



## **FY 2024-25 Budget Proposals**

Katrina Kessler | Commissioner  
February 16, 2023

MPCA's mission:  
To protect and improve  
the environment  
and human health



# MPCA priorities

**Address PFAS  
in Minnesota's  
environment**

**Prepare  
Minnesota for  
our changing  
climate**

**Deliver  
accessible,  
transparent,  
and  
accountable  
service**



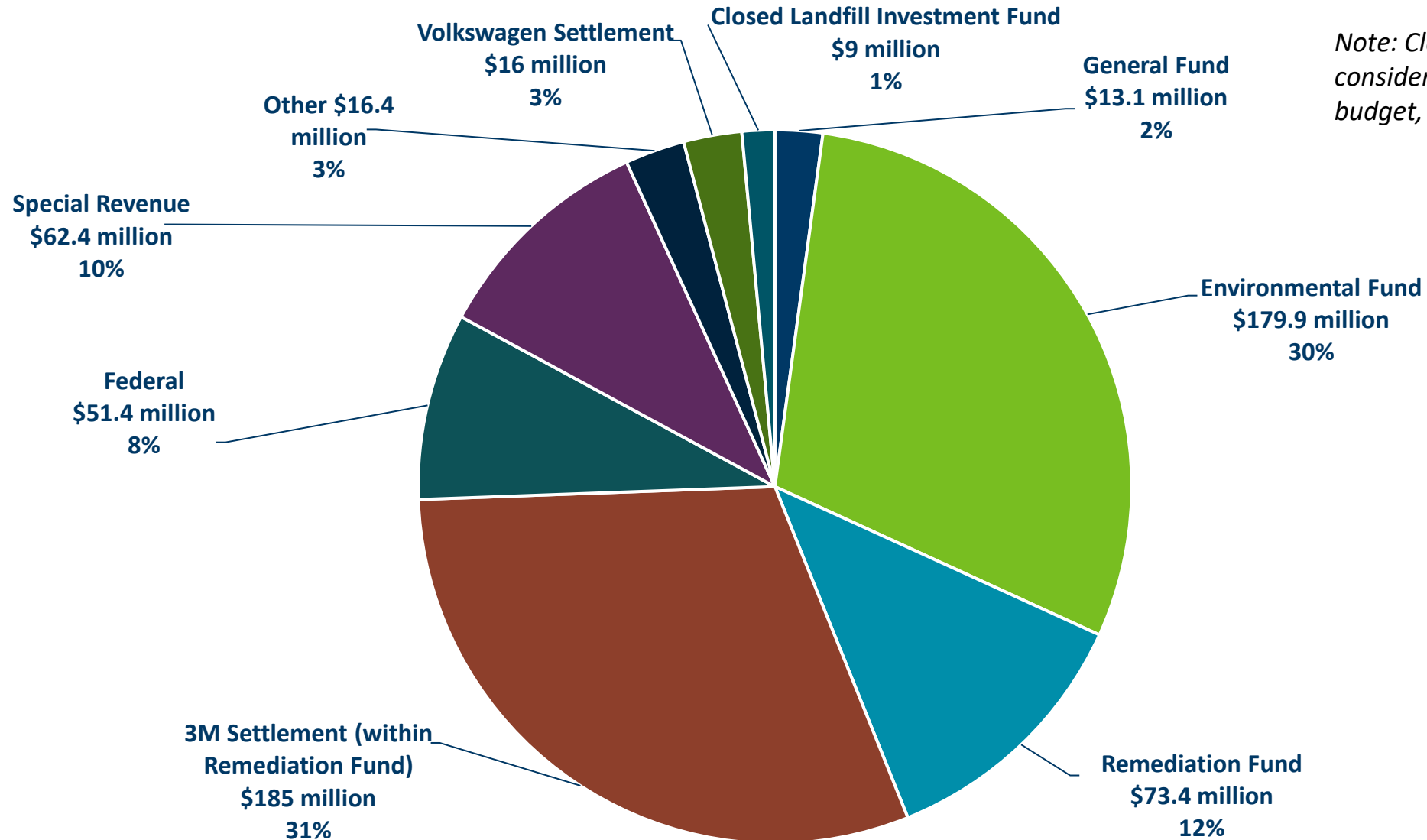
# Maintaining current service levels

The **cost of doing business** increases over time, even when funding levels stay the same.

Minnesotans still expect MPCA to fulfill its mission to protect human health and the environment.



