

**LEGISLATIVE-CITIZEN COMMISSION ON MINNESOTA RESOURCES**

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Susan Thornton, Director

**Date:** January 15, 2017

**To:** Governor Mark Dayton

Chair, Senate Finance Committee, Senator Julie Rosen

Minority Lead, Senate Finance Committee, Senator "Insert Name"

Chair, Senate Environment and Natural Resources Finance, Senator Bill Ingebrigtsen

Minority Lead, Senate Environment, Economic Development and Agriculture Division, Senator "Insert Name"

Chair, House Ways and Means Committee, Representative Jim Knoblach

Minority Lead, House Ways and Means Committee, Representative "Insert Name"

Chair, House Environment and Natural Resources Policy and Finance Committee,  
Representative Dan Fabian

Minority Lead, House Environment and Natural Resources Policy and Finance Committee,  
Representative "Insert Name"

Legislative Reference Library

**From:** Legislative-Citizen Commission on Minnesota Resources (LCCMR)

**Subject:** Biennial Report required by M.S. 116P.09, Subd. 7

The biennial report as required in M.S. 116P.09, Subd. 7 from the Legislative-Citizen Commission on Minnesota Resources (LCCMR) due January 15, 2017 is available on the LCCMR web site at: <http://www.lccmr.leg.mn>. The report is also available in a CD format or in print upon request and we would be pleased to provide it to you.

This report covers LCCMR actions from Jan. 15, 2015 (date of the previous biennial report) to January 15, 2017, including summaries of past funding accomplishments and new recommendations for funding from the Environment and Natural Resources Trust Fund and the Great Lakes Protection Account.

There is \$50,828,000 available for expenditure in each year of the FY18-19 biennium from the Environment and Natural Resources Trust Fund (ENRTF) –biennial total available \$101,656,000. The amount available for expenditure is determined by the MN Constitution which states: "The amount appropriated each year of a biennium....may be up to 5.5% of the market value of the fund on June 30 one year before the start of the biennium". The value of the ENRTF on June 30, 2016 was \$924,152,297.79.

The LCCMR is making a funding recommendation to the 2017 Legislature totaling \$59,256,000. Of this amount, \$50,828,000 is from the Environment and Natural Resources Trust Fund for FY18 and \$8,428,000 is from the Environment and Natural Resources Trust Fund for FY17. The LCCMR will be making a future additional funding recommendation for FY19 totaling up to \$50,828,000 from the

Jeff Broberg, Sen. Gary Dahms, Sen. Kari Dziedzic, William Faber, Rep. Dan Fabian, Nancy Gibson,  
Bonnie Harper-Lore, John Hoffman, Gary Lamma, Rep. Leon Lillie, Norman Moody, Rep. John Persell,  
Sen. David Tomassoni, Rep. Paul Torkelson, Rep. Jean Wagenius, Sen. Torrey Westrom, Della Young

## LEGISLATIVE-CITIZEN COMMISSION ON MINNESOTA RESOURCES

Environment and Natural Resources Trust Fund to the 2018 Legislature. As stated in M.S. 116P, the LCCMR may make an annual or a biennial funding recommendation.

The list of recommended appropriations totaling \$59,256,000 from the Environment and Natural Resources Trust Fund is provided in "Section V. Recommendations." The funding levels and the proposed legislative bill were adopted by the LCCMR on November 15, 2016.

We look forward to presenting this information and certainly encourage questions and discussion. Thank you for the opportunity to serve the Legislature in this capacity.

Sincerely,

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Susan Thornton, Director  
On behalf of the LCCMR

cc: LCCMR Members as of December 2016

Draft

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# Legislative-Citizen Commission on Minnesota Resources

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Biennial Report  
January 15, 2017



**Pursuant to: M.S. 116P.09, Subd. 7**

Please return this document to the LCCMR office: Room 65 State Office Building

# Commission Members

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## LCCMR Membership January 1, 2015 – January 1, 2017

<u>REPRESENTATIVES</u>	<u>SENATORS</u>	<u>APPOINTED NON-LEGISLATIVE MEMBERS</u>
Rep. Tom Hackbarth	Sen. Gary Dahms*	<b>GOVERNOR APPOINTMENTS</b> William Faber (appointed: 5/17/2014 - term ends: 1/1/2018)
Rep. Denny McNamara	Sen. Kari Dziedzic	Nancy Gibson* (appointed: 6/18/2016 - term ends: 1/6/2020)
Rep. John Persell	Sen. John Hoffman	Bonnie Harper-Lore (appointed: 2/10/2013 - term ends: 1/2/2017)
Rep. Paul Torkelson*	Sen. David Tomassoni*	Norm Moody (appointed: 2/10/2013 - term ends: 1/2/2017)
Rep. Jean Wagenius*	Sen. Torrey Westrom	Della Young (appointed: 6/30/2014 - term ends: 1/1/2018)
		<b>SENATE APPOINTMENTS</b> Gary Lamppa, Senate appt. (appointed: 5/14/2014 - term ends: 5/14/2018)
		<b>HOUSE OF REPRESENTATIVES APPOINTMENT</b> Jeff Broberg*, House appt. (appointed: 12/6/2013 - term ends: 1/1/2018)

