May 3, 2021

Dear Members of the Environment and Natural Resources Policy and Finance Conference Committee (SF959/HF1076),

Metro Cities appreciates the opportunity to comment on the omnibus Environment and Natural Resources bills being considered by this conference committee. Metro Cities supports several key provisions:

**Emerald Ash Borer** – Cities are facing immediate costs for the identification, removal, replacement, and treatment of emerald ash borer (EAB) as it spreads across the state. Metro Cities appreciates that both bills include \$3.5 million from the Environmental and Natural Resources Trust Fund for grants to cities to manage EAB.

**PFAS** – Perfluoralkyl and polyfluoroalkyl (PFAS) substances pose an environmental threat to communities across the region and state. Metro Cities recognizes the attempts in both bills to address the issue of PFAS. The association stands ready to engage with the legislature and other stakeholders as best practices around monitoring and managing PFAS emerge.

Regional Parks – In the seven-county metropolitan area, regional parks essentially serve as state parks, and the state should continue to provide capital funding for the acquisition, development and improvement of these parks in a manner that is equitable with funding for state parks. Metro Cities supports funding for regional parks included in SF 959 and HF 1076 as well as funding for land acquisition (\$1 million in FY 2021 and \$2.25 million in FY 2022) from the Environment and Natural Resources Trust Fund.

Thank you for the opportunity to comment on the Environment and Natural Resource bills. Metro Cities is available to answer any questions as the conference committee completes its work.

Regards,

Mike Lund Government Relations Specialist Members of the Environment & Natural Resources and Legacy Conference Committees:

We urge you to ensure the following soil health provisions in the House Environment & Natural Resources and Legacy Omnibus Bills are included in your final budget bills.

- 1. Establishing a Soil Health Cost Share Program with \$1 million through the Board of Water and Soil Resources that could capture federal dollars. (1<sup>st</sup> Unofficial Engrossment of SF 959, Lines 34.15 to 34.17, 182.28 to 183.17)
- 2. Creating a voluntary, state-wide goal of having 30% of Minnesota farmland utilizing soil-healthy practices by 2030. (1<sup>st</sup> Unofficial Engrossment of SF 959, Lines 181.22-181.28)
- 3. Dedicating \$11.3 million from the Clean Water Fund to help farmers implement soil-healthy practices on their farms. (Side by Side of HF 1079, Page R52 to R54, House Lines 58.17 to 58.22 and 59.11 to 60.28)

Passing these provisions will provide needed resources to Minnesota farmers who want to scale up soiland resiliency-building practices, signal to our farmers that we are serious in publicly investing in farming that provides public benefits, increase emphasis of our public institutions on soil health, and signal to the federal government and country that we are ready to be national leaders on soil health.

When we steward healthy soil, we are cultivating vibrant and resilient rural, urban, and suburban communities and economies. We cultivate thriving and resilient land that soaks up rain and sequesters carbon in perennial vegetation and soil organic matter. We foster healthy ecosystems with clean water and a sustainable climate for microorganisms, pollinators, wildlife, and people. We ensure that our future generations will have the soil they need to grow nutritious food for their communities. We protect our infrastructure, homes, and farms from the impacts of extreme weather. We create a strong path to receive federal funds that can be channeled straight to Minnesota farmers.

No matter where we live or what we look like, we depend on having a sustainable and just farm and food system. Yet, Minnesota's farmers are facing compounding challenges of extreme weather, financial crisis, and degrading topsoil. Now more than ever, we need public investment in farming that provides a public good.

The investments we make now will serve us well into the future and create a strong path to earn federal investment in our state. We know that, in partnership with decision-makers, we have the power to shape the landscape and our futures. We ask you to join us in investing in the land, Minnesota farmers, and all of our communities – rural, urban, and suburban.

Signed,

Audubon Minnesota
Cannon River Watershed Partnership (CRWP)
Clean Up our River Environment (CURE)
Clean Water Action
Climate Generation: A Will Steger Legacy
Coalition for a Clean Minnesota River

## COPAL MN

The Food Group / Big River Farms

Friends of the Boundary Waters

Friends of Minnesota Scientific and Natural Areas

Friends of the Minnesota Valley

**Greener Pastures** 

Health Professionals for a Healthy Climate

Humane Society of the United States (HSUS)

Institute for Agriculture and Trade Policy (IATP)

**ISAIAH** 

Land Stewardship Project (LSP)

Latino Economic Development Center (LEDC)

League of Women Voters of Minnesota (LWV-MN)

Main Street Alliance of Minnesota

Minnesota Center for Environmental Advocacy (MCEA)

Minnesota Environmental Partnership (MEP)

Minnesota Farmers Union (MFU)

Minnesota Interfaith Power and Light (MN-IPL)

Minnesota Ornithologists Union

Minnesota Trout Unlimited

Minnesota Well Owners Organization (MNWOO)

Minnesota 350

Native Sun Community Power Development

**Northern Waters Land Trust** 

Pollinator Friendly Alliance

Renewing the Countryside

Sierra Club North Star Chapter

TakeAction MN

**UNIDOS Minnesota** 

**Vote Climate** 

Youth Environmental Activists (YEA!) MN

100% Campaign



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May 12, 2021

Conference Committee on S.F. 959

RE: C&M Hallock Letter

## **Dear Conferees:**

We appreciate the MPCA sharing the C&M Hallock letter regarding Clean Cars Minnesota with the Conference Committee on Senate File 959. The letter does an excellent job of identifying the challenges impacting electric vehicle adoption, none of which are addressed by adopting California's motor vehicle emissions standards via the rulemaking process.

