Legislative Water Commission Update 05/31/2018

ERRORS? OMISSIONS? Please notify: jim.stark@lcc.leg.mn.

This bi-weekly update is a roundup of Minnesota water news, as well as articles from beyond Minnesota, that may inform members. It also includes summaries of meetings and reports as well as information about upcoming events. During the Legislative Session, updates on water-related legislation and committee activities are added. Any errors or omissions are inadvertent.

I look forward to continuing to work on water issues that are important to all of us.

Jim Stark, Director, MN Legislative Water Commission

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- Next meeting of the Legislative Water Commission: Date and time to be determined ~ at the State
 Office Building
- The Commission met on June 21. Audio is available at: www.lcc.leg.mn/lwc/
- Subscribe to the weekly update & follow LWC meetings

WATER NEWS:

The Legislative Water Commission (LWC) met on June 21, in Chanhassen, in conjunction with the summer meeting of the Minnesota Association of Watershed Districts (MAWD). Commission members joined MAWD members on field trips that included a boat tour of the lower Minnesota River and a tour of best-management practices in the western suburbs. During the LWC meeting, members discussed water-issue progress from the 2018 legislative session as well as water issues and proposed legislative recommendations for the 2019 session. Those issues include: a desired future state plan for water, wastewater infrastructure, drinking water, groundwater sustainability, lake sustainability and keeping water on the land (water retention). Commission members will prioritize those issues during the July LWC meeting. Stakeholder meetings will be held over the summer on each of the topics endorsed by the LWC.

Warming drives spread of toxic algae in US, researchers say: Across the U.S., reservoirs that supply drinking water and lakes used for recreation are experiencing toxins in their drinking water supplies with growing frequency. The trend represents an impact of warmer water and raises questions about the effects on human health, researchers say. "When water bodies warm up earlier and stay warmer longer you increase the number of incidents," said Wayne Carmichael, a retired Wright State University professor specializing in the organisms. Contact: Tom, James, Associated Press. Published in the Star Tribune on June 23, 2018

The St. Croix River marks 50 years as a protected river way. In 1968, efforts to protect the St. Croix led to the passage of the National Wild and Scenic Rivers Act. A documentary called "The Wild and Scenic St. Croix" commemorates that action and to reinvigorate the commitment that led to the river's protected status. The act, co-sponsored by Minnesota Senator Walter Mondale and the late Wisconsin Sen. Gaylord Nelson, resulted in development restrictions. By Mary Divine | mdivine@pioneerpress.com (Pioneer Press)

Heavy Rains Result in sediment flowing into Lake Superior; Excessive rainfall produced destructive flooding in the western Upper Peninsula, of Michigan, northern Wisconsin and northeastern Minnesota. Runoff carried sediment into Lake Superior as shown on the satellite image below. On June 18, Michigan Governor, Rick Snyder, declared a state of disaster for Houghton and Menominee counties in response to the widespread flooding damage. The Keweenaw Peninsula had over 6 inches of rain.

Source: mtorregr@mlive.com



Sediment showing on the south shore of Lake Superior after heavy rain June 15-17, 2018 (NOAA/UW-Madison CIMSS)

BWSR: Yearly Accomplishment Update: The update includes a detailed discussion about CREP funding and accomplishments. It also recognizes the first recorded buffer easement in Redwood County. It was seeded late last fall and included several pollinator-friendly plant species that will begin to emerge and blossom next year. For details, contact: John Jaschke, Executive Director (john.jaschke@state.mn.us) www.bwsr.state.mn.us

Left to Right: Rep. Paul Torkelson, Senator Gary Dahms, Redwood County Board Chair Jim Salfer



USGS: Learn more about the following topics and other environmental health issues at the USGS at the site shown below:

- Drinking water and municipal wastewater infrastructure
- Toxins associated with algal blooms
- Fish and wildlife used for recreational, commercial, and subsistence fishing and hunting
- Contaminant effects on organisms' ability to ward off infectious diseases
- Human and other organism exposures through ecological pathways
- Land stewardship materials
- Energy resource production byproducts
- Mineral resource production byproducts
- Materials used for food production
- Endocrine disrupting chemicals Chesapeake Bay Watershed
- Contaminant hazards from disasters

Contact: U.S. Geological Survey, Environmental Health Mission Area.