# MPCA base budget

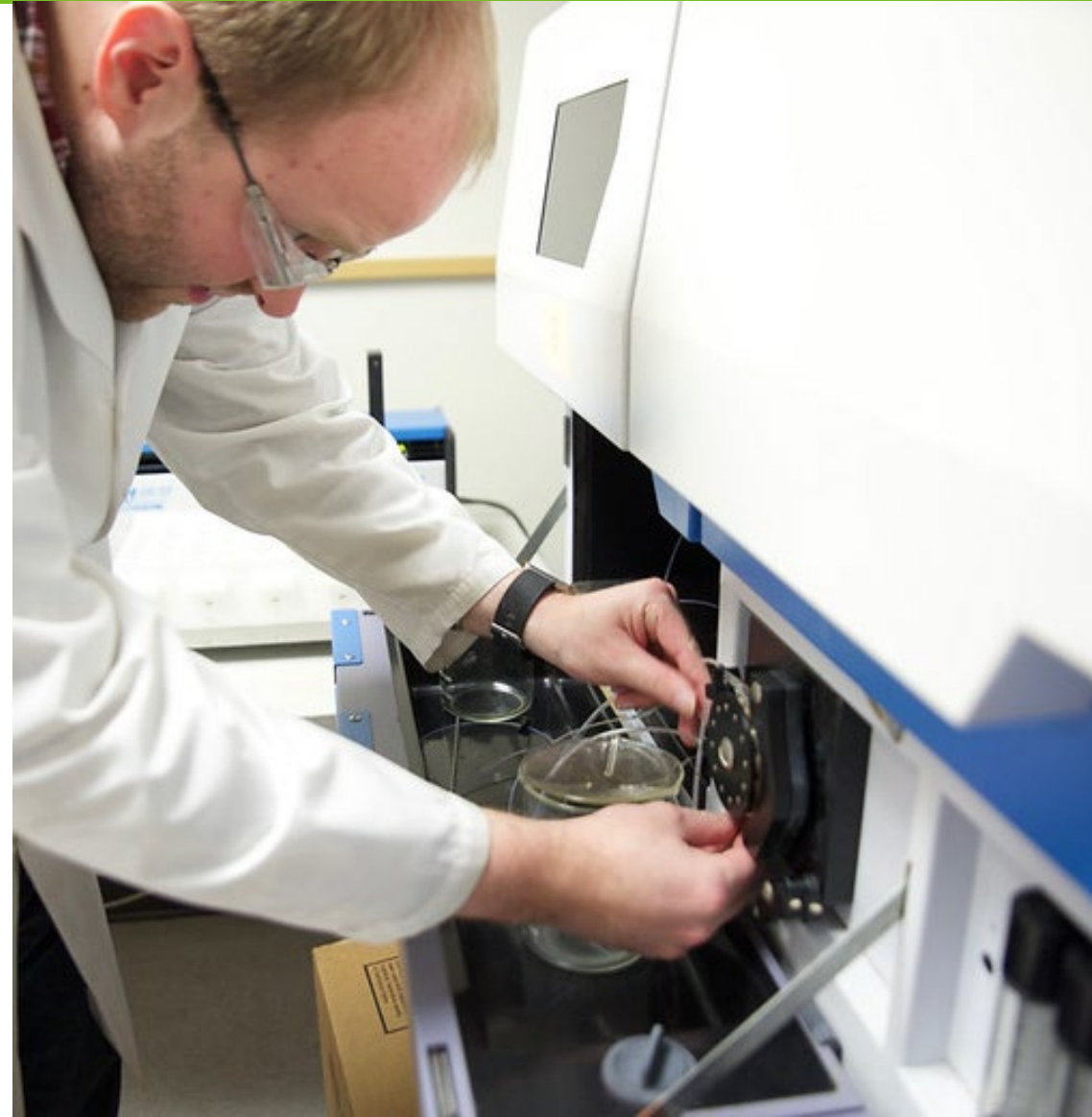


*Note: Clean Water Fund is not considered part of MPCA's base budget, and is not shown here.*



# Maintaining current service levels continued

- Costs for labor, rent and lease, fuel and utilities, IT, legal services are rising.
- Continuing without adequate funding will result in:
  - Reduced capacity for water, air, land permitting, leading to backlogs.
  - Reduced ability to respond to complaints and address violations.
  - Reduced ability to investigate contaminated sites, respond to negative health impacts, and remediate contamination.
  - Reduced capacity for engaging the public and stakeholders.



