.

(b) For the 2024-2025, 2025-2026, and 2026-2027 academic years, if funds remain after scholarships are awarded under paragraph (a), grants shall be awarded to eligible students in an amount equal to 100 percent of tuition and fees plus, subject to available funds, up to 50 percent of the amount of a Pell grant the student would receive based on household size, family adjusted gross income, and results of the federal needs analysis after other gift aid is deducted. The commissioner may adjust the grant amount based on the availability of funds.

Subd. 3a. **Maintain current levels of institutional assistance.** (a) Commencing with the 2024-2025 academic year, a public postsecondary educational institution shall not reduce the institutional gift aid offered or awarded to a student who is eligible to receive funds under this program unless the student's gift aid exceeds the student's annual cost of attendance.

(b) The public postsecondary educational institution may reduce the institutional gift aid offer of a student who is eligible to receive funds under this program by no more than the amount of the student's gift aid that is in excess of the student's annual cost of attendance.

(c) The public postsecondary educational institution shall not consider receipt or anticipated receipt of funds under this program when considering a student for qualification for institutional gift aid.

(d) To ensure financial aid is maximized, a public postsecondary educational institution is encouraged to implement efforts to avoid scholarship displacement through consultation with the Office of Higher Education and students to avoid situations where institutional gift aid can only be used for specific purposes.

Subd. 4. **Duration of scholarship authorized; scholarship paid to institution.** (a) Each scholarship is for a period of one semester. A scholarship may be renewed provided that the eligible student continues to meet the conditions of eligibility.

(b) Scholarships may be provided to an eligible student for up to 60 credits for the completion of a certificate or an associate degree and up to 120 credits for the completion of a bachelor's degree. The maximum credits for which a student is eligible is a total of 120 credits.

(c) The commissioner shall determine a time frame by which the eligible student must complete the credential.

(d) The scholarship must be paid directly to the eligible institution where the student is enrolled.

Subd. 5. **Termination of scholarship authorized.** A scholarship is terminated upon occurrence of:

(1) failure to meet satisfactory academic progress as defined in section 136A.101, subdivision 10; or

(2) substantial noncompliance by the eligible student with the requirements of the program.

Subd. 5a. **Institutions administering certain financial aid programs.** Public postsecondary institutions and Tribal colleges administering institutional financial aid programs for students with a family adjusted gross income below \$80,000 that provide student awards for up to or more than 100 percent of tuition, 100 percent of tuition and fees, or 100 percent of the cost of attendance, shall provide the Office of Higher Education with student level data on the recipients of those awards and the program funds awarded per term. The information under this subdivision is necessary for the office to accurately complete reporting requirements under Minnesota Statutes, section 136A.121, subdivision 19.

Subd. 6. **Account established; appropriation.** An account is created in the special revenue fund for receiving money to provide scholarship awards. Money deposited in the account is appropriated to the commissioner of the Office of Higher Education for scholarship awards.

Subd. 7. **Office administration.** The office is authorized to administer the program. If funds are insufficient, the office shall determine the scholarship amount or number of scholarships awarded. If a student withdraws or is no longer enrolled during a semester in which a scholarship was awarded, the office may determine how this will affect the scholarship.

Subd. 8. **Report.** The commissioner of higher education shall submit a preliminary report by September 1, 2025, and an annual report beginning February 15, 2026, to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education, on the details of the program, including the:

(1) status of the scholarship fund; and

(2) North Star Promise participation data aggregated for each eligible institution to show the:

(i) number of eligible students who received scholarships in the prior academic year;

(ii) average and total award amounts;

(iii) summary demographic data on award recipients;

(iv) total number of students enrolled in eligible institutions in the prior academic year;

(v) retention rates of participating students; and

(vi) number of eligible students who graduated with a degree and, for each eligible student, the number of consecutive semesters and nonconsecutive semesters attended prior to graduation.

