Minutes
Legislative Audit Commission
August 4, 2026

Members Present:
Senator D. Scott Dibble
Senator Steve J. Drazkowski
Senator Ann H. Rest
Representative Patti Anderson
Representative Rick Hansen
Representative Steven Jacob
Representative Fue Lee
Representative Duane Quam

Members Absent:
Senator Calvin K. Bahr
Senator Mark W. Koran
Senator Tou Xiong
Representative Emma Greenman

Senator Ann H. Rest, Chair, called the Legislative Audit Commission (LAC) meeting to order at 11:04 a.m. in room 123 Minnesota State Capitol. The meeting's purpose was to receive the key findings and recommendations in the Office of the Legislative Auditor's (OLA's) evaluation report, *Minnesota Agricultural Water Quality Certification Program.* Senator Rest invited Jodi Munson Rodríguez, Deputy Legislative Auditor of OLA's Program Evaluation Division, and Caitlin Zanoni-Wells, Program Evaluation Manager, to speak to the report.

Ms. Munson Rodríguez opened by explaining that OLA found the Minnesota Department of Agriculture (MDA) has regularly certified producers who commit to conservation practices but have not yet implemented them. OLA's conclusion was not that the Minnesota Agricultural Water Quality Certification Program (MAWQCP) lacks value, but that its implementation does not always align with statute.

Ms. Zanoni-Wells then described MAWQCP's history and outlined key findings and recommendations. She explained that statute prohibits certifiers from certifying producers to whom they provided technical assistance, but OLA found certifiers regularly do so, and that the prohibition may not be practical given how site visits occur.

Ms. Zanoni-Wells described MAWQCP's use of certification "contingencies," under which MDA certifies producers before they have implemented all required practices. OLA recommended MDA discontinue certifying producers with contingencies.

She added that MAWQCP's statutory purpose is unclear, as is its actual effect on water quality. MDA's reported outcome measures do not capture actual water-quality impact, and its pollutant-reduction estimates have data limitations. Representative Jacob, who participates in the program, said he did not believe the program had been intended to produce a measurement matrix. OLA recommended the legislature clarify the program's purpose in statute, that MDA address data limitations, and that MDA consider water-quality monitoring for a sample of certified producers.

Representative Lee asked whether producers with unmet contingencies had received public funds; Ms. Zanoni-Wells said grant funds are available to any producer in the application process regardless of contingency status, and some had received scholarship or incentive payments tied to certification. Representative Jacob noted that in the report, only about $143,000 of the $3.5 million annual appropriation is paid directly to producers as incentives, with the remainder spent on implementation costs.

Representative Hansen briefly discussed MAWQCP's origins as a voluntary alternative to regulation and said the question is whether it demonstrably improves water quality, particularly as the Legacy Amendment approaches renewal in 2032, adding that he believed such evaluations are the Agricultural Committees' responsibilities rather than the Legislative Audit Commission's. Representative Jacob responded that the program is improving water quality, as intended. Representative Quam suggested the

legislature should consider clarifying the technical assistance statute, consolidating overlapping water testing programs, and adopting a uniform testing standard.

Senator Rest thanked OLA for the report and invited MDA Commissioner Thom Petersen and Assistant Commissioner Peder Kjeseth to testify. Commissioner Peterson thanked OLA and described MAWQCP as the nation's first comprehensive, whole-farm, agricultural water quality certification program. He cited improvements made during the audit period, including auditing all certifiers, prioritizing mid-certification reviews for higher-risk producers, and drafting a monitoring proposal for the Clean Water Council. He said pollutant-reduction estimates rely on a modeling framework, which is the same model used across Minnesota's conservation programs, since direct field monitoring is expensive and slow.

On contingencies, Commissioner Petersen said producers sign a binding agreement and are reimbursed—capped at $5,000—only after documenting completed practices, and about 95 percent of certified producers receive no financial assistance. He said MDA is examining ways to strengthen contingency guidance and closed by citing survey results showing high participant-reported benefits, including improved soil health, improved water quality, and reduced soil erosion

Representative Jacob said that he does not approve of contingencies and that contingencies were not part of the program in its early years, adding that the program deliberately began in areas with the most challenging topography for water quality improvement. Representative Hansen said that while producers may take genuine pride in their certified practices, that pride does not by itself demonstrate program-wide water quality impact. He added that it has been nearly 40 years since the Groundwater Protection Act, with hundreds of millions spent on clean water programs, noting that the legislature needs decisions and accountability rather than further task forces or stakeholder groups. Representative Jacob responded that the current voluntary, cooperative approach is producing results. Senator Rest agreed with Representative Jacob's comments on the agricultural community's contributions and thanked the commissioners and OLA staff for their work.

Seeing no further discussion, Senator Rest adjourned the meeting at 12:35 p.m.

Senator Ann H. Rest, Chair

Maureen Garrahy, Recording Secretary