

Revised

Fiscal Note

2023-2024 Legislative Session

HF1973 - 0 - State Greenhouse Gas Emissions Reduction Goals

Chief Author: **Patty Acomb**
 Committee: **Climate And Energy Finance And Policy**
 Date Completed: **3/8/2023 11:57:15 AM**
 Agency: **Pollution Control Agency**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Dollars in Thousands					
Total	-	-	-	-	-
Biennial Total			-		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

This note has been revised to adjust PCA's assumptions and cost. There would be no cost to the PCA as the work is already done through required reporting.

LBO Signature: Jim Carlson **Date:** 3/8/2023 11:57:15 AM
Phone: 651-284-6540 **Email:** jim.carlson@lbo.mn.gov

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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This bill amends MN Section 1. Minnesota Statutes 2022, section 216H.02, subdivision 1 to adjust the Greenhouse gas emission-reduction goal to 15% by 2015 (no change); 30% by 2023 (no change); 50% by 2030 (new); net zero by 2050 (new). The bill also adds language to avoid disproportionate adverse impacts and a requirement for the MPCA to annually review the goal targets and forward any recommended changes to the targets to the legislative committees with jurisdiction over climate change and environmental policy. Additionally, the bill adds definitions of "net zero".

Assumptions

- This fiscal note assumes that the MPCA's greenhouse gas (GHG) emissions inventory would still be completed every two years and this bill only requires that the reduction targets be reviewed annually.
- The GHG emission targets would be reviewed annually considering any updates published by the Intergovernmental Panel on Climate Change (IPCC).
- Since the IPCC reports are generally on a 7-year cycle and the MPCA already reviews and considers the report, the additional requirement to provide a letter or other notification to the legislature if the IPCC goals have not changed or to identify changes where there are updates can be incorporated into MPCA's current staff PDs without the need for additional staff.

Expenditure and/or Revenue Formula

None: additional reporting can be incorporated into current staff workplans.

Long-Term Fiscal Considerations

None

Local Fiscal Impact

None

References/Sources

Revised

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