**EFFECTIVE DATE.** This section is effective July 1, 2024.

Sec. 20. Minnesota Statutes 2022, section 136A.1791, subdivision 3a, is amended to read:

Subd. 3a. **Eligibility.** To be eligible for a disbursement under this section, a teacher must belong to a racial or ethnic group underrepresented in the Minnesota teacher workforce;. To the extent that funds are available, eligibility extends to teachers who teach in a rural school district; or teach in a license shortage area.

Sec. 21. Minnesota Statutes 2022, section 136A.246, subdivision 4, is amended to read:

Subd. 4. **Application.** Applications must be made to the commissioner on a form provided by the commissioner. The commissioner must, to the extent possible, make the application form as short and simple to complete as is reasonably possible. The commissioner shall establish a schedule for applications and grants. The application must include, without limitation:

- (1) the projected number of employee trainees;
- (2) the competency standard for which training will be provided;
- (3) the credential the employee will receive upon completion of training;
- (4) the name and address of the eligible training provider;
- (5) the period of the training; and
- (6) the cost of the training charged by the eligible training provider. The cost of training includes tuition, fees, and required and recommended books and materials.

An application may be made for training of employees of multiple employers either by the employers or by an organization on their behalf.

Sec. 22. Minnesota Statutes 2022, section 136A.246, subdivision 5, is amended to read:

Subd. 5. **Grant criteria.** (a) The commissioner shall make at least an approximately equal dollar amount of grants for training for employees whose work site is projected to be outside the metropolitan area as defined in section 473.121, subdivision 2, as for employees whose work site is projected to be within the metropolitan area.

(b) In determining the award of grants, the commissioner must consider, among other factors:

- (1) the aggregate state and regional need for employees with the competency to be trained;
- (2) the competency standards developed by the commissioner of labor and industry as part of the Minnesota ~~PIPELINE Project~~ dual-training pipeline program;
- (3) the per employee cost of training;
- (4) the additional employment opportunities for employees because of the training;
- (5) the on-the-job training the employee receives;
- (6) the employer's demonstrated ability to recruit, train, and retain employees who are recent high school graduates or who recently passed high school equivalency tests;
- (7) projected increases in compensation for employees receiving the training; ~~and~~
- (8) the amount of employer training cost match, if required, on both a per employee and aggregate basis; and

(9) the employer's demonstrated ability to recruit, train, and retain employees who are employees of color, American Indian employees, and employees with disabilities.

Sec. 23. Minnesota Statutes 2022, section 136A.246, subdivision 6, is amended to read:

Subd. 6. **Employer match.** A large employer must pay for at least 25 percent of the ~~eligible training provider's charge for the eligible training to the provider~~ cost of training. For the purpose of this subdivision, a "large employer" means a business with more than \$25,000,000 in annual gross revenue in the previous calendar year.

Sec. 24. Minnesota Statutes 2022, section 136A.246, subdivision 8, is amended to read:

Subd. 8. **Grant amounts.** (a) The maximum grant for an application for the cost of training is \$150,000. The maximum grant for an application for trainee support is ten percent of the grant amount for the cost of training. The maximum total grant per application is \$165,000. A grant may not exceed \$6,000 per year for a maximum of four years \$24,000 per employee.

(b) An employee who is attending an eligible training provider that is an institution under section 136A.103 must apply for Pell and state grants as a condition of payment for training that employee under this section.

Sec. 25. [136A.84] DIRECT ADMISSIONS PROGRAM.

Subdivision 1. **Authorization.** The commissioner shall administer the direct admissions program in consultation with stakeholders, including Minnesota State Colleges and Universities, the University of Minnesota, the Student Advisory Council under section 136A.031, the Minnesota Department of Education, the Minnesota Association of Secondary School Principals, and the Minnesota School Board Association, to automatically offer conditional admission into an eligible public or nonprofit institution as defined under section 136A.103, paragraph (a), located in Minnesota, to Minnesota high school seniors based on a student's high school grade point average, high school and college transcript information, standardized tests, statewide assessments, and other measures as determined by stakeholders.

