

Chair Rick Hansen Environment and Natural Resources Finance Committee 407 State Office Building St. Paul, MN 55155

RE: HF639, Clean Water Fund Appropriations March 4, 2021

Chair Hansen and members of the Committee:

As the committee reviews HF639, a bill containing the recommendations to the Legislature from the Clean Water Council, we write to highlight our support for the work of and recommendations produced by the Clean Water Council. We also have concerns with the DE amendment proposed to the bill.

The Clean Water Council, made up of both legislators and citizen volunteers representing diverse stakeholders, has spent the last two years gathering input from state agencies and constituencies from across the state to develop its recommendations for how the Clean Water Fund should be spent. When the Council learned of a projected deficit in the Clean Water Fund in 2020, they worked to reduce program appropriations on a strategic basis. The Council finalized their recommendations to submit to the legislature at the end of 2020. As a participant during many of the Council's meetings, The Nature Conservancy fully supports its recommendations and the transparent vetting process it conducted.

When the Council reported their recommendations to the legislature, it was unknown whether the Clean Water Fund would face a deficit or surplus. In light of the projected surplus in the February forecast by the Office of Management and Budget, we recommend the legislature give the Clean Water Council an opportunity to recommend areas of investment for the Clean Water Fund surplus. The Council is a deliberative body that spends significant time and effort making recommendations in line with their strategic plan, which the Council recently worked to update in 2019 with stakeholder input.

Given the projected Clean Water Fund surplus and the Council's inability to provide recommendations on those surplus funds prior to today's hearing, we are concerned the DE amendment proposed for HF639 today does not reflect the strategic recommendations that the Council may provide. We invite the legislature to give the Clean Water Council an opportunity to provide formal recommendations on the surplus in line with their strategic plan.

Thank you for your work on behalf of the State of Minnesota.

Sincerely,

Rich Biske

Freshwater Program Director

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