

May 9, 2022

Senator Bill Ingebrigtsen, Chair
Environment and Natural Resources Finance
Room 3207, Minnesota Senate Building,
95 University Avenue W.
Saint Paul, MN 55155

Representative Rick Hansen, Chair
Environment Natural Resources Finance and Policy
Room 407 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul, MN 55155

Dear Chair Ingebrigtsen, Chair Hansen and SF4062/HF4492 Conferees:

The Minnesota Inter-County Association (MICA) represents fifteen of Minnesota's larger and faster growing counties, including four suburban and eleven Greater Minnesota counties. These counties are home to over one-third of Minnesota residents, as well as significant solid waste management operations and other programs impacting environmental health and resiliency.

As you work to resolve differences in SF4062 (HF4492), we respectfully encourage your support for allocating a portion of the state budget surplus to better position counties to help address longstanding and emerging public health and environmental challenges. Specifically, we support the following provisions.

Increasing SCORE Grants & Redirecting General Fund Solid Waste Tax Revenue (SWMT) to SCORE: The SWMT is essentially a user tax on residential and commercial waste generators. It was established to provide essential resources for a statewide solid waste management framework that prioritizes reduction, reuse, and recycling. However, 30 percent of SWMT revenues go into the state General Fund, while less than 20 percent is allocated back to counties to fund recycling related programs, even though only county governments are accountable under state law for managing solid waste. On average, counties spend four times more from local resources than they receive in SCORE grants. SF4062-3E (Article 1, section 2) increases SCORE grant appropriations from the Environmental Fund by \$700,000 annually beginning in FY 2023. Earlier in legislative session, Senate and House environment committees approved SF1531/HF2367 – a bill that would redirect the SWMT revenue currently deposited into the state General Fund to SCORE grants — for rereferral to respective tax committees. HF3669, the House Omnibus Tax Bill includes a partial, permanent redirect of 3 percent of SWMT revenues. We support the \$700,000 increase proposed by SF4062 and urge conferees to also support omnibus tax bill provisions redirecting SWMT from the General Fund to SCORE.

Metropolitan Landfill Contingency Action Trust (MLCAT) Repayment (SF4062-2UE Article 1, section 2) by appropriating \$29.055 million to repay \$13.905 million, plus lost interest, to MLCAT. MLCAT benefits five closed landfills and two still operating landfills in the metro area. Both MLCAT and the statewide Closed Landfill Investment Fund (CLIF) had funds taken away in past legislative sessions to help balance the General Fund with the expectation the funds would be repaid during better state budget conditions. The accounts have never been fully repaid, and state budget conditions have rarely been more positive. Most importantly, the funds are needed to address costly care needs at closed landfills.

Section 404 Water Permitting (SF4062, Article 1, section 2) appropriation of \$740,000 to develop and assemble the material required under federal law for the state to assume the section 404 permitting program of the federal Clean Water Act.

We also appreciate and support the funding and policy goals of provisions to:

- create and fund a Pig's Eye Area Task Force to assess and coordinate remediation of the significant contamination at this site, including PFAS contamination of area surface and ground water (SF4062-2UE, Article 1, section 2, para. h);
- Grants to local units of government to replace trees removed to address emerald ash borer mitigation (\$11 million in SF4062-2UE, Article 1, section 3, para. k);
- \$2 million for PFAS prevention grants to communities to help identify pathways and prevent PFAS from entering the environment (SF4062-2UE, Article 1, section 2); and
- Strengthened product stewardship for carpet waste and other bulky and hazardous waste materials.

Finally, while not reflected in SF4066/HF4492, we also appreciate that environment committees in both bodies have previously indicated an openness to establishing increased and base funding for the local government road wetland replacement program (LGRWRP). MICA supports the Governor's recommended funding – \$14 million of GO bonds and \$6 million from the General Fund in FY2023 – to ensure the requirements of M.S.103G.222 can be met when completing local road projects. However, inconsistent one-time appropriations have put timely completion of wetland restoration at risk in the past, and we encourage base funding to ensure the ecological and habitat benefits of wetland restoration areas is achieved, while also allowing local road projects to proceed in a timely manner.

Thank you for your work to resolve House and Senate differences before the SF4062/HF4492 conference committee.

Sincerely,



Matt Massman, *Executive Director*
Minnesota Inter-County Association
651-222-8737 (office)
763-458-1681 (cell)