Subd. 2. **Implementation.** The program shall establish and, to the extent feasible, implement a process for leveraging existing kindergarten through grade 12 and higher education student information systems to automate the admissions process for students. The program must specifically evaluate the impact this process has on outcomes for students with lower levels of college knowledge, low-income students, and students from populations underserved in higher education. The office shall attempt to achieve statewide representation and may prioritize program participants to include high schools with a significant number of students of color, low-income students, or both.

Subd. 3. **Information.** The commissioner shall provide information about the Minnesota state grant program and the North Star Promise and encourage students to determine their eligibility for financial aid based on FAFSA and state financial aid application completion.

Subd. 4. **Report.** Annually, by February 1, the Office of Higher Education shall report to the legislative committees with jurisdiction over kindergarten through grade 12 education finance and policy and higher education on activities occurring under this section. The report must include but is not limited to information about implementation, recommendations, and outcomes.



Sec. 26. Minnesota Statutes 2022, section 136F.04, subdivision 1, is amended to read:

Subdivision 1. **Responsibility.** ~~Notwithstanding section 136F.03,~~ The State University Student Association and the State College Student Association shall each have the responsibility for recruiting, screening, and recommending qualified candidates for their student members of the board.

Sec. 27. Minnesota Statutes 2022, section 136F.38, subdivision 3, is amended to read:

Subd. 3. **Program eligibility.** (a) Scholarships shall be awarded only to a student eligible for resident tuition, as defined in section 135A.043, who is enrolled in any of the following programs of study or certification: (1) advanced manufacturing; (2) agriculture; (3) health care services; (4) information technology; (5) early childhood; (6) transportation; ~~or~~ (7) construction; (8) education; (9) public safety; or (10) a program of study under paragraph (b).

(b) Each institution may add one additional area of study or certification, based on a workforce shortage for full-time employment requiring postsecondary education that is unique to the institution's specific region, as reported in the most recent Department of Employment and Economic Development job vacancy survey data for the economic development region in which the institution is located. A workforce shortage area is one in which the job vacancy rate for full-time employment in a specific occupation in a region is higher than the state average vacancy rate for that same occupation. The institution may change the area of study or certification based on new data once every two years.

(c) The student must be enrolled for at least nine credits in a two-year college in the Minnesota State Colleges and Universities system to be eligible for first- and second-year scholarships.

(d) The student is eligible for a one-year transfer scholarship if the student transfers from a two-year college after two or more terms, and the student is enrolled for at least nine credits in a four-year university in the Minnesota State Colleges and Universities system.

Sec. 28. Minnesota Statutes 2022, section 175.45, subdivision 1, is amended to read:

Subdivision 1. **Duties; goal.** The commissioner of labor and industry shall convene industry representatives, identify occupational competency standards, and provide technical assistance to develop dual-training programs. The competency standards shall be identified for employment in occupations in advanced manufacturing, health care services, information technology, ~~and~~ agriculture, transportation, and child care. Competency standards are not rules and are exempt from the rulemaking provisions of chapter 14, and the provisions in section 14.386 concerning exempt rules do not apply.

Sec. 29. [268.193] POSTSECONDARY UNEMPLOYMENT INSURANCE AID.

Subdivision 1. Postsecondary institutions. For the purposes of this section, "eligible postsecondary institution" means:

(1) the University of Minnesota;

(2) a postsecondary institution governed by the Board of Trustees of the Minnesota State Colleges and Universities; or

(3) a Tribal college, which includes Leech Lake Tribal College, White Earth Tribal College, or Red Lake Nation Tribal College.

