DATE:

April 29, 2011

TO:

Representative Mike Beard

FROM:

Jim Nobles, Legislative Auditor

SUBJECT:

Water Regulation and Permitting

It has been recognized for well over two decades that Minnesota has a fragmented approach to water regulation and permitting, with numerous state agencies and local units of governments involved. Multiple studies, evaluations, commissions, and task forces have called for reform. Some reform recommendations have focused on better coordination among government entities, while others have called for organizational consolidation and restructuring.

Here is a brief summary of OLA's participation in those efforts:

Water Quality Monitoring (1987): The report pointed out that ten state agencies and many local agencies are involved in water quality programs. We did not call for major organizational changes, but recommended various ways to improve coordination among the entities involved with water regulation, monitoring, and permitting.

Pollution Control Agency (1991): This evaluation focused on all major aspects of PCA's regulatory authority. Related to water quality, OLA recommended streamlining the permit process, consistent enforcement of wastewater treatment plant operator certifications, and improvements in enforcement activities.

Water Quality Permitting and Compliance (2002): OLA said that PCA's backlog of point-source water quality permits exceeded federal and state targets, and it was larger than that of most states. The report recommended that PCA should seek ways to improve the agency's level of water quality enforcement with its existing number of staff.

**PCA Funding (2002):** This evaluation focused on PCA's sources of revenue. Related to water quality, it recommended that PCA provide the Legislature with a multi-year implementation and financing plan for complying with federal total daily maximum load requirements. At the time, OLA noted that Minnesota was off to a slower start than most other states in addressing these requirements.

Watershed Management (2007): OLA said that a complex array of agencies was involved in watershed management, and that the state's oversight of the local agencies was inadequate. The report recommended various actions by the Minnesota Board of Water and Soil Resources to improve the operations and performance of these local agencies.

Environmental Review and Permitting (2011): This report said that Minnesota's environmental review process serves important purposes, but it has not always met state goals. The report offered recommendations to improve the timeliness and adequacy of environmental review and permitting.