

ENVIRONMENT AND NATURAL RESOURCES TRUST FUND

Special points of interest:

- \$68.8 million was recommended and approved to go toward 119 projects around the state (ML 2013, ML 2014).
- For FY 2016, \$46.4 million is being recommended to the 2015 Legislature to fund 65 projects around the state. \$46.3 million of FY 2017 funds remain available for recommendation to the 2016 Legislature.
- During 2013-2014, LCCMR provided administration and oversight for 310 individual projects, representing approximately \$191 million in appropriations, in various stages of their timelines, ranging from developing work plans in preparation to begin to reaching completion and submitting final reports.
- LCCMR heard from numerous public and private sector environment and natural resources experts and visited natural resource sites in southwest MN, north central MN, and the Twin Cities metro area

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LEGISLATIVE-CITIZEN COMMISSION ON MINNESOTA RESOURCES (LCCMR) 2013-14 Biennial Report Overview

Overview: January 1, 2013–December 31, 2014

During the period between January 1, 2013 and December 31, 2014 the Legislative-Citizen Commission on Minnesota Resources (LCCMR):

- Submitted and received passage of two annual funding recommendations bills—one each to the 2013 Legislature and 2014 Legislature—providing a total of \$68.8 million to 119 natural resources projects around the state.
- Issued three Requests for Proposal (RFP) to conduct selection process for funding recommendations to the 2014, 2015, and 2016 Legislatures (the process for recommendations to the 2013 Legislature was conducted prior to January 1, 2013).
- Received, reviewed, and evaluated 344 proposals requesting a combined \$237.8 million in response to the 2014 & 2015 RFPs. 136 proposals were selected for recommendation.
- Finalized recommendations to the 2015 Legislature of \$46.4 million to 65 projects around the state (bill introduction after December 31, 2014).
- Conducted peer review process for 37 research projects recommended for funding to the 2013 Legislature (23) and 2014 Legislature (14).
- Provided administration and oversight for 310 open projects, representing approximately \$191 million in appropriations in various



A 136 acre addition, partially funded by the ENRTF, to Blanket Flower Prairie Scientific and Natural Area in Clay County. The site straddles the western prairies and eastern deciduous forests of MN and contains a unique mixture of species *[ML 2010: Complete]*. Photo: MN DNR

stages of their timelines, 98 of which reached completion in 2013-14, including projects begun in 2008 (1), 2009 (5), 2010 (33), 2011 (56), 2013 (2), and 2014 (1).

- Visited several natural resources sites in southwest Minnesota, north central Minnesota, and the Twin Cities metro area.
- Heard from numerous natural resources experts from both the public and private sector.
 - Continued providing long-term support for activities protecting and enhancing Minnesota's natural resources and providing benefits realized over an extended period of time.

LCCMR Process

The LCCMR makes funding recommendations to the MN legislature for special environment and natural resources projects, primarily from the Environment and Natural Resources Trust Fund. These recommendations are the product of a competitive, multi-step proposal and selection process.

Each funding cycle a Request for Proposal (RFP) is issued for funding priorities determined by the Commission based on its 6year strategic plan and ongoing information gathering activities, including expert-led issue seminars and visits to natural resource sites around the state.

The RFP is open to everyone with innovative ideas for environment

and natural resources projects that could provide multiple ecological and other public benefits to Minnesota.

The LCCMR reviews, evaluates, and ranks all proposals submitted. A selection of the highest ranked proposals are invited to present before the LCCMR. Finally, based on the total dollars available, a subset of the proposals are chosen to recommend to the legislature for funding.

The funding recommendations go before the MN House and Senate in the form of a bill, and upon passage the bill goes to the Governor to be signed into law. Funding becomes available to projects beginning July 1 of the next fiscal year. The LCCMR has oversight over projects funded. Projects must have a work plan approved, provide ongoing project updates, and deliver a final report upon project completion.

For the recommendations to the 2015 Legislature, a total of 152 proposals requesting a combined \$126.3 million were received in response to the 2015 RFP and, from those, a total of 65 proposals were recommended for some portion of the \$46.4 million being recommended.

The LCCMR is made up of 17 members: 5 Senators, 5 Representatives, 5 citizens appointed by the governor, 1 citizen appointed by the House, and 1 citizen appointed by the Senate.



About MN's Environment and Natural Resources Trust Fund

The Environment and Natural Resources Trust Fund (ENRTF) is a permanent fund in the state treasury established in the Minnesota Constitution through voter approval in 1988.

It holds assets that can be appropriated by law, "for the public purpose of protection, conservation, preservation, and enhancement of the state's air, water, land, fish, wildlife, and other natural resources."

The ENRTF was created to provide a long-term, consistent, and stable source of funding for innovative activities directed at protecting and enhancing Minnesota's environment and natural resources.