Visit: https://www2.usgs.gov/envirohealth/geohealth/

The Minnesota Agricultural Water Quality Certification Program (MAWQCP) announced that it has joined Field to Market: The Alliance for Sustainable Agriculture, a national organization working to meet the challenge of producing enough food, fiber, and fuel for a rapidly growing population while conserving natural resources. "We feel the Ag Water Quality Certification Program and Field to Market are a great fit together as Minnesota looks to be a national leader in water quality and sustainability efforts," said Minnesota Agriculture Commissioner Dave Frederickson. "As a member, we will be connected with the network of organizations and farmers participating in Field to Market, and will be a collaborator on cutting edge projects to improve the agricultural supply chain." Contact the Minnesota Department of Agriculture for more details.

Precision Agriculture: On June 11, Dr. David Mulla (University of Minnesota) presented a seminar at the Minnesota Department of Agriculture. Dr. Mulla discussed precision agricultural as a method to optimize crop yields and to reduce nitrogen deliver to drain tiles, ditches and streams. The methods include varying rates of nitrogen application based on field conditions by applying the proper amount to nitrogen, as well as side dressing nitrogen. In one field case, nitrogen in drain tiles was reduced by 58 percent. The technology to implement the practices is currently available. Contact Dr. Mulla at: mulla003@umn.edu

Board of Water and Soil Resources: The Minnesota Office for Soil Health (MOSH) announces the selection of the first State Soil Health Specialist, Anna Cates. This position provides expertise on soil health issues for agricultural and conservation professionals across the state. MOSH is a collaborative program created last year by the Board of Water and Soil Resources (BWSR) in partnership with the University of Minnesota Water Resources Center (WRC). Anna Cates holds a Master of Science in Soil Science and is finishing her doctorate in Agronomy from the University of Wisconsin-Madison, where she has been studying soil carbon cycling in corn-cover crop biofuel systems. She will begin her new role in a full-time capacity in January 2019. Her position will be housed within the Department of Soil, Water, and Climate at the University of Minnesota. For more information, contact the Office for Soil Health at (612) 624-6765.

The Clean Water Council met on June 18. The agenda included presentations about: source-water protection for Minneapolis; DNR non-point source implementation program; DNR perennial vegetation monitoring for riparian buffers; presentations by BWSR staff regarding programs on non-point source implementation; reports from the budget and outcomes committee; and updates from other committees. Contact: Deepa S. A. de Alwis, M.S., Clean Water Council Coordinator, Phone: 651 757-2572 https://www.pca.state.mn.us/about-mpca/clean-water-council

Agricultural Drainage: The Minnesota Groundwater Association (MGWA) has published a paper: "Drain Tiles and Groundwater Resources". Following are highlights from the Executive Summary. The white paper advances the concept of tile-drainage provinces to aid in the discussion of regional differences in subsurface drainage and its overall effect on groundwater resources. Several critical knowledge gaps are identified in this paper, creating opportunities for further research to improve our understanding for better managed water resources. The gaps are as follows:

- The extent of drainage is unknown
- The effect of drainage on underlying aquifers is unknown
- An improved understanding of historical water balance shifts is needed

Visit: Drain Tiles and Groundwater Resources.

NORTHERN BORDER LAKES:

Northern Border Lakes: The International Rainy River-Lake of the Woods International Watershed (IJC) Board met on June 12. The agenda included discussions of an adaptive-management project, a proposed climate change adaptation framework, an environmental emergency planning and response process, the response to an acid spill in International Falls, Bi-National phosphorus reduction goals, and plans for the summer annual meeting. For details, Contact Jim Stark at the LWC.