\*Denotes Executive Committee Members

## LCCMR Staff

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Susan Thornton, Director  
Michael McDonough, Manager Research and Planning  
Michael Varien, Project Analyst  
Diana Griffith, Commission Assistant

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**Legislative-Citizen Commission on Minnesota Resources**  
**Biennial Report to the Legislature, M.S. 116P.09, Subd. 7**  
**January 15, 2017**

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# I. Strategic Plan / RFP

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*“a copy of the current strategic plan...”*

- A. Six Year Strategic Plan – Revised and Adopted December 10, 2013
- B. Request for Proposal (RFP)
  - 1. RFP adopted December 9, 2014 for FY2016 (funding beginning July 1, 2015)
  - 2. RFP adopted December 10, 2015 for FY2017 (funding beginning July 1, 2016)

## II. Projects Funded Preceding Biennium

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*“a description of each project receiving money from the trust fund during the preceding biennium;”*

- The following documents are short abstracts for projects funded in FY2016 (beginning July 1, 2015) and in FY2017 (beginning July 1, 2016).
- Research projects have been marked as such in the description.
- Full work plans are available at the LCCMR, Room 65, State Office Building. The abstracts are current as of 12/31/2016.
- 144 Projects were funded for a total of \$84,292,000.
- Legal Citations
  1. FY2016 - M.L. 2015, Chapter 76, Sec. 2 (65 projects for a total of \$46,383,000)
  2. FY2017 - M.L. 2016, Chapter 186, Sec. 2 (79 projects for a total of \$37,909,000)

### III. Completed Research Projects

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*“a summary of any research project completed in the preceding biennium;”*

This section includes summaries of all projects completed, including research projects.

- The following documents are summaries of accomplishments for each appropriation year and short abstracts for all projects completed since the previous biennial report of January 15, 2015.
- The abstracts describe the general accomplishments of each project for completed projects. See <http://www.lccmr.leg.mn>.
- Research projects have been marked as such in the description.
- Full final reports are available at the LCCMR, Room 65 - State Office Building. The abstracts are current as of 12/31/2015.
- 76 Projects were completed for a total of \$44,487,343.
- Legal Citations
  1. M.L. 2015, Chapter 76, Section 2
  2. M.L. 2014, Chapter 226, Section 2
  3. M.L. 2013, Chapter 52, Section 2
  4. M.L. 2011, First Special Session, Chapter 2, Article 3, Section 2
  5. M.L. 2010, Chapter 362, Section 2
  6. M.L. 2005, First Special Session, Chapter 1, Article 2, Section 11
- Spreadsheet of all research projects completed between January 1, 2015 and December 31, 2016.



## IV. Agency Implementation

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*“recommendations to implement successful projects and programs into a state agency’s standard operations;”*

No recommendations at this time.

## V. Recommendations

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*“to the extent known by the commission, descriptions of the projects anticipated to be supported by the trust fund during the next biennium;”*

There is \$50,828,000 available for expenditure in each year of the FY18-19 biennium from the Environment and Natural Resources Trust Fund (ENRTF) –biennial total available \$101,656,000. The amount available for expenditure is determined by the MN Constitution which states: “The amount appropriated each year of a biennium....may be up to 5.5% of the market value of the fund on June 30 one year before the start of the biennium”. The value of the ENRTF on June 30, 2016 was \$924,152,297.79.

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The list of recommended appropriations totaling \$59,256,000 from the Environment and Natural Resources Trust Fund is provided in “Section V. Recommendations.” The funding levels and the proposed legislative bill were adopted by the LCCMR on November 15, 2016.

## VI. Revenues and Distributions

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*“the source and amount of all revenues collected and distributed by the commission, including all administrative and other expenses;”*

## VII. Assets & Liabilities

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*“a description of the assets and liabilities of the trust fund;”*

The documents include the State Board of Investment  
2015 and 2016 Annual Reports.

## VIII. Findings

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*“any findings or recommendations that are deemed proper to assist the legislature in formulating legislation;”*

No recommendations at this time.

## IX. Gifts and Donations

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*“a list of all gifts and donations with a value over \$1,000;”*

No gifts or donations were received.

## X. Environmental Spending Comparisons

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*“a comparison of the amounts spent by the state for environment and natural resources activities through the most recent fiscal year;”*

The following document “All Funds Biennial Spending by Agency and Fund” prepared by the Minnesota State Senate Office of Senate Counsel, Research, and Fiscal Analysis on 11/22/2016.

## XI. Compliance Audit

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*“a copy of the most recent compliance audit.”*

The most recent compliance audit was released by the Office of the Legislative Auditor on February 11, 2016. The LCCMR has addressed all of the findings and recommendations identified in the audit. A letter dated November 10, 2016 from the University of Minnesota summarizes the joint actions of the LCCMR and University of Minnesota.



# Appendix A

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## Funding Source Reference:

### Environment and Natural Resources Trust Fund

- MN Constitution – Amendment Article 11, Sec. 14
- M.S. 116P

### Great Lakes Protection Account

- M.S. 116Q.02