# Maintaining current service levels details

Proposal Name	Amount Requested FY 24/25	Amount Requested FY 26/27
Maintaining current service levels	\$1.554 million GF \$25,000 Special Revenue \$3.88 million RF \$4.2 million PF \$12.752 million EF	\$1.72 million GF \$30,000 Special Revenue \$4.53 million RF \$4.432 million Petro \$15.246 million EF

GF = General Fund  
RF = Remediation Fund  
PF = Petroleum Fund  
EF = Environmental Fund

# General fund request for water programs

Water is essential

to Minnesota's economy and  
way of life.

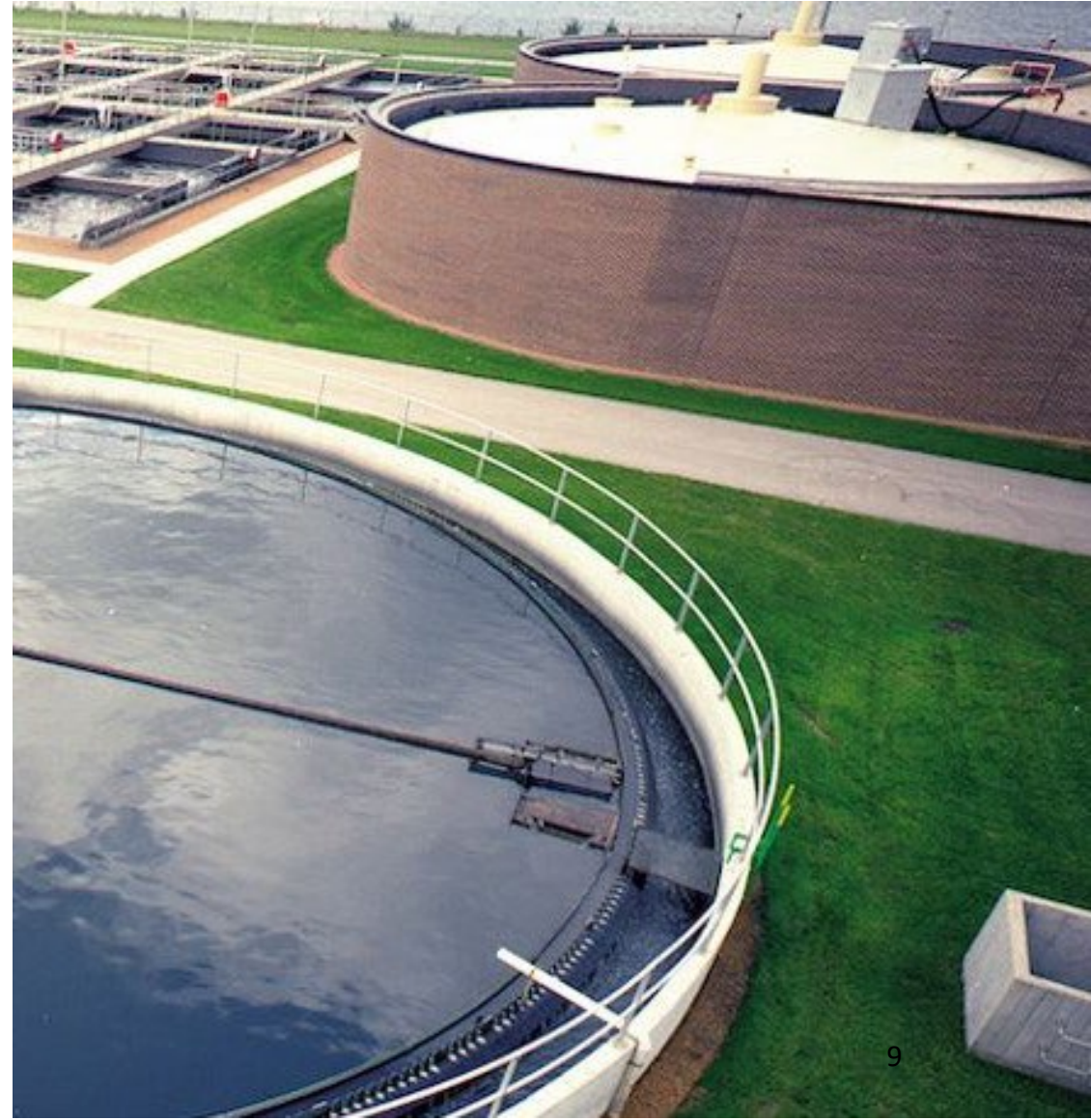
Pollution continues to threaten  
our state's rivers and lakes.





