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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. **1326**

03/02/2015 Authored by McNamara and Backer

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy and Finance

03/12/2015 Adoption of Report: Amended and re-referred to the Committee on Government Operations and Elections Policy

1.1 A bill for an act  
1.2 relating to environment; modifying public entity purchasing requirements;  
1.3 modifying solid waste provisions; modifying subsurface sewage treatment  
1.4 systems provisions; modifying compensable losses due to harmful substances;  
1.5 modifying eligibility for certain grants; requiring rulemaking; amending  
1.6 Minnesota Statutes 2014, sections 16C.073, subdivision 2; 115.55, subdivision  
1.7 1; 115.56, subdivision 2; 115A.93, subdivision 1; 115B.34, subdivision 2;  
1.8 446A.073, subdivisions 1, 3, 4.

1.9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.10 Section 1. Minnesota Statutes 2014, section 16C.073, subdivision 2, is amended to read:

1.11 Subd. 2. ~~Purchases; printing.~~ (a) Whenever practicable, a public entity shall:

1.12 (1) purchase uncoated copy paper, office paper, and printing paper;

1.13 (2) purchase recycled content copy paper with at least ~~ten~~ 30 percent postconsumer  
1.14 material by weight and purchase printing and office paper with at least ten percent  
1.15 postconsumer material by weight;

1.16 (3) purchase copy, office, and printing paper which has not been dyed with colors,  
1.17 excluding pastel colors;

1.18 (4) purchase recycled content copy, office, and printing paper that is manufactured  
1.19 using little or no chlorine bleach or chlorine derivatives;

1.20 ~~(5) use no more than two colored inks, standard or processed, except in formats~~  
1.21 ~~where they are necessary to convey meaning;~~

1.22 ~~(6)~~ (5) use reusable binding materials or staples and bind documents by methods  
1.23 that do not use glue;

1.24 ~~(7)~~ (6) use soy-based inks;

1.25 ~~(8)~~ (7) produce reports, publications, and periodicals that are readily recyclable  
1.26 ~~within the state resource recovery program; and~~

2.1 ~~(9)~~ (8) purchase paper which has been made on a paper machine located in Minnesota.

2.2 (b) Paragraph (a), clause (1), does not apply to coated paper that is made with at  
2.3 least 50 percent postconsumer material.

2.4 (c) A public entity shall print documents on both sides of the paper where commonly  
2.5 accepted publishing practices allow.

2.6 ~~(d) Notwithstanding paragraph (a), clause (2), and section 16C.0725, copier paper~~  
2.7 ~~purchased by a state agency must contain at least ten percent postconsumer material by~~  
2.8 ~~fiber content.~~

2.9 Sec. 2. Minnesota Statutes 2014, section 115.55, subdivision 1, is amended to read:

2.10 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to sections  
2.11 115.55 to 115.56.

2.12 (b) "Advisory committee" means the Advisory Committee on Subsurface Sewage  
2.13 Treatment Systems established under the subsurface sewage treatment system rules. The  
2.14 advisory committee must be appointed to ensure geographic representation of the state  
2.15 and include elected public officials.

2.16 (c) "Applicable requirements" means:

2.17 (1) local ordinances that comply with the subsurface sewage treatment system rules,  
2.18 as required in subdivision 2; or

2.19 (2) in areas without compliant ordinances described in clause (1), the subsurface  
2.20 sewage treatment system rules.

2.21 (d) "Building sewer connected to a subsurface sewage treatment system" means the  
2.22 pipe that connects a structure to a subsurface sewage treatment system. Building sewers  
2.23 connected to subsurface sewage treatment systems are codefined as both plumbing and  
2.24 subsurface sewage treatment system components.

2.25 ~~(d)~~ (e) "City" means a statutory or home rule charter city.

2.26 ~~(e)~~ (f) "Commissioner" means the commissioner of the Pollution Control Agency.

2.27 ~~(f)~~ (g) "Dwelling" means a building or place used or intended to be used by human  
2.28 occupants as a single-family or two-family unit.

2.29 ~~(g)~~ (h) "Subsurface sewage treatment system" or "system" means a sewage treatment  
2.30 system, or part thereof, that uses subsurface soil treatment and disposal, or a holding tank,  
2.31 serving a dwelling, other establishment, or a group thereof, and that does not require a  
2.32 state permit. Subsurface sewage treatment system includes a building sewer connected  
2.33 to a subsurface sewage treatment system.