A decision of this magnitude warrants a solution that is authorized by Minnesota's Legislature. Instead, the MPCA is outsourcing our policy to California without addressing any of the risks and realities that will face Minnesota businesses and consumers impacted by the rule.

As Mr. Blomquist rightly pointed out:

- 1) "Upfront costs to dealers, especially small rural dealers are prohibitive." Many automakers don't allow their franchisees to sell or service electric vehicles unless they make significant upfront investments in charging stations, new equipment, and training, which can range from \$30,000 up to \$200,000 depending on the manufacturer. Dealers will only make this investment if a) they have the capitol and b) can expect to sell enough EVs to recoup the costs of their investment. Enacting ZEV does not change this dynamic, and the Sierra Club's 2016 report, Rev Up Electric Vehicles: Multi-State Study of the Electric Vehicle Shopping Experience, which examined EV availability in the 10 ZEV states, bears this out.
- 2) "High upfront cost to the consumer." With EVs costing \$10,000-\$15,000 more than the comparable conventional vehicle, the upfront costs of ownership are the number one barrier to EV adoption —especially since a majority of Minnesotans say the most important factor that influences which vehicle they purchase is the price. The 2019 Electric Vehicle Survey conducted by the Union of Concerned Scientists and Consumer Reports found that a lower purchase price is the top change that would make people more likely to purchase an EV. The top five continental states for EV market share have generous consumer incentives (i.e., tax credits or rebates). In fact, California has reached 8% annual sales by spending close to \$1 billion on consumer rebates since 2013.

- 3) "Border challenges. I am a border dealer and I do recognize the challenges we will have if neighboring states don't adopt the same position." None of the neighboring states are choosing to adopt California's LEV and ZEV standards. Clean Cars MN supposes that to realize the promised greenhouse gas reductions, California's LEV standard will be different than the federal standard our neighboring states will follow. According to the MPCA's analysis, this translates to prices as much as \$1,239 higher for all new vehicles in Minnesota, decimating sales to customers from the Dakotas, Iowa, and Wisconsin that our border dealers rely on to stay in business. Over 98% of vehicle sales in Minnesota are of conventional vehicles. A border dealer who loses 40% of those will not be made whole by a handful of EV sales to out-of-state customers, as Commissioner Bishop intimated.
- 4) "Cold weather. Cold weather does have an impact on battery life." Mr. Blomquist then points to Norway. Minnesota and Norway may have cold weather in common, but that's where the similarities end. The Norwegian government has instituted numerous policies which make EVs cheaper to purchase than conventional vehicles, and has established development of a public charging network of at least two charging stations every 50 km (~30 miles) on all main roads in Norway, eliminating the fear of being stranded on the side of the road during cold weather. Norway boasts 3,200 fast charging stations; Minnesota 191.

Adoption of Clean Cars MN allows the Walz Administration to give lip service to climate change and EV adoption without actually requiring the state to make any of the financial commitments that will truly move the needle and get EVs on the road versus oversupplying dealer lots.

Members of this conference committee, as well as your counterparts on the Conference Committee on Senate File 972, are in a position to put the Minnesota Legislature back in charge of our state's emissions policy, not California, and make a meaningful difference towards reducing the impacts of climate change. On behalf of Minnesota's 350 franchised new car dealers and their over 20,000 employees, we implore you to take the reigns and authorize Minnesota solutions to overcoming the barriers to EV adoption.

Sincerely,

Amber L. Backhaus

Vice President of Public Affairs

Amber L. Backhaus

Minnesota Automobile Dealers Association



Chairs Ingebrigtsen and Hansen, and Members of the Environment and Natural Resources Policy and Finance Conference Committee:

I'm writing on behalf of our 35 member counties to express support for SF959, Article. 2, Section 122, of the Senate bill, Repeal of Vehicle Emissions Standards Authority, repealing the authority of the PCA to adopt vehicle emissions standards.

MRC supports legislative review for issues of consequence to the culture and economy of rural counties. The proposed Clean Car Minnesota rule is sweeping in scope, imposing changes that affect or potentially affect commerce, self-governance, environmental and national security, utility demand and reliability, battery disposal costs, in addition to public and private vehicle costs.

Policy decisions on issues this controversial and of this magnitude must be filtered through the legislative process, with the inherent public awareness and involvement it brings. Any proposal to reduce air-pollution from vehicles in the state by linking Minnesota standards to the California regulatory code, and thereby affecting the type of vehicles allowed to be sold in the state is a massive issue that must be vetted in the clear light of day and most importantly, decided by legislators elected by the public to represent them on significant issues like this.

Bypassing the bright lights of the legislature to submit a highly-controversial and heavily-opposed issue like Clean Car Minnesota through the administrative rule making process is a disservice to the millions of Minnesotans who will never know this proposal existed until they find out it already has been enacted and has the full force and effect of the law.

MRC appreciates the Senate bringing this issue forward and recognizes this may be the only opportunity we have to voice our concerns over the Clean Car Minnesota standards in a legislative forum. We're grateful for the opportunity to be able to do so, but lament the fact that the real initiative on this contentious new proposed regulation is steadily making its way toward approval within the bureaucracy over at PCA.

We urge the conference committee to adopt this provision, or at the very least accept the current Senate offer of a two-year moratorium, for inclusion in the committee report.

Sincerely,

Luke Johnson, Chairman MN Rural Counties

Pipestone County Commissioner