# General fund request for water programs continued

- Pollution poses a growing risk to water quality, requiring additional staff and complicated technologies to manage.
- 194 FTEs manage 20,000+ sites across Minnesota.
- Clean water benefits the entire population.
- For this reason, stakeholders asked MPCA to seek general fund instead of raising permit fees.



# General fund request for water programs details

Proposal Name	Amount Requested FY 24/25	Amount Requested FY 26/27
General Fund Request for Water Programs	\$2.72 million GF	\$2.72 million GF

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## Core agency staffing

Protecting Minnesota's air, land, & water **requires a core staff of employees** to fulfill the agency's mission. MPCA is currently understaffed.





# Core agency staffing continued

- Several MPCA programs lack resources and staffing needed to complete work obligated under federal and state law.
- Underfunding regulatory programs makes it difficult to ensure regulated parties are meeting their obligations to protect human health and the environment.
- This undermines public trust and can set us up for more costly cleanups later.



# Core agency staffing details

Proposal Name	Amount Requested FY 24/25	Amount Requested FY 26/27	GF = General Fund RF = Remediation Fund PF = Petroleum Fund EF = Environmental Fund
Air Appropriation Increase	\$1.497 million EF	\$1.996 million EF	
Hazardous Waste and Solid Waste Program Staffing	\$840,000 EF	\$840,000 EF	
Contaminated Site Management	\$280,000 PF \$2.52 million RF	\$280,000 PF \$2.52 million RF	
Solid Waste Permitting Program Update	\$2.24 million EF	\$2.24 million EF	
Industrial Stormwater and Subsurface Sewage Treatment System Program Staffing	\$1.4 million EF	\$1.4 million EF	
Emergency Readiness Response Staffing Level Increase	\$840,000 EF	\$840,000 EF	
Above Ground Storage Tank Fees	\$1.54 million EF (balanced by fee revenue)	\$1.54 million EF (balanced by fee revenue)	
Enhanced Permitting and Environmental Review Coordination	\$1.4 million EF	\$1.4 million EF	



# Supporting Minnesota Businesses

Protecting our environment and health is an **integral part of a thriving economy.**

With adequate funding, we can empower businesses to be more sustainable while spurring economic development and **creating opportunities for Minnesotans.**





# Supporting Minnesota Businesses continued

- Minnesota businesses are a key part of how we will address challenging environmental issues such as PFAS, climate change, sulfate, and more.
- The MPCA can offer resources and technical assistance to remove barriers for small businesses and industries with unique challenges.
- Investing in student workers and the GreenCorps program builds a high quality sustainable and diverse workforce across the state and into the future



# Supporting Minnesota Businesses detail

Proposal Name	Amount Requested FY 24/25	Amount Requested FY 26/27
Industrial Facility Air Toxic and Criteria Air Emission Reduction Grants	\$6.4 million GF	0
Innovative Solutions for Managing Pollutants	\$20.3 million GF	\$600,000 GF
Accelerating Pollution Prevention at Small Businesses	\$1.86 million GF	\$140,000 GF
Minnesota GreenCorps	\$3.9 million GF	\$3.9 million GF
Environmental Career Pathways	\$1.08 million EF	\$1.08 million EF

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# PFAS: A growing challenge

PFAS chemicals have been detected all over the state, posing a risk to the health of Minnesotans.

The MPCA **is tackling this problem head-on** by implementing Minnesota's PFAS Blueprint to prevent, manage, and clean up PFAS across the state.





# PFAS: A growing challenge continued

- New EPA standards on safe PFAS levels for drinking water are expected in the coming weeks.
- EPA is incorporating PFAS into regulatory programs ranging from Superfund to water permits.
- MPCA's PFAS Monitoring Plan evaluates 400+ regulated sites for PFAS.
- Prevention work to eliminate PFAS at the source will greatly reduce future expensive remediation costs.