The money in the ENRTF originates from a combination of contributions and investment income. Forty percent of the net proceeds from the Minnesota State Lottery, or ~7 cents of every dollar spent playing the lottery, are contributed to the ENRTF each year. Once deposited, contributions become part of the principal balance and are invested in a combination of stocks and bonds to further grow the fund.

ML 2015: Project Recommendations (to begin July 1, 2015)

FY16 FY17 Habitat NR Admin Admin Restoration Research 1.16% 1.16% Contract 6.82% and Reimburse Analysis Parks 0.29% 30.16% and Trails 9.28% Env Educ, Outreach Demo, and NR Tech Asst Inventory Habitat 12.12% and Acquisition Planning 15.22% 23.80%

Approximately \$46.4 million is being recommended to the MN Legislature to fund 65 individual projects around the state.

Natural Resource Research and Analysis: ~\$14 million to advance our knowledge and provide strategies and recommendations for addressing issues relating to invasive species (includes the launch of a new terrestrial invasive species research center); water resources, species conservation, habitat restoration, agriculture, forestry, renewable energy, climate change, and conservation easements.

Natural Resource Inventory, Monitoring, Mapping, and Planning: ~\$11 million to obtain critical information and guide relevant decisions and efforts, including acceleration of the Biological Survey, County Geologic Atlas, and Wetlands Inventory; natural resource data collection, compilation, and management for plants, wildlife, and ecosystems; surveying and conservation efforts for pollinators and other imperiled species; local recreation and conservation planning; and detection and monitoring of invasive species.

Terrestrial and Aquatic Habitat Acquisition: ~\$7.1 million for acquisition of an estimated 1,314 acres of habitat in a combination of fee title (567 acres) and conservation easements (750 acres).

Environmental Education, Outreach, Demonstration, and Technical Assistance: ~\$5.6 million for efforts that will engage and educate Minnesotans on topics including ecology, plants and wildlife, water resources, agricultural and forestry practices, renewable energy, resource reuse, and habitat protection and restoration.

Parks and Trails Acquisition and Development: ~\$4.3 million for acquisition of ~470 acres in state and metropolitan regional parks and trails, development of state parks and local recreational sites, and construction of the Mesabi Trail in northern MN.

Terrestrial and Aquatic Habitat Restoration and Improvement: ~\$3.2 million for restoration and improvement activities on ~2,700 acres.

Other: ~\$1.2 million for FY 2016 (\$536,000) and FY 2017 (\$536,000) LCCMR administration and contract agreement reimbursement services for projects by non-state entities (\$135,000).



Poweshiek Skipperling (*Pediomelum esculentum*)—a native MN prairie butterfly recently listed as an endangered species. An ENRTF project attempting to protect this species is one of seven pollinator related ENRTF projects begun in 2013-2014 [*ML 2014: Underway*]. Photo: MN DNR

Approximately \$30.4 million was wildlife, p appropriated to fund 72 individual projects around the state. sions, wat

Natural Resource Research and Analysis: Natural Resource Research and Analysis: ~\$14.6 million to advance our knowledge and provide strategies and recommendations for addressing issues relating to invasive species, water quality and conservation, land management; wastewater treatment, species conservation, agricultural practices, resource reuse, and renewable energy.

Environmental Education, Outreach, Demonstration, and Technical Assistance: ~\$5.4 million for efforts that will engage and educate Minnesotans on topics including invasive species, climate change, ecology, plants and wildlife, pollinators, outdoor recreation, natural resource professions, water quality, renewable energy, and conservation.

ML 2014: Projects Funded & Underway (MN Laws 2014, Chapter 226)

Parks and Trails Acquisition and Development: ~\$4.3 million for acquisition of ~255 acres for metropolitan parks, development of a local park and local trail in southwest MN, and construction of the Mesabi Trail in northern MN.

Natural Resource Inventory, Monitoring, Mapping, and Planning: ~\$3.6 million to obtain critical information and guide relevant decisions and efforts, including updating statewide land cover maps; completing the MN Breeding Bird Atlas; surveying for pollinators and other species; assembly and management of datasets pertaining to spring resources, public drainage systems, forestry, and ecology; evaluation of restoration methods; seed source preservation; detection and monitoring of invasive species; and implementation of a variety of local planning efforts.

Terrestrial and Aquatic Habitat Restoration and Improvement: ~\$1.2 million for restoration and improvement activities on ~1,440 acres and 0.6 miles of shoreline.

Terrestrial and Aquatic Habitat Acquisition: ~\$1.1 million for acquisition of an estimated 240 acres of habitat in fee title.

Other: ~\$100,000 for ENRTF project administration and data management improvements and \$135,000 for contract agreement reimbursement services for projects by non-state entities.

