

# Minnesota Agricultural Wetland Bank

## “Grandfathered” Bank Sites and Associated Policies

### Background.

On June 26, 2013, the Minnesota Board of Water and Soil Resources (BWSR) and the USDA Natural Resources Conservation Service (NRCS) signed an interagency agreement establishing specific criteria for use of the Agricultural Wetland Bank. This Memorandum of Understanding (MOU) includes criteria related to the Bank Service Areas and wetland replacement ratios associated with projects using the ag bank for mitigation. However, the MOU exempts agricultural wetland banks that were approved prior to the establishment of the MOU. Those banks are “grandfathered in” and applicants are allowed to purchase credits from these banks to use as mitigation for their projects according to the policies that were in place prior to enactment of the June 26, 2013 MOU. The table below identifies the grandfathered agricultural wetland bank accounts.

### Grandfathered Agricultural Wetland Banks.

Bank Site	County	BSA	Account #
Stromlund	Marshall	3	1519
Stromlund	Roseau	3	Account not yet established
Strand	Polk	3	1523
Schreiner	Clay	4	1567
Johnson	Kittson	3	Account not yet established
Strand	Polk	3	1575

Note: Credits may not necessarily be available for all of the above bank accounts at a given point in time. For example, on the date this document was updated, two of the above approved bank sites had not yet deposited credits (thus the “account not yet established” status) and another is awaiting a second deposit of credits. One bank account has sold all of its associated credits and has been removed from the above list. Other accounts will be removed periodically after all of their credits have been withdrawn.

## Bank Service Area Restrictions for Projects using Agricultural Wetland Banks.

The current policy established in the Interagency MOU does not allow replacement in a non-adjacent BSA. However, as an exception to this policy, projects may use credits from grandfathered agricultural banks for replacement even when those banks are located in a non-adjacent BSA. This exception only applies to projects using credits associated with one of the grandfathered bank sites identified above. This exception does not change the pre-established preference for wetland replacement within the same watershed or BSA.

## Replacement Ratios for Projects using Grandfathered Agricultural Wetland Banks.

1. For projects subject to the Federal Farm Program and approval by NRCS:

<b>When Ag Bank Credits are currently available in the same BSA as the wetland impact:</b>	<b>Replacement Ratio</b>
Within BSA	1:1
Adjacent BSA	1.5:1
Other BSA	2:1

<b>When Ag Bank Credits are not currently available in the same BSA as the wetland impact:</b>	<b>Replacement Ratio</b>
Within BSA	N/A
Adjacent BSA	1:1
Other BSA	1.5:1

“Currently available” generally means that an adequate amount of credits are reasonably available at the time of application. Keep in mind that not all credits shown on the BWSR website are in-fact available for sale (i.e. credits are often encumbered through purchase agreement and no longer available to other prospective buyers, but are not actually withdrawn from the account until the sale has been completed).

2. For agricultural projects subject to approval by the State Wetland Conservation Act Local Government Unit:

The minimum replacement ratio for all wetland replacement occurring in a different BSA than the impact is 1.5:1. This ratio is the same regardless of whether the bank is in an adjacent or non-adjacent BSA. All requirements of MN Rule 8420 (WCA) apply.

Note: NRCS approved projects that use a grandfathered ag bank and qualify for the WCA exemption established in the interagency MOU may be completed in accordance with prior NRCS policy as described in item #1 above.