

April 17, 2023

Chair Marty and Members of the Committee,

We are writing to express our support for provisions in Sen. Foung Hawj's Senate File 2438.

If enacted, the proposed budgets for the Minnesota Pollution Control Agency (MPCA), Department of Natural Resources (DNR), Board of Water and Soil Resources (BWSR), and Metropolitan Council would make historic investments in greenhouse gas mitigation, natural climate solutions, climate adaptation & resilience, and reducing pollution & its disparate impacts.

## Minnesota Pollution Control Agency

Minnesota's climate is changing. Our communities are experiencing it. Our local governments are responding. However, our townships, cities, school districts, and counties could do more with the full support of our state government. We support several of the HF 2310's investments in local climate action planning and implementation.

- Resilient Communities Grants and Technical Assistance: This program leverages our current state surplus to make a one-time investment of \$86.94m / year in FY 24-25 (GEN) to support local planning for and adaptation to expected, place-based climate impacts. <u>We strongly support this proposal</u>. Preparing now will save costs and mitigate the consequences of a warmer, wetter, less predictable state.
- MPCA Citizens Board: We request that the committee consider reinstating the MPCA Citizens Board. This board served Minnesota well from 1967 until 2015. It provided the public an opportunity to participate directly in critical decisions about how our MPCA can best protect the people and places we love. We recommend an appropriation of \$771,000 in FY 24-25 and \$666,000 in FY 26-27 to support its reinstatement.
- Climate Pathways Analysis: In order to better understand how to prevent future climate damage, the state needs to better understand Minnesota's pathways to decarbonization by 2050. When paired with the 2022 Climate Action Framework this analysis (a \$500,000 investment) (GEN) would give Minnesotans an evidence-based roadmap for reducing greenhouse gas (GHG) emissions across all our economic sectors. We support it.
- Climate Resources for Environmental Review: To build for a climate-adapted future, we need to factor climate risks into our state's planning. This budget proposes \$320,000 during FY 24-25 (GEN) for one full-time equivalent position dedicated to analyzing the climate impacts of all projects that complete an environmental worksheet. These analyses require subject matter

expertise that this funding would support. We support this and encourage the committee to continue this funding into FY 26-27.

- EQB Environmental Review & Staff: We support this one-time investment of \$620,000 in FY 2024 and \$140,000 in FY 2025 (GEN) would supplement the analyses and reviews described above. To make these improvements happen, the MPCA will need to hire one full-time position and contract out the creation of a Minnesota-specific GHG modeling tool.
- Increasing Data Management and Data Quality Capacity: In order to do both these analyses and reviews, Minnesota needs reliable, user-friendly data. This bill recommends an ongoing appropriation of \$1.32m per year in FY 25, 26, & 27 (ENV) to create new environmental data management and data quality jobs at MPCA. We strongly support this ongoing investment. We encourage you to match the Governor's request of \$1.82m per year. As we make decisions that shape our futures, we need an evidence-based, data-driven approach.
- Technical Assistance Contractor for Tribal Governments: We support the proposed \$2m per year in FY 24-25 (GEN) in ongoing funding for technical assistance to Tribal governments who are tackling complex environmental protection and climate resilience challenges. We encourage the committee to continue this as base funding in FY 26-27.
- **GreenStep Cities:** For over a decade, the State of Minnesota has partnered with local governments through the GreenStep Cities program. Over 140 local governments have voluntarily participated in the program taking over 4,000 concrete actions on behalf of roughly half of Minnesotans. We support adding \$190,000 / yr in FY 24-25 (GEN) to add one full-time equivalent position and modest program costs to this successful program.

Second, we applaud Senate File 2438's commitment to reducing pollution and its disparate impacts on Minnesota's environmental justice communities. This budget addresses these needs in eleven ways.

