



April 8, 2024

The Hon. Sen. John Marty
Chair, Senate Finance Committee
95 University Avenue West, Room 3235
St. Paul, MN 55155

Re: Comments on SF5116 1st Engrossment (Omnibus Legacy Finance Bill)

Dear Chair Marty:

On behalf of the Clean Water Council, I am offering comments to the Senate's Omnibus Legacy Finance Bill.

The Clean Water Council has the statutory responsibility to recommend how to spend the Clean Water Fund, which is one-third of the dedicated sales tax revenue authorized by the Clean Water, Land and Legacy Amendment.

The February forecast shows a surplus in the Clean Water Fund of \$25,426,000. The Council made the attached recommendations for these funds.

The Senate Legacy Finance Committee made several changes to the Council's recommendations. While the Council acknowledges that only the Legislature has the authority to appropriate funds, there are some comments of a technical nature we wish to share for your later consideration. This bill has many more stops in both the House and Senate, including conference committee, and the Council respectfully asks for thoughtful deliberation of our original recommendations during the process.

The attached spreadsheet shows the differences between the Clean Water Council's recommendations and the current engrossment.

Several of the reductions in SF5116 (1st engrossment), would be part of a multi-agency and comprehensive response to the nitrate contamination of private drinking water wells in southeast Minnesota.

- **Southeast Minnesota Nitrate Response (Minnesota Department of Health):** Our request for capacity funding for 5.5 FTEs in local government units (through the Tap In Collaborative) has been removed, as well as support for four Health Department FTEs and all education and outreach support, while funds for well testing and a well inventory have been retained. The staff are required to reach out to private well users about the availability of well testing and to coordinate the well inventory. Without the staff and the outreach, the well testing and inventory cannot be completed.
- **Working Lands and Floodplain Easements (Board of Water and Soil Resources):** The bill reduces the amount for easements by \$1.949 million that would be used to protect groundwater in southeast Minnesota. Taking farmland parcels permanently out of production that are alongside sinkholes and

other vulnerable features is one of the most cost-effective ways to reduce nitrate intrusion into groundwater.

- **Agricultural Best Management Practices Loan Program (Minnesota Department of Agriculture):** There is a backlog of \$4.3 million in southeast Minnesota in requests for this low-interest loan program that allows farmers to access equipment that would help reduce nitrogen use on their crops. Every dollar we can deploy here would provide direct reductions in future nitrate pollution.

In addition, the proposed reductions would affect the state's PFAS response.

- **River and Lake Monitoring and Assessment (Minnesota Pollution Control Agency):** The removal of \$326,000 would keep the MPCA from monitoring for PFAS as part of its statewide monitoring network. This is a different approach from the proposed municipal effluent testing, which is focused just on wastewater treatment plants. Eliminating this line item will reduce the overall number of sites where the state can test for PFAS.

The Clean Water Council is familiar with the University of Minnesota's 50-year work plan appropriation of \$5.4 million proposed in the 1st engrossment. In November, the Council gave input to the team assembling the \$200,000 scope of work, which has now turned into a \$14.6 million multi-year plan. While there would undoubtedly be merits to this plan, legislators have consistently told the Council over the years that they are interested in less planning and more projects funded by the Clean Water Fund. Our recommendations for the Clean Water Fund supplemental budget attempt to put as many dollars on the ground as possible.

Thank you for your consideration.

Sincerely,



Paul Gardner
Administrator, Clean Water Council