



STATE OF MINNESOTA

Office of Governor Mark Dayton

130 State Capitol ♦ 75 Rev. Dr. Martin Luther King Jr. Boulevard ♦ Saint Paul, MN 55155

May 30, 2017

The Honorable Michelle L. Fischbach
President of the Senate
Room 2113, Minnesota Senate Building
95 University Avenue W.
Saint Paul, Minnesota 55155

Dear Madam President:

Please be advised I have received, approved, signed, and deposited in the Office of the Secretary of State Chapter 93, Senate File 844.

I am pleased that an agreement was reached on this bill since there were many items in the original bill proposed by the Legislature that I found objectionable. Those items have largely been removed or altered to my satisfaction, and the budget proposed in this bill adequately funds environmental agencies to continue to protect the air, water, and land of our state. This bill also sufficiently funds the vital programs needed to allow Minnesotans to enjoy and utilize our state's abundant natural resources. Thank you for working with me to find a practical compromise.

Through frequent discussions with stakeholders and legislators, we have together achieved an approach to keeping Minnesota's buffer law strong. The November 2017 deadline to install water quality buffers on lands adjacent to public waters and the November 2018 deadline for lands adjacent to public ditches will not change. Also, the Legislature and I worked together to provide additional flexibility to farmers and landowners who require financial and technical assistance to comply with the clean-water-buffer standards and are making good faith efforts with their local Soil and Water Conservation District (SWCD).

Under the new law, in the case of hardships a landowner commits to a compliance plan with their local SWCD by November 1, 2017, and has until July 1, 2018 to implement their buffer or alternative practice. The waiver allows up to eight months to work collaboratively with their local SWCD to implement and approve alternative practices. The law was clarified on alternative practices to include the common practices the Board of Water Soil Resources (BWSR) adopted this spring and it clarifies that landowners can still work with their SWCD on individual site specific practices.

This bill leaves future work for the Legislature to address stable funding for SWCDs and to fully fund the Conservation Reserve Enhancement Program (CREP). Rooted in our local communities, SWCDs support landowners' work to protect our soil and the quality of our water. They deserve and require certainty to retain staff and provide consistent services.

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While the Clean Water Fund meets immediate needs for SWCD funding, a long term solution is needed. The CREP program will support landowners' implementation of buffers and wellhead protection to protect our lakes, rivers, and drinking water. The tradeoff to reduce my request for CREP funding in order to fund SWCDs through the Clean Water Fund was disappointing. However, I was very pleased to set up the possibility of a payback in the event of a positive forecast in November. I expect that with a positive forecast, the Clean Water Fund payback of \$22 million will restore the remainder of my 2017 recommendations including \$17.25 million to CREP. Additionally, in 2018 I will be submitting a bonding request that will assure that CREP is fully funded. It would be my hope that we invest funds in CREP to leverage the maximum federal funding to support Minnesota farmers.

There are many compromises on policy in this bill that will make some environmental and citizen stakeholders unhappy. I am aware of these valid complaints and will continue to be watchful for any future proposals that would erode public participation, jeopardize water quality and environmental protection, prevent agencies from exercising science-based decisions, or intrusively legislate administrative requirements.

Sincerely,

Mark Dayton
Governor

cc: Senator Paul E. Gazelka, Senate Majority Leader
Senator Thomas M. Bakk, Senate Minority Leader
Senator Bill Ingebrigtsen, Minnesota Senate
Representative Kurt Daudt, Speaker of the House
Representative Melissa Hortman, House Minority Leader
Representative Dan Fabian, House of Representatives
The Honorable Steve Simon, Secretary of State
Mr. Cal R. Ludeman, Secretary of the Senate
Mr. Patrick Murphy, Chief Clerk of the House of Representatives
Mr. Paul Marinac, Revisor of Statutes