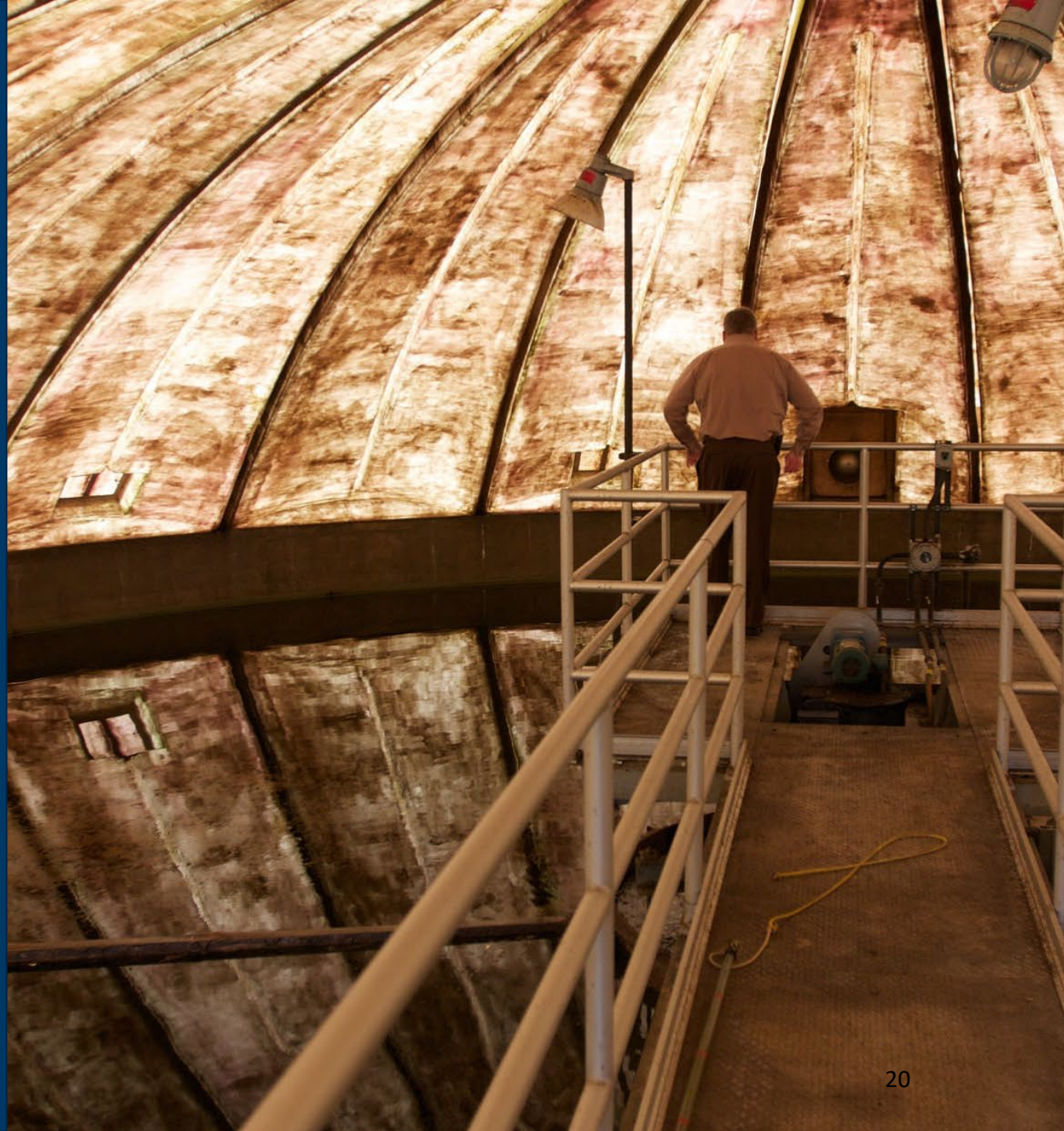
# PFAS: A growing challenge details

Proposal Name	Amount Requested FY 24/25	Amount Requested FY 26/27	
Technical Staffing to Implement Minnesota's PFAS Blueprint	\$4.14 million EF	\$4.14 million EF	
PFAS Source Reduction Grants	\$4.42 million GF	\$210,000 GF	
Drinking Water Protection and PFAS Response	\$25 million GF	\$0	GF = General Fund RF = Remediation Fund PF = Petroleum Fund EF = Environmental Fund



# Promoting partnership

The MPCA partners with local governments and other state agencies to **help regulated industries** comply with laws and **reduce their environmental footprint**.





# Promoting partnership continued

- Fostering partnerships with other state agencies and local governments helps us analyze and manage pollution.
- Counties manage regulatory compliance for more than 14,000 feedlots and 630,000 septic systems.
- Expanded biomonitoring efforts will help the MPCA and MDH identify health risks posed by air pollution.



