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The Honorable Foung Hawj Chair, Environment, Climate, and Legacy Committee 95 University Avenue W. Minnesota Senate Bldg., Room 3231 St. Paul, MN 55155

February 1, 2023

Dear Chair Hawj & Members of the Senate Environment, Climate, and Legacy Committee:

I write you today with the hope your committee will amend Article 2 of Senate File 442 which creates new criteria for entities applying for Legislative-Citizens Commission on Natural Resources grant dollars for capital projects, requiring recipients of LCCMR grants for capital projects to provide a cash or in-kind match from non-trust fund sources of at least 50 percent of the total eligible project costs.

As a resident of the Iron Range and the former Commissioner of the Minnesota Department of Iron Range Resources (IRRRB), I have seen firsthand how LCCMR grants have aided in building trails, campgrounds, trailheads, visitor centers, water accesses, outdoor classrooms, and more throughout Greater Minnesota. These wonderful projects benefit residents, but also visitors from across the state and nation. This new match requirement will negatively impact the ability of small cities and other organizations from seeking LCCMR funding.

During my time as Commissioner, the IRRRB was able to partner with communities and groups who had success in receiving LCCMR grants. These small communities and groups worked to patch together funding for their projects – relaying on LCCMR, state bonding, private fundraising, and in our area, IRRRB grants. Requiring these small communities to first obtain a financial match before applying for LCCMR will essentially stop them from seeking these funds.

If the goal is to stop cities, townships, schools, and non-profits from applying for LCCMR grants, this change will do just that. These new restrictions on LCCMR grant dollars appear to be an effort to prevent communities in Greater Minnesota from successfully seeking out an LCCMR grant award. During my time in government, I have watched the Legislature pass blanket waivers on the 50% match requirement for capital bonding projects and routinely exempt projects from this requirement. This change to LCCMR would not allow for any such exemption.

I would urge the Legislature to amend the additional capital requirements in Section 3 of Senate File 442. Please help communities and organizations across Minnesota by making LCCMR more accessible and reject the more restrictive language in Senate File 442.

Sincerely,

Mark R Phillips