WATER CONSERVATION

Watering ban and White Bear Lake: White Bear Lake's water levels and water conservation are in the news again. First a judge put the brakes on the additional pumping of water within five miles of White Bear Lake. Then, the Minnesota Legislature put the brakes on that ruling. Now the cities and many of their residents near the lake are left wondering where we move forward from here. Ramsey County District Judge Margaret Marinna's ruling is on hold, after the Legislature postponed it for a year. Contact Bob Shaw: bshaw@pioneerpress.com (Pioneer Press)

GREAT LAKES

Great Lakes Restoration Initiative: The EPA and federal agency partners are developing the Great Lakes Restoration Initiative <u>Action Plan III</u>, which will cover the years 2020-2024. To get input for the development of Action Plan III, information meetings are being held throughout the Great Lakes. The Duluth Meeting will be held In Duluth on July 12, at the EPA Lab (U.S. EPA Laboratory, 6201 Congdon Blvd., Duluth, Minnesota. Advanced registration is not required. (Thu, 07/12/2018 (6 PM))

Lake Superior: The Bi-National Lake Superior Partnership Working Group met in Beaver Bay during June 12-14. The meeting included updates from standing committees on mining, habitat and biota. The meeting also focused on: plans for the lake implementation planning process, the Great Lakes Water Quality Agreement, results of the 2016 CSMI monitoring year, and the October State of Lake Superior Conference in Houghton Michigan. For details, contact Jim Stark at the LWC.

SURFACE WATER/STORMWATER

National Flood Forecast Center, North Central Region: Due to recent rainfall, there are areas where the potential for flooding is occurring or is possible. For details, visit: www.weather.gov/ncrfc

DNR: Maps and tables are available on stream flow conditions found throughout Minnesota. Current stream flows are compared with historical flow data and watersheds are ranked in the following categories (flood, high, normal, low, protected flow). Weekly stream flow maps and tables are generated on Mondays from

Flash flooding swamps parts of NE Minnesota, NW Wisconsin (Minnesota Public Radio): Heavy rain late on June 16. In excess of a half-foot in places, led to flash flooding that washed out highways in parts of northeastern Minnesota and northwestern Wisconsin. Flooding concerns continued on June 17 as more heavy rain fell. The Nemadji River that flows from Carlton County in Minnesota to Superior, Wis., reached its highest level on record, the National Weather Service reported. This pair of images, provided by the U.S. Geological Survey by way of the National Weather Service shows the Nimadi River, on Saturday afternoon (top) and then amid flash flooding on Sunday afternoon (bottom) after heavy rain fell in the region. The rising water forced the closure of highways 2 and 53 at the river crossing on the east side of Superior. Contact James Fallon (USGS). jfallon@usgs.gov





Damage long State Highway 23 near the South Fork of the Nemadji River in Carlton County, Minn., after flash flooding on Sunday. Courtesy of Sgt. Jason Warnygora | Carlton County Sheriff's Office

UPCOMING EVENTS

July 10-12: US Water Alliance's **One Water Summit** will be at the Hyatt hotel in downtown Minneapolis. **Water** leaders from across the country will come together conversations on how to achieve a sustainable water future for all. More information is available on the US Water Alliance website at http://uswateralliance.org/summit/one-water-summit-2018

The International Association of Great Lakes Research and Michigan Technological University have announced the 2018 State of Lake Superior (SOLS) Conference will be held October 9-12 in Houghton, Michigan. Hosted on the MTU campus, SOLS will be a multi-day conference and include invited sessions and abstracts, plenary sessions, field trips, and associated meetings. Stay tuned for more details and the Call for Sessions in coming weeks at iaglr.org/sol/sols18.

The biennial 2018 Upper Midwest Invasive Species Conference (UMISC) will be a Joint Conference with the North American Invasive Species Management Association, October 15-18, 2018 at the Mayo Civic Center in Rochester, MN. Abstract Submission Is Open. Deadline to Submit an Abstract for Presentation: Wednesday, April 11, 2018. They are expecting about 700 people to attend. See https://www.umisc.net/ or contact Doug Jensen, conference co-chair.