Subd. 2. **Unemployment insurance aid.** Eligible postsecondary institutions are eligible to receive unemployment insurance aid under this section. For each fiscal year, an eligible entity's aid is the difference between fiscal year 2022's unemployment insurance costs and the current year's unemployment insurance costs, as reflected in the unemployment insurance employer accounts maintained by the state. If the total eligible unemployment insurance aid for a fiscal year is greater than the annual appropriation for that year, the Board of Trustees of the Minnesota State Colleges and Universities or the commissioner of the Office of Higher Education, as applicable, must proportionately reduce the aid payment to each eligible entity.

**EFFECTIVE DATE.** This section is effective for aid beginning in fiscal year 2024.

Sec. 30. Minnesota Statutes 2022, section 354B.23, subdivision 3, is amended to read:

Subd. 3. **Employer contribution rate.** The employer contribution rate on behalf of participants in the individual retirement account plan is ~~six~~ 8.75 percent of salary.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies at the beginning of the next full pay period.

Sec. 31. **PARAMEDIC SCHOLARSHIP PROGRAM.**

Subdivision 1. **Establishment.** The commissioner of the Office of Higher Education shall establish a program to provide up to 600 scholarships to students entering paramedic programs by 2026.

Subd. 2. **Eligible students.** (a) To be eligible for a scholarship under this section, a student must:

(1) apply in the form and manner specified by the commissioner;

(2) be a resident student, as defined by Minnesota Statutes, section 136A.101, subdivision 8;

(3) attend an eligible institution, as defined by Minnesota Statutes, section 136A.101, subdivision 4;

(4) be enrolled in a nationally accredited, degree- or diploma-awarding paramedic program at that institution; and

(5) submit to the commissioner a completed affidavit, prescribed by the commissioner, affirming the student's intent to work as a paramedic in Minnesota after graduation.

(b) An eligible student may receive a scholarship under this section no more than two times.

Subd. 3. **Administration; award amount.** (a) The commissioner must establish an application process and other guidelines for implementing the paramedic scholarship program. The first set of scholarships must be awarded for the 2024-2025 academic year.

(b) The amount of a scholarship awarded under this section is \$5,000. The scholarship must be paid in a lump sum directly to the institution where the recipient is enrolled.

Subd. 4. **Reporting.** By February 1, 2025, and again by February 1, 2026, the commissioner must submit a report on the program to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance and policy. The report must include the following information and any other information the commissioner considers relevant:

(1) information about all postsecondary programs giving rise to eligibility for a scholarship under this section, including the programs' locations, costs, enrollment capacities, acceptance rates, and other relevant information;

(2) available data on the current and forecasted demand for paramedics in Minnesota; and

(3) the total number of scholarships issued, disaggregated by:

(i) year of award;

(ii) postsecondary institution attended; and

(iii) relevant and available demographic data about award recipients.

Subd. 5. **Expiration.** This section expires June 30, 2026.

#### Sec. 32. **UNEMPLOYMENT INSURANCE AID REPORTS.**

By January 15 of each year, the Board of Regents of the University of Minnesota, the Board of Trustees of the Minnesota State Colleges and Universities, and the Office of Higher Education, in consultation with the Department of Employment and Economic Development, must each report to the higher education committees of the legislature the balances in unemployment insurance aid accounts and information about the annual changes in reimbursable costs for higher education workers receiving unemployment insurance benefits. To the extent possible, the report must break out the costs by campus and major job classes. The report must be filed according to Minnesota Statutes, section 3.195.

#### Sec. 33. **POSTSECONDARY STUDENT BASIC NEEDS WORKING GROUP; REPORT.**

Subdivision 1. **Direction.** By September 1, 2023, the commissioner of the Office of Higher Education shall convene a working group on postsecondary student basic needs. The commissioner shall invite representatives from Minnesota State Colleges and Universities, the University of Minnesota, nonprofit private colleges, Tribal colleges and universities, student organizations, faculty and staff bargaining units, state agencies, and other interested parties as determined by the commissioner to participate in the working group. The working group sunsets on September 1, 2026.