# Promoting partnership details

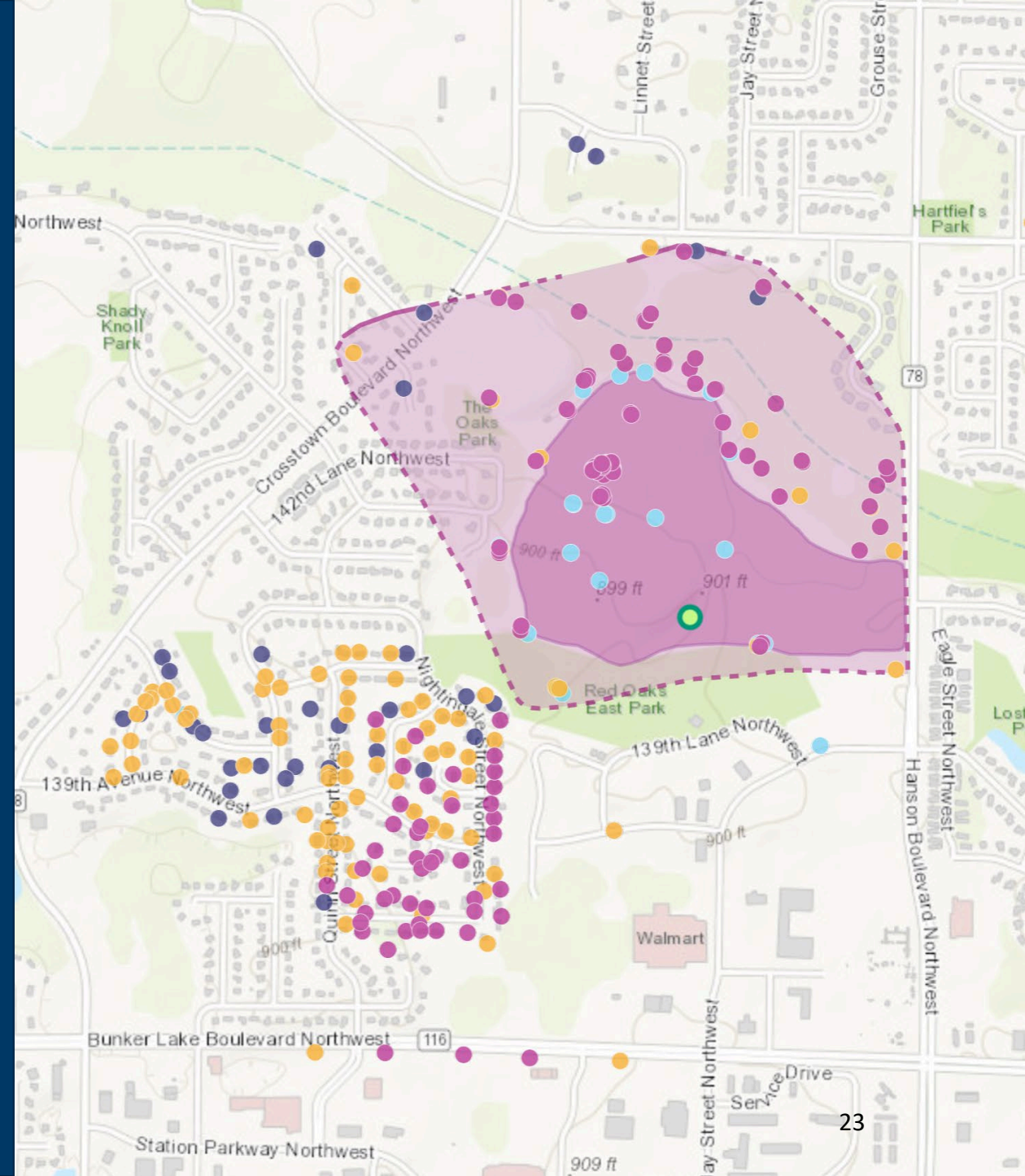
Proposal Name	Amount Requested FY 24/25	Amount Requested FY 26/27	
Increase Joint Initiative Funding	\$800,000 EF	\$800,000 EF	GF = General Fund RF = Remediation Fund PF = Petroleum Fund EF = Environmental Fund
County Feedlot and Subsurface Sewage Treatment System Program Increase	\$2,000,000 GF \$442,000 EF	\$2,000,000 GF \$442,000 EF	
Cumulative Impacts	\$915,000 EF	\$400,000 EF	



# Data

Accurate, high-quality data and efficient information management are critical for environmental reporting and decision-making.