Minnesota Water Resources Conference: October 16–17, 2018, Saint Paul River Centre: The Minnesota Water Resources Conference presents innovative, practical, and applied water resource engineering solutions, management techniques, and current research about Minnesota's water resources. For More information contact: Nichole Salinas, College of Continuing and Professional Studies, University of Minnesota, 612-301-2448, ccapsconf3@umn.edu

2018 LEGISLATIVE UPDATE; INFORMATION AND PROGRESS ON BILLS THAT RELATE TO WATER:

Governor Dayton signed a half-5 billion bonding bill. The bonding bill contains many essential projects. Some were funded by tapping into the environmental funding from the Minnesota Lottery, known as the Environment and Natural Resources Trust Fund. Governor Dayton line item vetoed one appropriation that would have given \$1 million for outside review of underlying water quality standards and permits. Several provisions relating to the environmental and natural resource were eliminated from the bill. Among those was a measure that would repeal the state's wild rice water quality standard. The bill which incorporated the provision was incorporated from HF3280, and was vetoed by Governor Dayton. Another provision would have prohibited the Pollution Control Agency from increasing water permit fees without legislative approval was removed. In total, the committee removed or amended eight policy provisions the bill included \$1.3 million to research and address chronic wasting disease, raising both the House and Senate's initial appropriations to closer match in the Governor's proposal.

Read Governor Dayton's letter outlining his decision on the bonding bill

The Governor vetoed several water-related bills related to:

- Some wild rice legislation
- Property tax credit for landowner compliance with the Buffer Law
- Forbidding the adoption of the Groundwater Protection Rule on Nitrogen Fertilizer
- A 16-year exemption from water quality standards for certain industries
- Relaxing oversight for transfers of water from one body to another
- Making it difficult for the MPCA to raise fees to support its water programs by requiring legislative approval

- Weakening statewide erosion controls--applying the state's soil loss law only in counties with soil loss ordinances
- Allowing sugar beet farmers to stop lining their beet storage pits (adapted from the MCEA)

Several water-related bills did not pass out of the House or Senate. They included bills to:

- Certify salt applicators, to reduce the salt pollution that damages state waterways;
- Test private drinking water wells upon sale of the property to ensure safety of the drinking water
- Modest improvements in watershed planning laws and Clean Water Legacy Act
- Consensus recommendations of the Drainage Work Group to enable financial incentives for drainage work that includes water quality and habitat benefits. (adapted from the MCEA)
- The clean water fund appropriation bill was included in the House Legacy bill, which was not heard in the Senate.
- The watershed restoration bill language was included in the supplemental budget bill that was eventually vetoed.

Details on specific bills follow:

HF 4003--White Bear Lake; Governor Dayton has <u>allowed the bill to become law</u> without his signature. Both the House and Senate passed bills that prohibit the Department of Natural Resources from enforcing a judge's ruling related to White Bear Lake's water levels.

Groundwater Protection Measure (HF 2887, SF 2720). The Minnesota Department of Agriculture's (MDA) proposed Groundwater Protection Measure is a measure to limit nitrate pollution in drinking water. A revised bill to forbid the MDA from implementing the Groundwater Protection Measure moved forward in the House and Senate. The Governor veto the bill. Several bills were introduced in the House and included in the omnibus supplemental budget bill – HF4133/SF3656. These initially contained a provision that would have prohibited the department from adopting the rule without prior approval by the Legislature. That language was removed from the bill in a conference committee meeting and included in a standalone omnibus agriculture finance bill, HF4133, which was passed by the House and Senate. The House Agriculture Policy Committee included a resolution that would have blocked the groundwater protection rule from taking effect until the end of next year's legislative session. The resolution relied on a state statute signed into law by former Gov. Jesse Ventura in 2001. It allows standing committees in the House and Senate, "with jurisdiction over the subject matter of a proposed rule" to prohibit an agency from adopting the rule "until the legislature adjourns the annual legislative session that began after the vote of the committee.

<u>HF3122</u> (Urdahl) /<u>SF2668</u> (Dahms) - Public facilities authority, bonding for clean water bond issue and appropriations for \$167 million plant requirements. The bill was incorporated into the bonding bill.