Subd. 2. **Duties.** The working group must review, assess, and make specific recommendations on strategies to meet the basic needs of higher education students. The report must include a comprehensive plan on how to identify, assess, and support students who are experiencing housing and food insecurity. The report may also include proposals for substantive and technical amendments to Minnesota Statutes, chapters 135A to 137, and any other laws that relate to higher education. The

working group may also make specific recommendations with regard to policy changes for the Office of Higher Education and postsecondary institutions.

Subd. 3. **Report to legislature.** The commissioner of higher education shall submit a report detailing the working group's findings and recommendations to the chairs and ranking minority members of the legislative committees having jurisdiction over higher education policy and finance by September 1, 2024.

**Sec. 34. REPORT ON MINNESOTA STATE COLLEGES AND UNIVERSITIES COURSE PLACEMENT PRACTICES.**

Subdivision 1. **Review.** (a) The Office of Higher Education shall document, review, and analyze college admission and course placement policies, practices, and assessments used by the Minnesota State Colleges and Universities system. The review shall seek to determine if policies, practices, and assessments used have:

(1) adverse consequences for a student and their family, including burdensome economic and related costs of delaying their degree plans;

(2) hindered the participation of students;

(3) hindered the placement, retention, or timely college graduation of students; and

(4) excluded students from admission thereby hindering their full participation in higher education.

(b) The review must consider impacts for various student communities, including but not limited to Indigenous students, English as a second language (ESL) students, and students of color.

Subd. 2. **Determination.** Utilizing the review conducted under subdivision 1, the commissioner shall determine whether:

(1) students, including Indigenous students, ESL students, and students of color, are:

(i) denied admission;

(ii) disproportionately assigned to enroll in developmental courses; or

(iii) delayed or deterred in their educational progress; and

(2) policies, practices, and instruments:

(i) are disproportionately reliant on test scores;

(ii) impose barriers for students in terms of enrollment, retention, and completion; and

(iii) may be culturally biased.

Subd. 3. **Recommendation.** The commissioner shall recommend changes based on the information obtained in subdivisions 1 and 2 to existing measures, instruments, and placement practices. By February 1, 2024, the commissioner shall provide a preliminary report and by February

1, 2025, report the recommendations and findings to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education. The commissioner shall seek external advice and expertise to address the above reviews, determinations, findings, and recommendations.

Sec. 35. **REPEALER.**

Minnesota Statutes 2022, section 136F.03, is repealed."

Delete the title and insert:

"A bill for an act relating to higher education; providing funding and policy related changes for the Office of Higher Education, Minnesota State Colleges and Universities, the University of Minnesota, and the Mayo Clinic; creating and modifying certain scholarships and student aid programs; creating and modifying grant programs to higher education institutions; establishing the North Star Promise tuition free program; establishing the Inclusive Higher Education Technical Assistance Center; creating a direct admissions program; providing aid to postsecondary institutions for unemployment insurance; establishing a student basic needs working group; requiring reports; appropriating money; amending Minnesota Statutes 2022, sections 135A.137, subdivisions 2, 3; 136A.031, subdivision 3; 136A.101, subdivisions 5a, 7; 136A.121, subdivisions 6, 9, 13, 19; 136A.1241, subdivision 5; 136A.125, subdivision 4; 136A.126, subdivision 4; 136A.1312; 136A.1791, subdivision 3a; 136A.246, subdivisions 4, 5, 6, 8; 136F.04, subdivision 1; 136F.38, subdivision 3; 175.45, subdivision 1; 354B.23, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 135A; 136A; 268; repealing Minnesota Statutes 2022, section 136F.03."

We request the adoption of this report and repassage of the bill.

House Conferees: Gene Pelowski Jr., Dan Wolgamott

Senate Conferees: Omar Fateh, Clare Oumou Verbeten, Aric Putnam

Senator Fateh moved the foregoing recommendations and Conference Committee report on H.F. No. 2073 be now adopted, and that the bill be repassed as amended by the Conference Committee.