2.34 ~~(h)~~ (i) "Subsurface sewage treatment system professional" means an inspector,  
2.35 installer, designer, service provider, or maintainer.

3.1 ~~(i)~~ (j) "Subsurface sewage treatment system rules" means rules adopted by the  
 3.2 agency that establish minimum standards and criteria for the design, location, installation,  
 3.3 use, maintenance, and closure of subsurface sewage treatment systems.

3.4 ~~(j)~~ (k) "Inspector" means a person who inspects subsurface sewage treatment  
 3.5 systems for compliance with the applicable requirements.

3.6 ~~(k)~~ (l) "Installer" means a person who constructs or repairs subsurface sewage  
 3.7 treatment systems.

3.8 ~~(l)~~ (m) "Local unit of government" means a township, city, or county.

3.9 ~~(m)~~ (n) "Performance-based system" means a system that is designed specifically  
 3.10 for environmental conditions on a site and is designed to adequately protect the public  
 3.11 health and the environment and provide consistent, reliable, long-term performance. At a  
 3.12 minimum, a performance based system must ensure that applicable water quality standards  
 3.13 are met in both ground and surface water that ultimately receive the treated sewage.

3.14 ~~(n)~~ (o) "Maintainer " means a person who removes solids and liquids from and  
 3.15 maintains and repairs components of subsurface sewage treatment systems including, but  
 3.16 not limited to, sewage, aerobic, and holding tanks.

3.17 ~~(o)~~ (p) "Seasonal dwelling" means a dwelling that is occupied or used for less than  
 3.18 180 days per year and less than 120 consecutive days.

3.19 ~~(p)~~ (q) "Septic system tank" means any covered receptacle designed, constructed,  
 3.20 and installed as part of a subsurface sewage treatment system.

3.21 ~~(q)~~ (r) "Designer" means a person who:

3.22 (1) investigates soils and site characteristics to determine suitability, limitations, and  
 3.23 sizing requirements; and

3.24 (2) designs subsurface sewage treatment systems.

3.25 ~~(r)~~ (s) "Straight-pipe system" means a sewage disposal system that transports raw or  
 3.26 partially treated sewage directly to a lake, a stream, a drainage system, or ground surface.

3.27 Sec. 3. Minnesota Statutes 2014, section 115.56, subdivision 2, is amended to read:

3.28 Subd. 2. **License required.** (a) Except as provided in paragraph (b), a person may  
 3.29 not design, install, maintain, pump, inspect, or provide service to a subsurface sewage  
 3.30 treatment system without a license issued by the commissioner. Licenses issued under this  
 3.31 section allow work on subsurface sewage treatment systems that do not require a state  
 3.32 permit using prescriptive designs and design guidances provided by the agency. Licensees  
 3.33 who design systems using these prescriptive designs and design guidances are not subject  
 3.34 to the additional licensing requirements of section 326.03.

4.1 (b) A license is not required for a person who complies with the applicable  
4.2 requirements if the person is:

4.3 (1) a qualified employee of state or local government who is a certified professional;

4.4 (2) an individual who constructs a subsurface sewage treatment system on land that  
4.5 is owned or leased by the individual and functions solely as the individual's dwelling or  
4.6 seasonal dwelling, unless specifically disallowed in local ordinance. A person constructing  
4.7 a subsurface sewage treatment system under this clause must comply with all local  
4.8 administrative and technical requirements. In addition, the system must be inspected  
4.9 before being covered and a compliance report must be provided to the local unit of  
4.10 government after the inspection;

4.11 (3) a farmer who pumps and disposes of sewage waste from subsurface sewage  
4.12 treatment systems, holding tanks, and privies on land that is owned or leased by the  
4.13 farmer; or

4.14 (4) an individual who performs labor or services for a licensed business under this  
4.15 section in connection with the design, installation, operation, pumping, or inspection of a  
4.16 subsurface sewage treatment system at the direction and under the personal supervision of  
4.17 a person certified under this section.

4.18 (c) The commissioner, in conjunction with the University of Minnesota Extension  
4.19 Service or another higher education institution, shall ensure adequate training and design  
4.20 guidance exists for subsurface sewage treatment system certified professionals.