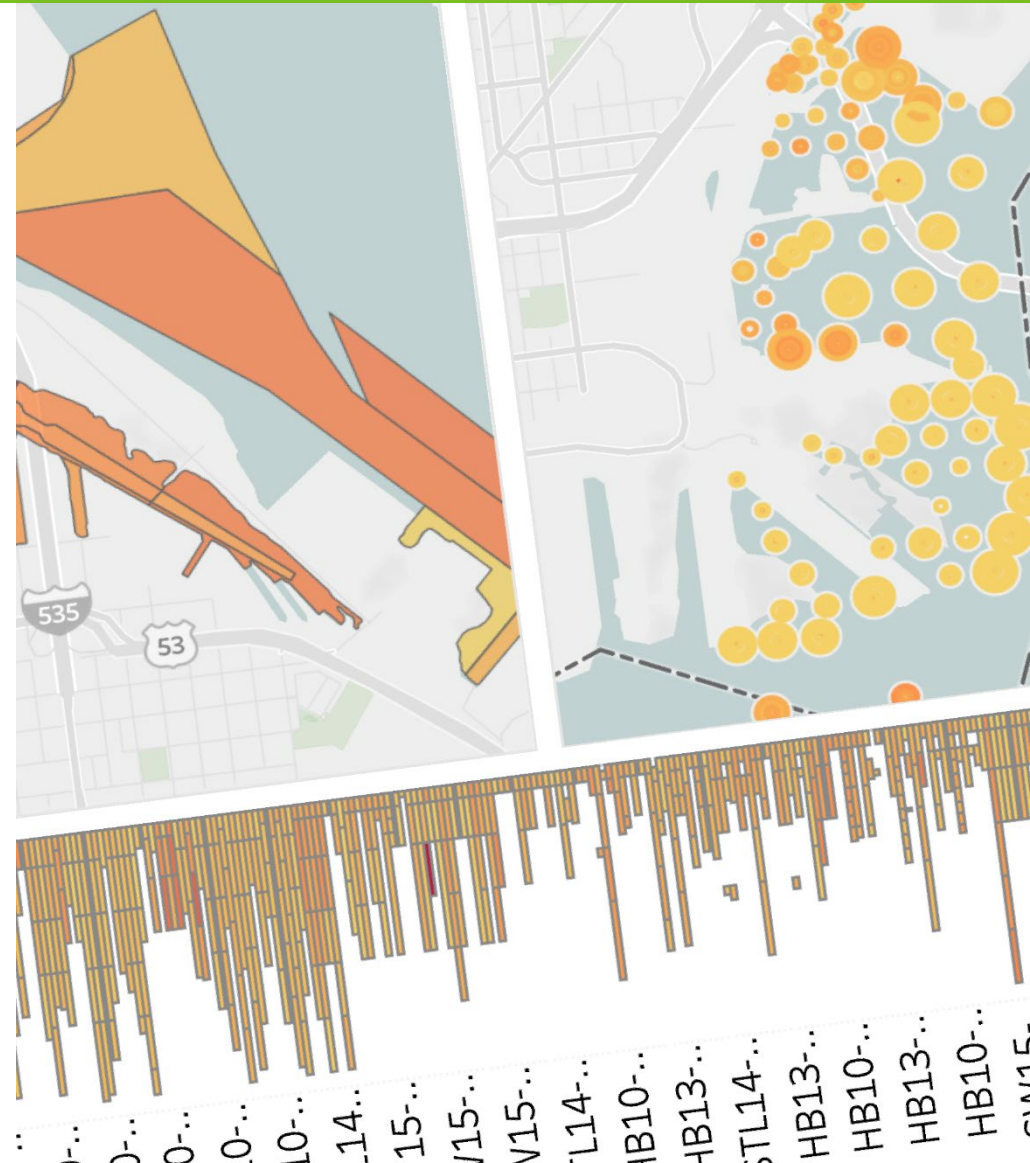
The MPCA must modernize our data collection and reporting practices to **increase transparency** and better serve Minnesotans.





# Data continued

- Best practices continue to evolve; MPCA's data infrastructure is dated and inefficient.
- Data backlogs lead to delayed regulatory decisions and less public accessibility.
- Investments will create agile and responsive systems that better meet the needs of businesses and the public.
- *Example:* Online hub for industrial stormwater permittees.
  - *Result:* Permittees receive coverage information within 24 hours.