The roll was called, and there were yeas 34 and nays 30, as follows:

Those who voted in the affirmative were:

Abeler	Frentz	Kupec	Mohamed	Putnam
Boldon	Gustafson	Latz	Morrison	Rest
Carlson	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Murphy cast the affirmative vote on behalf of the following Senators: Frentz, Marty, and Pha.

Those who voted in the negative were:

Anderson	Bahr	Coleman	Dahms	Dornink
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Draheim	Green	Johnson	Limmer	Rasmusson
Drazkowski	Gruenhagen	Koran	Lucero	Utke
Duckworth	Housley	Kreun	Miller	Weber
Eichorn	Howe	Lang	Nelson	Wesenberg
Farnsworth	Jasinski	Lieske	Rarick	Westrom

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senator: Draheim.

The motion prevailed. So the recommendations and Conference Committee report were adopted.

H.F. No. 2073 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 34 and nays 30, as follows:

Those who voted in the affirmative were:

Abeler	Frentz	Kupec	Mohamed	Putnam
Boldon	Gustafson	Latz	Morrison	Rest
Carlson	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Murphy cast the affirmative vote on behalf of the following Senators: Frentz, Marty, and Pha.

Those who voted in the negative were:

Anderson	Drazkowski	Housley	Lang	Rarick
Bahr	Duckworth	Howe	Lieske	Rasmusson
Coleman	Eichorn	Jasinski	Limmer	Utke
Dahms	Farnsworth	Johnson	Lucero	Weber
Dornink	Green	Koran	Miller	Wesenberg
Draheim	Gruenhagen	Kreun	Nelson	Westrom

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senator: Draheim.

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

## MOTIONS AND RESOLUTIONS - CONTINUED

### SPECIAL ORDERS

Pursuant to Rule 26, Senator Dziedzic, Chair of the Committee on Rules and Administration, designated the following bills a Special Orders Calendar to be heard immediately:

H.F. Nos. 1126, 2204, and 1370.

**SPECIAL ORDER**

**H.F. No. 1126:** A bill for an act relating to higher education; providing for certain policy changes to postsecondary attainment goals, student financial aid, institutional licensure provisions, and institutional grant programs; amending Minnesota Statutes 2022, sections 135A.012; 136A.121, subdivisions 2, 18; 136A.1241, subdivision 5; 136A.1701, subdivision 11; 136A.62, subdivision 3, by adding a subdivision; 136A.653, by adding a subdivision; 136A.833; 136A.91, subdivision 1; repealing Minnesota Rules, parts 4830.0400, subpart 1; 4880.2500.

Senator Hauschild moved to amend H.F. No. 1126, as amended pursuant to Rule 45, adopted by the Senate April 14, 2023, as follows:

(The text of the amended House File is identical to S.F. No. 1011.)

Page 7, line 8, delete "1a" and insert "1b"

Page 9, after line 19, insert:

"Sec. 11. Minnesota Statutes 2022, section 137.022, subdivision 4, is amended to read:

Subd. 4. **Mineral research; scholarships.** (a) All income credited after July 1, 1992, to the permanent university fund from royalties for mining under state mineral leases from and after July 1, 1991, must be allocated as provided in this subdivision.

(b)(1) Beginning January 1, 2013, 50 percent of the income must be allocated according to this paragraph. One-half of the income under this paragraph, up to \$50,000,000, must be credited to the mineral research account of the fund to be allocated for the Natural Resources Research Institute-Duluth and Coleraine facilities, for mineral and mineral-related research including mineral-related environmental research. The other one-half of the income under this paragraph, up to \$25,000,000, is credited to an endowment for the costs of operating ~~a mining, metallurgical, or related engineering~~ mineral, mineral-related, or science, technology, engineering, and mathematics (STEM) degree program programs offered through the University of Minnesota at ~~Mesabi Range Community and Technical College~~ Minnesota North College and the Swenson College of Science and Engineering at Duluth to support workforce development and collaborations benefiting regional academics, industry, and natural resources on the Iron Range in northeast Minnesota and for scholarships for Minnesota students, prioritizing students in the Minnesota Economic Development Region 3, to attend the mining, metallurgical, or related engineering program mineral, mineral-related, or STEM programs. The maximum scholarship awarded to attend the ~~mining, metallurgical, or related engineering~~ degree program programs funded under this paragraph cannot exceed ~~\$6,500~~ 75 percent of current resident tuition rates per academic year and may be awarded a maximum of four academic years.

