



March 19, 2025

Chair Ann Rest
Capitol G15
75 MLK Jr. Blvd
St. Paul, Minnesota 55155

Re: Opposition to SF2129

Dear Chair Rest:

The Sustainable PFAS Action Network (SPAN) is writing to express opposition to S2129. As currently written, the bill would require manufacturers who have a nexus in Minnesota to pay a tax equal of 50% of gross revenue derived from the sale of products containing PFAS in Minnesota. The bill also establishes an account to provide funds for environmental cleanup in Minnesota.

Background on SPAN

SPAN is a coalition of PFAS users and producers committed to sustainable, risk-based PFAS management. Our members advocate for responsible policies grounded in science that provide assurance of long-term human health and environmental protection while recognizing the critical need for certain PFAS materials for U.S. economic growth and global competitiveness. A recent study by INFORUM, a Washington-based economic consulting firm, found that critical PFAS-using industries (e.g., automotive, aerospace, air conditioning and refrigeration, medical device and pharmaceutical, battery, and semiconductors) contribute more than \$1 trillion to the U.S. gross domestic product each year, accounting for more than six million U.S. jobs, while providing annual wages estimated to exceed \$600 billion. SPAN was formed with the objectives of ensuring legislators and regulatory agencies are aware of the critical need of products generated by our members while simultaneously supporting practical regulatory programs focused on protecting human health and the environment and maintaining America's global economic edge.

Comments Regarding Current Provisions of HF1627

SPAN has been active in several states, and have had the pleasure of working with numerous state legislators and policymakers on effective PFAS policy. Because of this, we are confident that policymakers in Minnesota are interested in finding a productive and effective path forward. While SPAN is supportive of identification and remediation of contaminated sites, members are concerned that the provisions outlined in SF2129 are overly broad and impractical for implementation, thus making it difficult to focus on remediation.

Overly Broad Provisions

SF2129 required any manufacturer with a "nexus" in the state to pay the required tax. The definition of "Nexus required" states that "For a manufacturer, a person who maintains within this state, directly or by a subsidiary or an affiliate, a plant, center, office, warehouse, or other place where manufacturing occurs

is deemed to have minimum contacts in Minnesota and is subject to the tax imposed under this section.” SPAN is concerned that this definition is far too broad, and lacks clarity on who would be considered to have a “nexus” in the state. SPAN requests that legislators clarify who would be considered a “subsidiary” or “affiliate.” There needs to be much greater clarity on who would be required to pay any PFAS-related tax in the state.

Tax Imposed

SF2129 would require that any manufacturer with a “nexus” in the state pay a “tax equal to 50 percent of gross revenue is imposed on revenue derived from products containing PFAS manufactured in Minnesota and sold to a distributor.”

SPAN would like to emphasize the difficulty this requirement would have with implementation. With the broad definitions used in the bill, it is impossible to determine how many products in the state would be required to pay the tax. Due to unclear definitions and difficulty deriving information from international supply chains, it would take years for manufacturers to identify products they would need to pay the tax on. While SPAN understands the need to fund remediation efforts in the state, the requirements of SF2129 would bog policymakers down in a years-long process that would almost certainly delay identification and remediation of contaminated sites.

Conclusion

SPAN encourages the committee to reconsider SF2129. While addressing PFAS contamination is an urgent need, SPAN believes that the provisions outlined in SF2129 would do more harm than good, and ultimately delay the bill’s stated purpose. We look forward to continuing this dialogue with policymakers in Minnesota.