Governor Dayton vetoed the Wild Rice legislation, <u>HF3280</u>, which would have nullified existing water quality standards relating to the impact of sulfates on wild rice. A majority of counties across the state could potentially include designated wild rice waters, based on MPCA evaluations, subject to regulatory actions that could have an impact on wastewater treatment

The Legislature passed <u>HF 3423</u> which includes appropriations from the outdoor heritage fund as well as two provisions relating to county notification of land acquisitions. The provision requires, by July 1 of each year, the Lessard Sam's Outdoor Heritage Council staff is to provide counties with a list of project proposals that include potential fee title land acquisitions in the county. The second provision requires a nongovernmental organization to notify county and township boards, in writing, at least 30 days before closing on an acquisition of land in fee title with money from the outdoor heritage fund. The bill was sent to the Governor.

The ML 2018 (FY19) **ENRTF appropriations bill** was combined with a bonding bill as <u>HF 4425</u> on 5/20/18. This bill was passed, as amended, by the House and Senate and sent to the Governor for signature. Sixty- one projects were included at the amount recommended by the LCCMR.

- Three projects had amounts reduced:
 - County Geologic Atlases Part A (03a), UMN-- by \$1,260,000 from \$2,500,000 to \$1,240,000
 - Increase Diversity in Environmental Careers to Serve Minnesota's Changing Demographics (05l), DNR-by \$200,000 from \$750,000 to \$550,000
 - Nongame Wildlife Program Acceleration (08a), DNR-- by \$780,000 from \$1,000,000 to \$220,000

- One project was removed:
 - o County Geologic Atlases Part B (03b), DNR from \$1,500,000 to \$0
- One project had the amount increased:
 - Agricultural Weed Control Using Autonomous Mowers (08d), UM- Morris by \$200,000 from \$550,000 to \$750,000
- One project and associated policy was added:
 - o Lake Agnes Treatment (041), BWSR \$600,000
 - Allows phosphorous offsets or includes a lake management plan for Alexandria Lake Area Sanitary District's WWT facility permit with reduction in phosphorous achievable with carp and alum treatments performed in Lake Winona and Agnes.
- The bill also includes extensions for the availability of funds as well as corrections to prior appropriations as recommended by LCCMR. One additional extension and correction was made.
- The bill adds an appropriation of \$2,940,000 the first year (FY19) and up to \$7,840,000 each year for 19 years to finance ENRTF- backed appropriation bonds. These appropriations will be paid for with ENRTF proceeds available for annual spending.

The bill also includes the following:

- Provides \$98 million in appropriation bonds for specific projects
- Changes LCCMR's governing statute, MS 116P, to allow for spending on principle and interest of appropriation bonds
- Changes LCCMR's governing statute, MS 116P, to allow ENRTF funds to be spent on municipal water pollution control for municipalities with population under 5,000
- Changes LCCMR's governing statute, MS 116P, to adjust interest rates for water system improvement loans
- Directs LCCMR until 2021 to consider Wastewater Treatment System Grants up to \$10 million and Wastewater Treatment System Loans up to 5% of the ENRTF corpus for municipalities with population under 5,000
- Directs the LCCMR to consider recommending ENRTF funds in FY20 to pay for cleanup of a closed landfill in Burnsville.

The omnibus supplemental budget bill (<u>SF 3656</u>) contains a number of environment and natural resources provisions. This bill was sent to the Governor. Some of the provisions in the bill were removed by the conference committee due to concerns from the Governor's Office. **Provisions removed include:**

- Clarification that soil loss limits are only applicable in counties that have adopted soil loss ordinances.
- Study of groundwater samples associated with demolition debris landfills and clarification that demolition debris landfills shall be permitted according to current statute, rules or guidance; with no additional requirements.
- Rulemaking language pertaining to the metropolitan solid waste management plan that states any goal, policy, criteria, or standard contained in the policy plan may not be required of or enforced against a county or private party and does not have the force and effect of law unless required by statute or adopted in accordance with chapter 14.
- Extends by one year, to July 1, 2019, the conditional compliance waiver for public water buffer requirements for those who filed a compliance plan by November 1, 2017. The language also provides the same waiver and extension for buffers required on public drainage systems.
- Requires specific approval by law before the Commissioner of Agriculture can adopt water resource protection requirements for nitrogen fertilizer.