- **Cumulative Impacts:** We were happy to see the inclusion of language integrating cumulative impacts analyses into the work of MPCA. We encourage the committee to support this program with \$18,747,000 in FY 24-25 (GEN) and \$18,042,000 in FY 26-27 (ENV). These analyses are a critical tool understanding the compounded impacts of pollution on certain communities, often those where Black, Indigenous, people of color, or low-income Minnesotans live.
- Zero-Waste Grant Program: We request that the committee consider establishing the program proposed in SF 2901 (McEwen). It is designed to support local programs that will reduce, reuse, recycle, and compost more of Minnesota's waste.
- **Biodegradable & Compost Labeling:** We encourage the committee to consider improving Minnesota's consumer labeling for compostable materials, as in SF 1321 (Morrison), and to support that with an appropriation of \$35,000 in FY 25 (ENV) and \$136,000 in FY 26-27 (ENV).
- Air Permit Monitoring, Air Toxics Emissions Reporting, and Community Air Monitoring: Alongside addressing cumulative impacts, Minnesota also needs to improve its air monitoring overall. We ask that the committee also include language and appropriations from SF 1229

(Champion), SF 1252 (Gustafson), and SF 1067 (Champion). We support appropriations of \$1,192,000 in FY 24-25 (GEN), \$1,404,000 in FY 24-25 & \$2,069,000 in FU 26-27 (ENV), and \$5,000,000 in FY 24-25 (GEN) for each respective program. They would help the MPCA better protect Minnesotans from the ongoing impact of ongoing air pollution.

- **SCORE Block Grants:** We support the bill's proposed \$4,000,000 in FY 24-25 (GEN) for this proven program that helps communities better manage their waste.
- Waste Prevention and Reduction Grants and Loans: We support the proposed investment of \$13.94m in FY 24 and FY 25 (GEN). These proposals are a critical upstream investment that can help divert waste from both landfills and waste incinerators.
- Industrial Facility Air Toxic and Criteria Air Emission Reduction Grants: We support the proposed \$6.4m during FY 2024-25 (GEN) for grants to improve and staffing to monitor air emissions from industrial facilities within areas of concern for environmental justice. These investments would result in tangible improvements of the health of Minnesotans who are already most impacted by pollution.
- Accelerating Pollution Prevention at Small Businesses: We support this \$1.79m investment in FY 24 and \$40,000 in FY 25 (GEN) for Minnesota's small businesses who decide to replace higher polluting equipment with lower emitting equipment.
- Air Compliance Equipment Maintenance: We support this \$40,000 per year (GEN) investment in air monitoring equipment maintenance. It is an essential, ongoing part of reducing air emissions and protecting public health.

Third, Senate File 2438 invests in developing the environmental workforce of the future through two key programs.

- Minnesota GreenCorps Investment: The budget proposes \$650,000 per year (ENV) in the Minnesota GreenCorps, a program to implement locally designed environmental projects, especially in areas of concern for environmental justice.
- Environmental Career Pathways: We support the proposed \$270,000 per year ongoing (ENV) to support five new student worker positions and one new recruiter position. The program is designed to develop the environmental protection workforce that state agencies will need for decades to come.

Finally, the Senate File 2438 would help the MPCA catch up with the existing demand for its services and support. The budget makes overdue investments in staffing at the MPCA through its Enhanced Permitting and Environmental Review Coordination, Air Appropriation Increase, Hazardous Waste and Solid Waste Program Staffing, Solid Waste Permitting Program Update, and Industrial Stormwater and Subsurface Sewage Treatment System Program Staffing proposals. These investments are needed to both improve and accelerate the agency's work.

## Department of Natural Resources

As Minnesota transitions to a more equitable and clean energy economy, our natural lands play a vital role both mitigating greenhouse gases and adapting to climate change impacts. The proposed budget makes much needed investments in forests, grasslands, wetlands, and peatlands, and the recreation programs that keep Minnesotans connected to our great outdoors.

- **Forestry:** We support the bill's investments in protecting and growing Minnesota's trees through state-managed, private, and community-based forests.
  - Planting Tomorrow's Forests Today / Reforestation on State Managed Lands
    \$3,000,000 (year in EV.24, 25 (GEN))
    - \$3,000,000 / year in FY 24-25 (GEN)
  - Private Forest Landowner Technical Assistance, Cost-Share, & Inventory
    \$2,086,000 / year in FY 2024-25
  - Minnesota ReLeaf Program
    - \$8,500,000 / year in FY 24-25 (GEN)
  - Accelerated Tree Seed Collection
    - \$400,000 / year in FY 24-25 (GEN) We encourage the committee to make this an ongoing appropriation.