(2) The remainder of the income under paragraph (a) plus the amount of any income under clause (1) after \$50,000,000 has been credited to the mineral research account for the Natural Resources Research Institute and the amount of any income over the \$25,000,000 for the ~~engineering program programming in clause (1)~~ engineering program programming in clause (1) must be credited to the endowed scholarship account of the fund for distribution annually for scholastic achievement as provided by the Board of Regents to undergraduates enrolled at the University of Minnesota who are resident students as defined in section 136A.101, subdivision 8.

(c) The annual distribution from the endowed scholarship account must be allocated to the various campuses of the University of Minnesota in proportion to the number of undergraduate resident students enrolled on each campus.

(d) The Board of Regents must report to the education committees of the legislature biennially at the time of the submission of its budget request on the disbursement of money from the endowed scholarship account and to the environment and natural resources committees on the use of the mineral research account.

(e) Capital gains and losses and portfolio income of the permanent university fund must be credited to its three accounts in proportion to the market value of each account.

(f) The endowment support from the income and capital gains of the endowed mineral research and endowed scholarship accounts of the fund must not total more than six percent per year of the 36-month trailing average market value of the account from which the support is derived."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 1126 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 42 and nays 21, as follows:

Those who voted in the affirmative were:

Boldon	Fateh	Kupec	Mohamed	Rasmusson
Carlson	Frentz	Latz	Morrison	Rest
Coleman	Gustafson	Limmer	Murphy	Seeberger
Cwodzinski	Hauschild	Mann	Nelson	Westlin
Dibble	Hawj	Marty	Oumou Verbeten	Wiklund
Dornink	Hoffman	Maye Quade	Pappas	Xiong
Duckworth	Housley	McEwen	Pha	
Dziedzic	Klein	Miller	Port	
Farnsworth	Kunesh	Mitchell	Putnam	

Pursuant to Rule 40, Senator Murphy cast the affirmative vote on behalf of the following Senators: Frentz, Marty, and Pha.

Those who voted in the negative were:

Anderson	Eichorn	Johnson	Lucero	Westrom
Bahr	Green	Koran	Rarick	
Dahms	Gruenhagen	Kreun	Utke	
Draheim	Howe	Lang	Weber	
Drazkowski	Jasinski	Lieske	Wesenberg	

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senator: Draheim.

So the bill, as amended, was passed and its title was agreed to.



**SPECIAL ORDER**

**H.F. No. 2204:** A bill for an act relating to metropolitan government; providing for redistricting of the Metropolitan Council districts; amending Minnesota Statutes 2022, section 473.123, by adding a subdivision; repealing Minnesota Statutes 2022, section 473.123, subdivision 3e.

H.F. No. 2204 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 5, as follows:

Those who voted in the affirmative were:

Abeler	Dziedzic	Jasinski	Maye Quade	Putnam
Anderson	Eichorn	Johnson	McEwen	Rarick
Bahr	Farnsworth	Klein	Miller	Rasmusson
Boldon	Fateh	Koran	Mitchell	Rest
Carlson	Frentz	Kunesh	Mohamed	Seeberger
Champion	Green	Kupec	Morrison	Utke
Coleman	Gustafson	Lang	Murphy	Weber
Cwodzinski	Hauschild	Latz	Nelson	Wesenberg
Dahms	Hawj	Lieske	Oumou Verbeten	Westlin
Dornink	Hoffman	Limmer	Pappas	Westrom
Draheim	Housley	Mann	Pha	Wiklund
Duckworth	Howe	Marty	Port	Xiong

Pursuant to Rule 40, Senator Murphy cast the affirmative vote on behalf of the following Senators: Frentz, Marty, and Pha.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Draheim.

