

May 22, 2022

Majority Leader Jeremy Miller
95 University Avenue W.
Minnesota Senate Building, Room 3113
St. Paul, MN 55155

Speaker Melissa Hortman
463 State Office Building
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Senator Bill Ingebrigtsen
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St. Paul, MN 55155

Representative Rick Hansen
407 State Office Building
St. Paul, MN 55155

Dear Legislators,

I write today to express concern and disappointment about SF 4062, the Environment and Natural Resources Omnibus bill. Negotiations that have taken place thus far in the conference committee process have eliminated numerous opportunities to invest in the future of Minnesota communities and to protect the environment and human health. Today, however, I would like to focus on one specific issue because of its real and direct consequences to the expectations that my staff and I hear from legislators and their constituents across Minnesota every day.

As part of the Governor's budget this year, MPCA requested a modest operating adjustment. This operating adjustment represents less than 1% of the agency's annual operating budget, and it includes a mere \$38,000 in General Fund, in addition to appropriations from the agency's dedicated funds.

As I have stated throughout session, this operating adjustment simply allows the MPCA to continue to do the work we are currently doing at the speed we are currently doing it. It does not fund new initiatives or extra staff. It allows the agency to continue to meet, rather than fall short of, the expectations of cities, counties, businesses, developers, farmers, permit holders, and lawmakers who need MPCA to respond promptly and efficiently when a permit is required, a neighborhood is found to be contaminated, or technical assistance is needed.

Like any private business or public entity, MPCA faces increasing costs to do the work that we are currently doing. Any businessperson knows that the cost of labor, supplies, insurance, transportation, technology, and facilities are increasing rapidly. At the same time, MPCA is also being asked by permit holders and communities to do more with less: to expedite permit issuance, to provide more technical assistance to businesses and local units of government, and to help navigate permitting processes and funding opportunities that will only grow as the money from the Federal Bipartisan Infrastructure Law becomes available.

The MPCA has already absorbed many of the increased costs that other governmental and business entities are feeling. We cannot continue to do so without either receiving additional resources or reducing and delaying the services that we are obligated to provide under state and federal law.

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The funding in this operating increase covers the work of 42 MPCA staff. I would like to be specific about the consequences if this increase is not included in your bill, because it is only fair that Minnesotans understand what its omission would mean:

- Increased wait times for permits and environmental review
- Reduced capacity for MPCA's small business assistance program
- Reduced ability to monitor for air toxics across the state
- Reduced compliance and enforcement capacity, potentially exposing communities to toxic pollution
- Delays in responding to citizen complaints about egregious environmental violations
- Slower permitting of mining and energy facilities
- Slower permitting of feedlots; reduced assistance and education to county feedlot officers
- Reduced capacity to help municipalities meet challenging permit limits
- Reduced capacity to issue or renew water permits that permittees can secure to meet funding for construction
- Reduced capacity to help municipalities with drinking water contamination
- Reduced ability to respond to environmental emergencies such as railroad accidents and spills
- Reduced ability to process the 6000+ record requests that the agency receives annually
- Inability to meet specific federal requirements under delegated authority agreements due to inadequate staffing
- Increased backlogs in reviewing and addressing contaminated sites
- Reduced capacity for processing contracts and grants at a time when federal infrastructure dollars make timely and responsive contracting work more important than ever

MPCA has exercised discretion in how frequently we ask for operating increases and fee increases. Last year's operating increase funded water and air programs. While the need for additional resources in other agency programs also existed last year, these appropriations were not requested because the Environmental Fund and Remediation Fund could not support them. The funds are more solvent this year, and so now is the time to make up this deficiency (which has only increased since last year).

As this year's legislative session draws to a close and final deliberations occur on SF 4062, I would urge you as lawmakers to consider the impacts to your constituents you are choosing to accept as you make funding decisions. Without an operating increase, MPCA will be forced to pick and choose which permit is issued and which is not; whose drinking water is protected from leaking tanks and whose is not; which contaminated site is addressed, and which waits for another day.

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I know from talking with each of you, and your colleagues in the Legislature, that you care about seeing businesses in your districts receive permits in a timely manner and seeing constituents' concerns about environmental contamination addressed. Several legislative initiatives that were brought forward this session draw on MPCA staff and resources that are paid for through the Environmental and Remediation Funds. These initiatives are a testament to the importance of the work of the agency to your districts and to the state. Unfortunately, without the operating increase it will not be possible for the MPCA to take on additional or new work, since we will be forced to reduce the speed at which we complete work we are already obligated to do. Funding this operating increase is, very directly, the way to make it possible for us to meet the expectations that you and your constituents have for our services.

Respectfully,



Katrina Kessler
Commissioner
Minnesota Pollution Control Agency

cc: Rachel Ganani, Policy Advisor to Governor Tim Walz; Rep. Josh Heintzeman, Republican Lead, House Environment & Natural Resources Committee; Rep. Ami Wazlawik; Rep. Kelly Morrison; Rep. Todd Lippert; Sen. David Tomassoni; Sen. Justin Eichorn; Sen. Bill Weber; Sen. Kent Eken