



Minnesota Watersheds

2023 Legislative Session

Legislative Update

March – early April, 2023

By Ray Bohn

With the 2023 Legislative Session over half complete, legislative committees are working hard to finish their finance bills by 5:00 pm today, April 4, 2023. All omnibus finance bills must be reported out of their respective committees to their respective overall finance committees, Ways and Means in the House and the Finance Committee in the Senate.

When the members return from their break on April 11, they will launch headlong into moving the omnibus finance and policy bills through these committees to the floor for floor action. After floor votes on the bills, they will be matched up and referred to various conference committees for final action.

However, several obstacles remain. First, the Senate is passing separate finance and policy bills, but the House is passing joint bills. How that issue will be resolved is yet to be determined. The second obstacle is how the committee conference committees will be structured In other words, which omnibus bills are joined together to create a single conference committee? The need to appoint fewer conference committees is simply the result of not enough people to staff separate conference committees for each topic area.

As always, we are sure all will be worked out and the work will go on. It does make it more challenging though!

The taxes bills in both houses' are still in progress and they continue to hear bills. Both taxes committees will begin putting together their final omnibus bills from each body in the next few weeks. **We have been assured that our general levy fund bill increase will be heard after the break for possible inclusion in the Senate Taxes omnibus bill.** Because the House Environment Committee would not hear our general levy fund bill, we will need to get the general levy bill in the Senate omnibus bill for consideration in the taxes conference committee.

As expected, the drainage registry bill was put into the House Environment Omnibus bill but not in the Senate Environment Committee. The Senate agreed with us that this issue needs to return to the Drainage Work Group (DWG) to be further negotiated and agreed to by all stakeholders. This too will be settled in conference committee. Drainage authorities, farm groups, and drainage industry stakeholders continue to stand firmly against this proposal unless agreed to by the DWG.

The bonding and capital investment general fund bill were stalled in the Senate when the bonding bill ([SF676](#)) was defeated on the Senate floor (3/5th majority vote needed for passage). The general fund bill then was not heard. The DFL majority then announced that they plan on combining the capital investment bills into one large general fund bill (cash) all for capital investments. The GOP wants additional tax reductions before agreeing to use bonding for a capital investment bill. They view this strategy as the only leverage they have over DFL actions. This legislation includes funding for numerous needed flood hazard mitigation projects as well as other capital projects for several watershed districts. So, it does appear that we will have a capital investment bill this year of some sort.

As we move into the final phase of the session most viable bills will be incorporated into the appropriate omnibus bill for final consideration. Below are the omnibus bills of interest and which bills of interest to watersheds are incorporated within those bills:

Pertinent watershed legislation pending:

[HF2310](#) w/delete all amend); Hansen – House Environment and Natural Resources Omnibus Finance and Policy bill. Passed with amendments to the House Ways and Means Committee. The bill includes:

- [HF2354](#); Pursell. Drainage Registry legislation is included in the House omnibus bill.
- [HF1828](#); Hansen. BWSR agency bill including clarifying language that watershed district managers, rather than BWSR, established by order certain watershed district projects.

[SF 2904](#); Hawj – Omnibus Environment and Natural Resources Policy Bill. Passed as amended to the Senate Floor. The bill includes:

- [SF1983](#); Hawj. BWSR agency bill including clarifying language that watershed district managers, rather than BWSR, established by order certain watershed district projects.
- [SF1033](#); Kupec. \$36,000 funding for Red River Watershed Management Board mediation.

[HF1999](#); Lillie – House Legacy Finance Bill. Heard in the Ways and Means Committee and passed to the floor as amended.

- Amended to change Clean Water Fund recommendations to legislature instead of Governor and move to an annual funding cycle. Minnesota Watersheds opposes this provision. Joint written testimony in opposition to this change was submitted by the Association of Minnesota Counties, Minnesota Association of Soil and Water Conservation Districts, and Minnesota Watersheds.
- Projects must assess whether the funding celebrates cultural diversity or reaches diverse communities.

[SF1682](#); Hawj – Clean water, parks and trails, and cultural heritage funds appropriation. Will be heard Tuesday, April 4, 2023 in the Environment, Climate, and Legacy Committee and passed to the Finance committee.

HF669; Lee – Bonding Bill. Passed the floor and was sent to the Senate for action. Bonding appropriation \$1.9 Billion.

- Flood Hazard Mitigation Total \$37,644 M
- Undesignated \$15,000 M
- Red River Valley \$5,000 M
- Shell Rock River Watershed District – Fountain Lake Project \$9,000 M
- Local Wetlands Replacement \$12,000 M
- RIM CREP \$ \$10,700 M
- Area II Flood Hazard Mitigation \$1,500 M – General Fund
- Lower MN River Watershed District \$2,750 M
- Total \$1,942 Both Bills

HF670; Lee – Cash capital investment bill. Appropriates general fund money to a variety of capital projects. Passed and sent to the Senate.

SF676; Pappas – Bonding, bonds issued. Heard on the Senate floor and defeated (requires at 3/5th vote). Bonding appropriation. Majority party has indicated they will bring a revised all-cash capital investment bill to the floor for vote. Included in the bill are:

- Flood Hazard Mitigation: \$34,144 M
- Red River Watershed Management Board: \$5,000 M
- Flood Hazard Mitigation Undesignated \$15,000 M
- Shell Rock River Watershed District – Fountain Lake Project \$9,000 M
- Local Road Wetlands \$12,000 M
- MN CREP \$ \$10,700 M
- Area II Flood Hazard Mitigation \$1,500 M – General Fund
- Lower MN River Watershed District: \$2,700 M
- Total Both Bills \$1,942 B

SF677; Pappas – Capital Investment bill, general fund appropriation. On Senate floor but no action taken.