



**SF2530 WaterLegacy Opposition to Gas Development Bill as Introduced and  
Recommended Approach Based on Analysis and Rulemaking  
(March 19, 2025)**

1. Water Legacy opposes the current version of SF2530 as unsupported by evidence, imprudent, inconsistent with Minnesota precedent, and inadequate to protect Minnesota’s environmental and financial interests. This bill should be rejected or substantially amended.
2. WaterLegacy recommends a legislative approach that rejects any temporary regulatory framework for gas development projects during rulemaking, so that “the 2024 moratorium on oil and gas production stands, and permits will not be issued until the rulemaking process is completed in 2026.”<sup>1</sup>
3. WaterLegacy further recommends that the Legislature require assessment and mapping of gas resources, evaluation of what taxation structure is most beneficial for taxpayers, research on health and safety practices to protect workers and the public, and tribal consultation to support rulemaking that is beneficial for all Minnesotans.

WaterLegacy would highlight the following issues and recommendations:

- The Legislature should preclude gas resource drilling or development without a State permit issued in compliance with duly enacted rules and should repeal any existing statutes that appear to authorize oil or gas exploration.
- Proceeding with gas resource development under a temporary legislative framework is inconsistent with the nonferrous mining process cited as an exemplar. No permits were issued during the nonferrous mining moratorium, extensive research was developed, and both experts and stakeholders were involved in the rulemaking process.
- As various stakeholders commented in the GTAC process, the development of gas resources differs significantly from mining operations, and a specific regulatory framework should be developed in rulemaking to address that industry rather than shoehorning gas development into existing models for permitting and taxing mines.
- State GTAC agencies have repeatedly referenced the lack of knowledge regarding gas resources in Minnesota, other than the fact that helium was discovered in an exploratory boring in northeast Minnesota in 2024.

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<sup>1</sup> See Minnesota Gas Resources Technical Advisory Committee (GTAC) Report, Jan. 15, 2025, at 4.

Thoughtful assessment and mapping of gas resources is needed to provide a factual basis for rulemaking.

- The Legislature should provide a policy framework that restricts gas development rulemaking to nonhydrocarbon gas, since hydrocarbon gas and oil are energy resources requiring pipelines with differing policy and jurisdictional issues.
- The Legislature should provide a policy framework that regulates drilling and borings, protects groundwater, prohibits use of a well to inject or dispose of any liquid, gas or chemical, and prohibits hydraulic fracturing.
- The Legislature should provide a policy framework for rulemaking requiring that gas resource development and reclamation protect the state's natural resources and public and worker health and safety, avoid sensitive environmental resources, and require use of best available technology and design to minimize safety, climate, and environmental risks.
- The Legislature should provide a policy framework for rulemaking that requires a permit prior to commercial production of gas resources, along with environmental impact assessment, financial and liability insurance, public comment, and a contested case process for affected tribes and residents.
- The Legislature should provide a policy framework requiring that gas resource rulemaking protect ownership interests, tribal reservations and usufructuary rights; provide robust taxpayer benefits; and avoid financial conflicts of interest resulting from channeling revenues directly to regulators.

WaterLegacy appreciates the opportunity to communicate our concerns and recommendations on the important subject of new development of gas resources in Minnesota.

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