ML 2013: Projects Funded & Underway (MN Laws 2013, Chapter 52)

Approximately \$38.2 million was appropriated to fund 46 individual projects around the state.

Natural Resource Inventory, Monitoring, Mapping, and Planning: ~\$8.4 million to obtain critical information and guide relevant decisions and efforts, including acceleration of the Biological Survey, County Geologic Atlas, Wetlands Inventory, and springshed mapping; expanded monitoring and management of state-owned lands; surveying, monitoring, and modeling of MN lakes; and detection and monitoring of invasive species.

Terrestrial and Aquatic Habitat Acquisition: ~\$2.9 million for acquisition of an estimated 912 acres of habitat in a combination of fee title (130 acres) and conservation easements (782 acres).

Terrestrial and Aquatic Habitat Restoration and Improvement: ~\$2.3 million for restoration and improvement activities on ~9,289 acres and 6 miles of shoreline.

Parks and Trails Acquisition: ~\$4.5 million for acquisition of ~287 acres in state parks, state trails, a metropolitan park, and the MN Landscape Arboretum.

Natural Resource Research and Analysis: ~\$12.5 million to advance our knowledge and provide strategies and recommendations for addressing issues relating to invasive species, water quality and conservation, bioremediation, wastewater treatment, renewable energy, forestry, species protection, and conservation grazing.

Environmental Education, Outreach, Demonstration, and Technical Assistance: ~\$6.5 million for efforts that will engage and educate Minnesotans on topics including ecology, plants and wildlife, land protection, outdoor recreation, alternative landscape practices, invasive species, and natural resource conservation and management.

Other: ~\$1.1 million for FY 2014-2015 LCCMR administration (\$990,000) and contract agreement reimbursement services for projects by non-state entities (\$135,000).



Iron oxide mats in Soudan Underground Mine State Park. Unique properties of microorganisms living in this ecosystem are being studied for applications in bioremediation, bioenergy, and for biocontrol of white nose syndrome in bats [*ML* 2010: Complete; *ML* 2013: Underway]. Photo: U of MN

Projects Completed: January 1, 2013–December 31, 2014

Between January 1, 2013 and December 31, 2014, a total of 98 projects funded by the Environment and Natural Resources Trust Fund reached completion. This includes projects begun in 2008 (1), 2009 (5), 2010 (33), 2011 (56), 2013 (2), and 2014 (1).

Major accomplishments resulting from the projects completed include:

 Foundational natural resource data acquired and plans developed pertaining to wetlands, soils, groundwater, ecosystem services, conservation easements, habitat protection, springsheds, conservation planning, alternative landscape practices, and ecology and species distributions around the state

- Expansion of parks and other outdoor recreation opportunities throughout the state, including 787 acres added to state parks, regional parks, and local natural areas and various improvements to state parks.
- *Habitat protection* of approximately 3,139 acres of land and habitat through fee title (702 acres) and conservation easement (2,437 acres) acquisition.
- *Habitat restoration* activities performed on over 13,000 acres.

- Research and analysis furthering goals for invasive species control, ecosystem health, pollinator decline, bioenergy, species conservation, understanding climate change impacts, and water quality protection.
- Education, outreach, and technical assistance efforts on habitat restoration, ecology, LiDAR, sustainable natural resource uses and practices, renewable energy and energy conservation, climate change, land conservation and stewardship, alternative landscape practices, invasive species, conservation programs, outdoor recreation, and water resources.



Tetrastichus planipennisi, a type of wasp that parasitizes emerald ash borer (EAB) - ENRTF funded efforts are releasing this wasp in MN as an approved biocontrol for EAB [*ML 2011: Complete; ML 2014: Underway*]. Photo: MN Dept. of Ag.

Highlights of Projects Completed or Underway: 2013-2014

Pollinator Projects *[ML 2010: Complete; ML 2013, ML 2014: Underway]:* In 2013-2014, one pollinator related project ended and seven new projects began. The various efforts are focused on enhancing pollinator habitat, increasing pollinator populations, conducting pollinator surveys, researching causes behind pollinator decline, and engaging citizens on the topic of pollinators.

Terrestrial Invasive Plants and Pest Center and Aquatic Invasive Species Research Center [ML 2012, ML 2013, ML 2014: Underway; ML 2015: Proposed]: Launch of both a new terrestrial invasive species (TIS) research center and a new first-ofits-kind aquatic invasive species (AIS) research center at the U of MN to develop new tools to measure, control, and solve TIS and AIS problems statewide.

Scientific and Natural Areas (SNA) [ML 2010, ML 2011: Complete; ML 2013, ML 2014: Underway]: Ongoing efforts preserving MN's biodiversity and most unique natural features and resources for scientific study, public education, and outdoor recreation through land protection and restoration. ML 2010 and ML 2011 funds established two new SNAs

and added acres to two others for a total of 352 acres while conducting restoration activities on

~7,400 acres at SNAs around the state. Additionally, the ML 2011 successfully launched a new initiative aimed at increasing citizen involvement with the SNA system.