4.21 (d) The commissioner shall conduct examinations to test the knowledge of applicants  
4.22 for certification and shall issue documentation of certification.

4.23 (e) Licenses may be issued only upon submission of general liability insurance, a  
4.24 corporate surety bond in the amount of at least ~~\$10,000~~ \$25,000, and the name of the  
4.25 individual who will be the designated certified individual for that business. The bond may  
4.26 be for both plumbing work and subsurface sewage treatment work if the bond complies  
4.27 with the requirements of this section and satisfies the requirements and references  
4.28 identified in section 326B.46, subdivision 2.

4.29 (f) Local units of government may not require additional local licenses for  
4.30 subsurface sewage treatment system businesses.

4.31 (g) No other professional license under section 326.03 is required to design, install,  
4.32 maintain, inspect, or provide service for a subsurface sewage treatment system that does  
4.33 not require a state permit using prescriptive designs and design guidances provided by  
4.34 the agency if the system designer, installer, maintainer, inspector, or service provider  
4.35 is licensed under this subdivision and the local unit of government has not adopted  
4.36 additional requirements.

5.1 Sec. 4. Minnesota Statutes 2014, section 115A.93, subdivision 1, is amended to read:

5.2 Subdivision 1. **License and registration required; reporting.** (a) A person may  
5.3 not collect mixed municipal solid waste for hire without a license from the jurisdiction  
5.4 where the mixed municipal solid waste is collected. The local licensing entity shall submit  
5.5 a list of licensed collectors to the agency.

5.6 (b) A person may not collect recyclable materials for hire unless registered with the  
5.7 agency. If a person is licensed under paragraph (a), the person need not register with  
5.8 the agency under this paragraph.

5.9 (c) The agency, in consultation with the Solid Waste Management Coordinating  
5.10 Board, the Association of Minnesota Counties, the Minnesota Solid Waste Administrators  
5.11 Association, and representatives from the waste industry shall, by July 1, 2016, develop  
5.12 uniform short and long reporting forms that will reduce duplicative reporting to  
5.13 governmental units by collectors of solid waste and recyclable materials.

5.14 (d) A collector of mixed municipal solid waste or recyclable materials shall separately  
5.15 report to the agency on an annual basis information including, but not limited to, the  
5.16 quantity of mixed municipal solid waste and the quantity of recyclable materials collected:

5.17 (1) from commercial customers;

5.18 (2) from residential customers;

5.19 (3) by county of origin; and

5.20 (4) by destination of the material.

5.21 Sec. 5. Minnesota Statutes 2014, section 115B.34, subdivision 2, is amended to read:

5.22 Subd. 2. **Property damage losses.** (a) Losses compensable by the fund for property  
5.23 damage are limited to the following losses caused by damage to the principal residence of  
5.24 the claimant:

5.25 (1) the reasonable cost of replacing or decontaminating the primary source of  
5.26 drinking water for the property not to exceed the amount actually expended by the  
5.27 claimant or assessed by a local taxing authority, if the Department of Health has confirmed  
5.28 that the remedy provides safe drinking water and advised that the water not be used for  
5.29 drinking or determined that the replacement or decontamination of the source of drinking  
5.30 water was necessary, up to a maximum of \$25,000;

5.31 (2) the reasonable cost to install a mitigation system for the claimant's principal  
5.32 residence, not to exceed the amount actually expended by the claimant, if the agency has  
5.33 recommended such installation to protect human health due to soil vapor intrusion into  
5.34 the residence from releases of harmful substances. Reimbursement of eligible claims  
5.35 shall not exceed \$25,000;

6.1           (2) (3) losses incurred as a result of a bona fide sale of the property at less than  
6.2 the appraised market value under circumstances that constitute a hardship to the owner,  
6.3 limited to 75 percent of the difference between the appraised market value and the selling  
6.4 price, but not to exceed \$25,000; and

6.5           (3) (4) losses incurred as a result of the inability of an owner in hardship circumstances  
6.6 to sell the property due to the presence of harmful substances, limited to the increase in  
6.7 costs associated with the need to maintain two residences, but not to exceed \$25,000.

6.8           (b) In computation of the loss under paragraph (a), clause (3) (4), the agency shall  
6.9 offset the loss by the amount of any income received by the claimant from the rental  
6.10 of the property.