Some of the provision remaining in the bill:

- \$425,000 for statewide aggregate mapping.
- Drainage workgroup recommendations pertaining to drainage authorities and acquiring buffer strip easements (including drainage authorities eligible to use BMP loan program).
- Improvements to the Clean Water Legacy Act to provide for better coordination of local water management programs and streamlining of reporting requirements. Amends application requirements for the CAP bonding program that assists local governments with solid waste infrastructure projects
- (adapted form Association of Minnesota Counties)

After previously having four separate omnibus bills (agriculture, environment and natural resources, job growth and energy affordability, and state government finance), the House alighted them with the Senate's language by combining the four bills into one omnibus appropriations bill similar to (S.F. 3656). The House voted on this language on May 10 and passed. Some of the items related to environment and natural resources are as follows:

ARTICLE 13: Environment and Natural Resources Appropriations

- \$425,000 for grants to lake associations to manage AIS in partnership with local units of government.
- \$100,000 to conduct a statewide survey and analysis of Minnesotans' attitude toward fish stocking.

 ARTICLE 14: Environment and Natural Resources Policy
- Policies to better coordinate local water planning processes and streamline reporting requirements.
- Statutory wetland replacement order does not apply to project-specific replacement sites intended to bank credits for single-user banks before January 1, 2019.
- Providing wetland banking credits are an acceptable mitigation measure for adverse effects on rare natural communities.
- Wetland banking fees based on the actual cost to BWSR of implementing the activities for which fees are charged.
- Established a water quality and sustainability account for proceeds of the 3M settlement, imposes reporting
 requirements, and requires MPCA and DNR to work with stakeholders to identify and recommend projects
 to receive funding from the settlement proceeds.
- Discontinue the Ramsey County SWCD.
- Extends by one year conditional compliance waiver for public water buffer requirements for those who filed a compliance plan by November 1, 2017. The language provides the same waiver and extension for buffers required on public drainage systems.
- Prohibits the DNR from enforcing water appropriation permit terms that were added as a result of a court
 order and temporarily provides that public water suppliers in the metro area are not required to take
 certain measures related to groundwater appropriation (this language pertains to the White Bear Lake
 court decision).
- Imposes five-year moratorium on muskellunge stocking in Otter Tail County.
- Requires BWSR to convene a workgroup to review the biennial nonpoint priority funding plan.
 ARTICLE 15 Drainage Work Group recommendations were altered during the Senate Finance Committee):
 Only 2 of the original 7 sections of HF-3836 remain in the omnibus bills. HF-4099 includes some language recommended by the Drainage Working Group (DWG) and/or the MDA. This includes Ditch Buffer Strip Planting and Maintenance. SF-3656 includes revision language for the Ag BMP Loan Program.
 ARTILCE 19 Agriculture Statutory Changes: Requires specific approval by law before the Commissioner of Agriculture can adopt water resource protection requirements for nitrogen fertilizer.

Governor Dayton vetoed the two bills that included DWG recommendations for Accelerated Buffer Strip Implementation.

- a. The Omnibus Ag Policy Bill, <u>Chapter 190, HF-4133</u>, included the revised language to update the AgBMP Loan Program (Sec. 17.117) to enable drainage authorities to serve as a borrower on behalf of landowners represented to finance ditch buffer strips. (see Sections 1, 2 and 3, lines 1.17 4.27)
- b. The Omnibus Supplemental Budget Bill, <u>Chapter 201, SF-3656</u>, included the revised AgBMP Loan Program revisions, as well as the other DWG recommendations, except that the revisions of Sec. 103E.351 Redetermining Benefits and Damages were partially DWG recommendations. (see ARTICLE 21, ACCELERATED BUFFER STRIP IMPLEMENTATION, Section 1 Sec. 7, lines 225.24 231.1)

(HF 3577, SH 3199): Legislation would provide liability relief for salt applicators who have completed certified training through the Minnesota Pollution Control Agency. This bill has passed with bipartisan support through several House committees and one Senate committee. The Limited Liability legislation was removed from the omnibus bill.