MN Soil Survey Completion [*ML 2011: Complete]:* County-bycounty analysis and mapping of the state's soils providing critical data for protecting and managing MN habitat, wetlands, and water resources. The ML 2011 funding completed a multi-decade effort to update and digitize the survey for the entire state.



Plains hognose snake (*Heterodon nasicus*), a species of concern in MN found at widely scattered locations in a limited number of counties in the state. The MN Biological Survey, funded by the ENRTF since 1991, has done extensive surveying for the species [*ML 2011: Complete; ML 2013: underway, ML 2015: Recommended*]. Photo: MN DNR





Legislative-Citizen Commission on Minnesota Resources (LCCMR)

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About LCCMR

The LCCMR is made up of 17 members (5 Senators, 5 Representatives, 5 citizens appointed by governor, 1 citizen appointed by House, and 1 citizen appointed by Senate). The function of the LCCMR is to make funding recommendations to the Minnesota Legislature for special environment and natural resource projects, primarily from the Environment and Natural Resources Trust Fund. These projects help maintain and enhance Minnesota's environment and natural resources. The LCCMR developed from a program initiated in 1963. Since 1963, over \$800 million has been appropriated to more than 1,800 projects recommended by the Commission to protect and enhance Minnesota's environment and natural resources.

Commission Members Serving During 2013-2014

Jeff Broberg (Co-Vice Chair)—Appointed by the House Tom Cook—Appointed by the Governor [Term ended: June 2014] Sen. Gary Dahms (Co-Vice Chair) Sen. Kari Dziedzic William Faber-Appointed by the Governor Rep. Dan Fabian Nancy Gibson (Co-Chair)—Appointed by the Governor Bonnie Harper-Lore-Appointed by the Governor John Herman-Appointed by the Senate [Term ended: May 2014] Sen. John Hoffman Gary Lamppa—Appointed by the Senate [Term began: May 2014] Rep. Leon Lillie Norman Moody-Appointed by the Governor Rep. John Persell Sen. David Tomassoni (Co-Chair) Rep. Paul Torkelson (Co-Vice Chair) Rep. Jean Wagenius (Co-Chair) Sen. Torrey Westrom Della Young-Appointed by the Governor [Term began: June 2014]

Information Gathering: Jan 1, 2013–Dec 31, 2014



Algae being grown using nutrients in wastewater for biofuel production—part of a multi-phase ENRTF-funded U of MN research effort in partnership with public utilities and private industry—LCCMR site visit, 07/29/14 [ML 2010: Complete: ML 2014: Underway].

In 2013-14, the LCCMR engaged in several activities that informed its priorities for the projects it recommended for funding to the 2013 MN Legislature. Natural resources sites around the state were visited:

 2013 included a visit to southwest MN to learn about topics including water quality, invasive species, habitat protection and management, state and local parks, geology, and wildlife; and a visit to north central MN to learn about topics including water contaminants, groundwater, shoreland protection, forestry, lake management, ecology, state parks, and invasive species.

2014 included a visit to metro area sites to learn about topics including invasive species, outdoor education, river ecosystems, wastewater treatment, state and local parks, and bioenergy.

In addition to the presentations heard on site visits and 170 interactive presentations the LCCMR chose to hear on a spectrum of topics from project proposers responding to the RFPs during this period, the LCCMR also heard several presentations and expert-led issue seminars on topics including:

- Aquatic and terrestrial invasive species
- Water sustainability
- Conservation easements
- Ballast water treatment

• Updates from current and completed projects pertaining to geologic atlases, soil survey, climate change, and measuring conservation outcomes.



LCCMR experiencing ENRTF-funded initiative providing disadvantaged youth with hands-on outdoor education and recreational experiences—LCCMR site visit, 07/29/14 [ML 2010: Complete; ML 2013: Underway; ML 2014: Underway].

2016 Request for Proposal (RFP)

The LCCMR issued its 2016 Request for Proposal (RFP) for funding on December 16, 2014. Proposals are due May 11, 2015.

This is for funding from the Environment and Natural Resources Trust Fund beginning July 1, 2016.

For FY 2017, approximately \$46.3 million is expected to remain available for project recommendations to the 2016 Minnesota Legislature.

The RFP is available at <u>http://www.lccmr.leg.mn</u>.



23 acres in additions, funded by the ENRTF, to Crow Wing State Park, providing additional recreational opportunities and shoreline protection for the Crow Wing River—LCCMR site visit, 07/17/13 [ML 2010: Complete; ML 2011: Underway].