6.11           (c) For purposes of paragraph (a), the following definitions apply:

6.12           (1) "appraised market value" means an appraisal of the market value of the property  
6.13 disregarding any decrease in value caused by the presence of a harmful substance in  
6.14 or on the property; and

6.15           (2) "hardship" means an urgent need to sell the property based on a special  
6.16 circumstance of the owner including catastrophic medical expenses, inability of the owner  
6.17 to physically maintain the property due to a physical or mental condition, and change of  
6.18 employment of the owner or other member of the owner's household requiring the owner  
6.19 to move to a different location.

6.20           (d) Appraisals are subject to agency approval. The agency may adopt rules  
6.21 governing approval of appraisals, criteria for establishing a hardship, and other matters  
6.22 necessary to administer this subdivision.

6.23           Sec. 6. Minnesota Statutes 2014, section 446A.073, subdivision 1, is amended to read:

6.24           Subdivision 1. **Program established.** When money is appropriated for grants  
6.25 under this program, the authority shall award grants up to a maximum of \$3,000,000 to  
6.26 governmental units to cover up to one-half the cost of ~~wastewater treatment or storm water~~  
6.27 infrastructure projects made necessary by:

6.28           (1) a wasteload reduction prescribed under a total maximum daily load plan required  
6.29 by section 303(d) of the federal Clean Water Act, United States Code, title 33, section  
6.30 1313(d);

6.31           (2) a phosphorus concentration or mass limit which requires discharging one  
6.32 milligram per liter or less at permitted design flow which is incorporated into a permit  
6.33 issued by the Pollution Control Agency;

7.1 (3) any other water quality-based effluent limit established under section 115.03,  
7.2 subdivision 1, paragraph (e), clause (8), and incorporated into a permit issued by the  
7.3 Pollution Control Agency that exceeds secondary treatment limits; or

7.4 (4) a total nitrogen limit of ten milligrams per liter or less for a land-based treatment  
7.5 system.

7.6 Sec. 7. Minnesota Statutes 2014, section 446A.073, subdivision 3, is amended to read:

7.7 Subd. 3. **Project priorities.** When money is appropriated for grants under this  
7.8 program, the authority shall accept applications during the month of July and reserve  
7.9 money for projects expected to proceed with construction by the end of the fiscal year in  
7.10 the order listed on the Pollution Control Agency's project priority list and in an amount  
7.11 based on the cost estimate submitted to the authority in the grant application or the as-bid  
7.12 costs, whichever is less. Notwithstanding Minnesota Rules, chapter 7077, the Pollution  
7.13 Control Agency may rank a drinking water infrastructure project on its project priority list  
7.14 that is necessary to meet the applicable requirement in subdivision 1.

7.15 Sec. 8. Minnesota Statutes 2014, section 446A.073, subdivision 4, is amended to read:

7.16 Subd. 4. **Grant approval.** The authority must make a grant for an eligible project  
7.17 only after:

7.18 (1) the applicant has submitted the as-bid cost for the ~~wastewater treatment or storm~~  
7.19 water infrastructure project;

7.20 (2) the Pollution Control Agency has approved the as-bid costs and certified the  
7.21 grant eligible portion of the project; and

7.22 (3) the authority has determined that the additional financing necessary to complete  
7.23 the project has been committed from other sources.

7.24 Sec. 9. **REQUIRED RULEMAKING; SUBSURFACE SEWAGE TREATMENT**  
7.25 **SYSTEMS.**

7.26 The commissioner of the Pollution Control Agency shall adopt rules, using the  
7.27 expedited rulemaking process in Minnesota Statutes, section 14.389, that set forth  
7.28 procedures to conform with the changes to Minnesota Statutes, chapter 115, under this act  
7.29 and to streamline the subsurface sewage treatment system (SSTS) license application and  
7.30 renewal process in a manner that:

7.31 (1) surety bond and insurance requirements of licensed SSTS businesses meet the  
7.32 requirements of Minnesota Statutes, chapter 115 and section 326B.46, subdivision 2; and

- 8.1 (2) properly trained SSTS installers may complete work on a building sewer with  
8.2 respect to the Plumbing Code and plumbing program and SSTS designers and inspectors  
8.3 may complete work on a building sewer connected to an SSTS with respect to the  
8.4 Plumbing Code and plumbing program.