We encourage the committee to also consider adding two investments from SF 2973 (Xiong):

- School Tree Planting
  - \$1,000,000 in FY 24 (GEN)
- EAB Hazardous Tree Replacement with Climate Adapted Species
  - \$37,000,000 in FY 24 (GEN)
  - \$10,000,000 in FY 24 (GEN)

We ask the committee to also consider expanding these investments in areas like:

- \$5,000,000 in FY 2024-25 in the Forests for the Future Program
- \$3,000,000 in FY 2024 for forest stand improvement
- **Grasslands, Wetlands, and Peatlands:** Minnesota's natural lands play an important role as carbon sinks, one of the most effective tools we have to put carbon pollution in reverse. These proposals would help protect these lands and grow these natural climate solutions.
  - Enhancing Grasslands and Restoring Wetlands on WMAs for Carbon Capture and Resiliency
    - \$5,134,000 in FY 24 (GEN)
  - Protect and Restore Carbon Storage in State-Administered Peatlands
    - \$998,000 in FY 2024 and \$568,000 in FY 2025 (GEN)
- **Recreation:** Minnesotans love our great outdoors. And we're committed to stewarding them for the next generation. Investing \$1,000,000 / year in the No Child Left Inside program is a critical way to make sure all Minnesota's kids get outdoors, get active, and fall in love with our lakes, rivers, forests, and prairies. This program's focus on people of color, Native Americans, people with disabilities, people in the LGBTQ community, and veterans makes it a vital program for all Minnesotans. We support this ongoing investment.

• **1854 Treaty Appropriation:** We support the \$6,000,000 in FY 24-25 (GEN) for Minnesota to meet its obligations to the Grand Portage, Bois Forte, and Fond du Lac Bands, though we encourage the committee to move closer to the House's \$19,900,000 in FY 24-25,

## Board of Water and Soil Resources

BWSR is a key state agency that can help advance Minnesota's strategies to sequester carbon through natural climate solutions and to prepare for expected climate change impacts. These investments would improve and protect both working and natural lands, supporting landowners, local governments, nongovernmental organizations, and Tribal nations.

- Soil Health Soil Health Practice Program: We support this \$13,380 per year investment in this innovative program designed to encourage best practices that we know are effective in improving land and sequestering carbon.
- Climate Adaptation: We support the Climate Adaptation Accelerated Water Storage and Treatment proposal for \$17m in FY 2024-25 and \$480,000 / year ongoing is an important one-time investment in preparing for the more frequent and larger precipitation events we expect over the coming decades.
- **Climate Resilience:** The Climate Habitat Enhancement Landscape Program proposal is focused on sustaining more resilient ecosystems in Minnesota. As our climate is changing, maintaining robust biodiversity is a key strategy for making ecosystems more resilient. Biodiversity means more options for natural systems to adapt. This investment of \$4m in FY 2024-25 is critical for preserving habitats in Minnesota.
- Habitat-Friendly Utilities Program: We support the investment of \$1,000,000 in FY 24-25 into this innovative program designed to ensure land used for energy infrastructure can also be maximized as habitat for Minnesota's wildlife.
- **Reinvest in Minnesota:** The bill invests in these successful programs in five ways. Each of these would help Minnesota's landowners implement much needed natural climate solutions.
  - Climate Private Lands Grassland / Working Land Restoration Easements for Carbon Sequestration
    - \$16,000,000 in FY 2024-25 (GEN)
  - o Climate Private Lands Peatland Restoration for Carbon Sequestration
    - \$15,000,000 in FY 2024-25 (GEN)
- Support for Tribal Liaison: The bill invests \$265,000 in FY 24-25 and \$288,000 in FY 26-27 in this important extension of BWSR's mission, providing more Minnesota communities with opportunities to protect our working and natural lands.

## Metropolitan Council - Environmental

Our metropolitan regional government plays an important role in supporting communities as they mitigate GHG emissions and prepare for climate impacts. We support these three investments that will advance that mission.

- Mapping Infrastructure Climate Risks and Resiliency Opportunities
  - \$2,500,000 in FY 24 (GEN), though we recommend the full \$5,000,000 in FY 24

We encourage the committee to consider adding two investments in the Met Council.

- Inflow & Infiltration Reduction Grants SF 1514 (Hawj) / SF 1248 (Seeberger)
  \$5,000,000 in FY 24 (GEN)
- EAB Hazardous Tree Replacement with Climate Adapted Species SF 2973 (Xiong)
  - \$9,000,000 in FY 24 (GEN)

Thank you for all your work creating a cleaner, healthier, and more climate-adapted Minnesota.

Thank you for your time and consideration,

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