# Data details

Proposal Name	Amount Requested FY 24/25	Amount Requested FY 26/27
Increasing Data Management and Data Quality Capacity	\$3.92 million EF	\$3.92 million EF
Environmental Automation Modernization	\$35 million GF	0
Financial Planning and Analysis: Governance, Risk, and Compliance Management	\$1.44 EF	\$1.44 EF

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# Material & technical assistance

Our agency relies on a statewide network of partners to help fulfill our mission. Assistance programs **empower communities across Minnesota** to be better stewards of their land, air, and water.





# Material & technical assistance continued

- Emerging challenges require locally-focused solutions, led by local partners.
- Assistance programs allow the agency to expand our work with partners who understand their communities' needs best.



# Material & technical assistance details

Proposal Name	Amount Requested FY 24/25	Amount Requested FY 26/27	GF = General Fund RF = Remediation Fund PF = Petroleum Fund EF = Environmental Fund
Air Compliance Equipment Maintenance	\$80,000 GF	\$80,000 GF	
Technical Assistance Contractor for Tribal Governments	\$4 million GF	\$4 million GF	
Technical Assistance for Environmental Review (EQB)	\$760,000 GF	0	

# Climate

Climate change poses a threat to communities across Minnesota, but **this challenge is also an opportunity.**

The MPCA is seeking funding to advance climate solutions that generate jobs, create cleaner air & water, and **improve the health and livelihoods of Minnesotans.**





# Climate continued

- Every \$1 spent on climate preparedness saves Minnesota \$6 in future response costs.
- State agencies need funding to implement ambitious work outlined in Minnesota's Climate Action Framework.
- Our programs prepare communities for the impacts of climate change while reducing pollution.



# Climate details

Proposal Name	Amount Requested FY 24/25	Amount Requested FY 26/27	GF = General Fund RF = Remediation Fund PF = Petroleum Fund EF = Environmental Fund
GreenStep Cities	\$380,000 GF	\$380,000 GF	
Climate Pathways Analysis	\$500,000 GF	\$0	
Climate Resources for Environmental Review	\$320,000 GF	\$280,000 GF	
Resilient Communities Grants and Technical Assistance	\$173.88 million GF	\$2.24 million GF	
Waste Prevention and Reduction Grants and Loans	\$33.88 million GF	\$4 million GF	



# Waste management

Nearly two-thirds of waste that ends up in Minnesota's landfills and waste-to-energy facilities could have been reused, recycled, or composted.

Our programs reduce waste while creating jobs and growing the economy.





# Waste management continued

- Waste management continues to be a challenge for Minnesota counties.
- Over 80% of county solid waste officials in Minnesota are interested in reducing waste.
- Landfills release methane, a powerful greenhouse gas. Over time, diverting waste from landfills reduces generation of methane.



# Waste management detail

Proposal Name	Amount Requested FY 24/25	Amount Requested FY 26/27
Paint Product Stewardship Updates	0	0
Greater Minnesota Recycling and Composting Grant Program	0	0
Solar Energy Equipment End of Life Management Study	\$420,000 GF	\$0
Update Capital Assistance Program	\$17,000 GF	0

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# Policy, technical, and low-cost items

The MPCA is a learning agency, focused on **making continuous improvements** to the way we do work.

Small updates made through legislation will improve transparency, efficiency, and effectiveness.





# Policy, technical, and low-cost items continued

- We seize opportunities to be more efficient, effective, and responsive to communities and stakeholders.
- Creative financial tools will fund initiatives into the future and keep costs low.
- Eliminating legislative reports that are no longer needed frees up staff time and saves money.



# Policy, technical, and low-cost items details

Proposal Name	Amount Requested FY 24/25	Amount Requested FY 26/27
3M Settlement Legislative Report Change	Cost savings	Cost savings
Uniform Tools for Brownfields Program	\$190,000 -- Restrict Misc. Special Revenue (Offset by revenue)	\$190,000 -- Restrict Misc. Special Revenue (Offset by revenue)
Lead and Cadmium in Children's Products	\$150,000 EF	\$300,000 EF
Annual Wastewater Report Change	Cost savings	Cost savings
Pollution Report Change	Cost savings	Cost savings
Chloride Training Fee Authority	\$800,000 Restrict Misc. Special Revenue (Offset by revenue)	\$800,000 Restrict Misc. Special Revenue (Offset by revenue)
Increased transfer from Environmental Fund to Remediation Fund	transfer	transfer
Budget Technical Change item	realignment	realignment

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# Thank you!

**Katrina Kessler, Commissioner**

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