<u>HF3332</u> (Urdahl)/ <u>SF3075</u> (Westrom) -- Wastewater infrastructure projects supplemental grant bond issue and appropriation (relates to statutes 446A.072 and 446A.073)

Legislative Update: Adapted from the Minnesota Association of Counties

Jill Sletten, jsletten@slettengapp.com

Governor Dayton signed the merged \$1.57 billion Bonding and Environment bill with only one line-item veto Substantial changes of importance to small cities were made in negotiations that were bundled into a single bill related to overall capital investments, the Environment and Natural Resources Trust Fund / Public Facilities Authority, and borrowing for Transportation. Some environmentally related funding listed below was separately designated for general obligation (GO) bonds and for higher cost appropriation bonds

General obligation bonding included \$64.35 million for the Public Facilities Authority (PFA) handling local wastewater and water needs - including \$25 million for drinking water-related projects.

The bonding legislation included using appropriation bonds for various Environment and Natural Resources Trust Fund (ENRTF) projects, including for grants to wastewater treatment facilities (WWTFs) in cities under 5,000. The bill authorizes up to \$98 million in appropriation bonds over 20 years at a total borrowing cost of up to \$151.9 million. Of that, up to 5 percent (estimated at \$50 million or more) of the trust fund corpus will be used for PFA loans for cities under 5,000. In addition, the LCCMR is authorized to consider spending up to \$10 million in grants to for WWTF needs in the small cities. PFA funding subject to appropriation bonding totals \$59 million, including \$14 million in EPA match. The LCCMR projects funded include \$700,000 for the pond and mechanical WWTF optimization pilot project, drinking water studies to more efficiently reduce contamination in community systems totaled \$1.325 million, and \$325,000 is designated for storm water effluent removal study in community treatment ponds.

Several water quality issues of concern to cities came to the surface throughout the legislative session. While most of the water measures were vetoed by the governor, one bill costs was signed into law. This bill is related to municipalities that construct publicly owned WWTFs in order to comply with new or modified effluent limitations are exempted from making additional capital investments to comply with new effluent limits adopted after construction begins for at least 16 years. The new bill, HF 2802, passed and signed by the governor bypasses the administrative process and applies retroactively to WWTFs construction that started after Aug. 1, 2017.

Most other water-quality related provisions were included among vetoed bills. Two bills dealing with changing the largely unenforced wild rice standard were vetoed - <u>Chapter 126</u> and <u>Chapter 210</u>. The governor plans to create a task force to address the issue The effort to require the legislature to approve any proposed MPCA water permit fee increases in <u>Chapter 147</u> also was vetoed. Finally, the governor line-item vetoed a \$1 million study of water quality regulations in the bonding bill.



News from Washington:

EPA Seeks to Change Water Rule, Changes Course on Pesticide Protection Rollback: The Environmental Protection Agency has submitted a proposal to the White House Office of Management and Budget, requesting a revision of the water rule, this time to change its purpose to "promote economic growth" and limit "federal oversight" of land. This decision comes after an executive order directing the EPA to create a new rule that aligned with a more narrow definition. If the EPA succeeds, the federal government could only regulate waterways that are "relatively permanent." This differs from the 2015 Clean Water Act's definition which includes "waterways with a 'significant nexus' to navigable ones." Read more at <u>The Hill</u>.

Senate FY19 Appropriations Bill Permits Increased Spending

The Senate Appropriations Committee approved its version of the FY19 Interior, Environment, and Related Agencies Appropriations Bill at its <u>full committee markup</u> this past Thursday. Its total allocation is \$35.85 billion. The following table lists some of the bill's funding appropriation components.

Of the EPA's \$8 billion, \$300 million of funding is for the Great Lakes Restoration Initiative (GLRI), an amount ten times the amount requested in the administration's budget. The Appropriation's allocation means that federal funds have the potential to be consistent with the GLRI's <u>Action Plan</u> which "calls for land use, recreation and economic activities that are managed to ensure that nearshore aquatic, wetland and upland habitats will sustain the health and function of natural communities."

Farm Bill



The Farm Bill has passed the House and the Senate. For more information please contact Eric Heath <u>via e-mail</u> or call at (202) 464 - 4019. Adapted from the Northeast-Midwest Institute. Web page <u>here</u>. For more information, you can also contact Matthew McKenna <u>via e-mail</u> or call him at (202) 464 - 4012.