Those who voted in the negative were:

Dibble	Drazkowski	Gruenhagen	Kreun	Lucero
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So the bill passed and its title was agreed to.

**SPECIAL ORDER**

**H.F. No. 1370:** A bill for an act relating to public safety; establishing a cause of action for nonconsensual dissemination of deep fake sexual images; establishing the crime of using deep fake technology to influence an election; establishing a crime for nonconsensual dissemination of deep fake sexual images; proposing coding for new law in Minnesota Statutes, chapters 604; 609; 617.

Senator Maye Quade moved to amend H.F. No. 1370, as amended pursuant to Rule 45, adopted by the Senate April 4, 2023, as follows:

(The text of the amended House File is identical to S.F. No. 1394.)

Page 4, line 8, after the semicolon, insert "or"

Page 4, delete line 9

Page 4, line 10, delete "(9)" and insert "(8)"

Page 9, line 4, after the semicolon, insert "or"

Page 9, delete line 5

Page 9, line 6, delete "(9)" and insert "(8)"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler	Dziedzic	Jasinski	Maye Quade	Rarick
Bahr	Eichorn	Klein	McEwen	Rasmusson
Boldon	Farnsworth	Koran	Miller	Rest
Carlson	Fateh	Kreun	Mitchell	Seeberger
Champion	Frentz	Kunesh	Mohamed	Utke
Coleman	Green	Kupec	Morrison	Weber
Cwodzinski	Gruenhagen	Lang	Murphy	Wesenberg
Dahms	Gustafson	Latz	Nelson	Westlin
Dibble	Hauschild	Lieske	Oumou Verbeten	Westrom
Dornink	Hawj	Limmer	Pappas	Wiklund
Draheim	Hoffman	Lucero	Pha	Xiong
Drazkowski	Housley	Mann	Port	
Duckworth	Howe	Marty	Putnam	

Pursuant to Rule 40, Senator Murphy cast the affirmative vote on behalf of the following Senators: Frentz, Marty, and Pha.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Draheim.

The motion prevailed. So the amendment was adopted.

H.F. No. 1370 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 1, as follows:

Those who voted in the affirmative were:

Abeler	Duckworth	Howe	Mann	Port
Anderson	Dziedzic	Jasinski	Marty	Putnam
Bahr	Eichorn	Johnson	Maye Quade	Rarick
Boldon	Farnsworth	Klein	McEwen	Rasmusson
Carlson	Fateh	Koran	Miller	Rest
Champion	Frentz	Kreun	Mitchell	Seeberger
Coleman	Green	Kunesh	Mohamed	Utke
Cwodzinski	Gruenhagen	Kupec	Morrison	Weber
Dahms	Gustafson	Lang	Murphy	Westlin
Dibble	Hauschild	Latz	Nelson	Westrom
Dornink	Hawj	Lieske	Oumou Verbeten	Wiklund
Draheim	Hoffman	Limmer	Pappas	Xiong
Drazkowski	Housley	Lucero	Pha	

Pursuant to Rule 40, Senator Murphy cast the affirmative vote on behalf of the following Senators: Frentz, Marty, and Pha.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Draheim.

Those who voted in the negative were:

Wesenberg

So the bill, as amended, was passed and its title was agreed to.

### **MEMBERS EXCUSED**

Senators Mathews and Pratt were excused from the Session of today. Senator Lang was excused from the Session of today from 12:30 to 1:05 p.m. Senator Johnson was excused from the Session of today from 1:50 to 2:00 p.m.

### **ADJOURNMENT**

Senator Dziejdzic moved that the Senate do now adjourn until 11:00 a.m., Thursday, May 11, 2023. The motion prevailed.

Thomas S. Bottern, Secretary of the Senate

