



HF 3793 / SF 3852

THE PROBLEM

- Minnesota is perceived as a “water-rich” state and that perception has attracted water-intensive industries such as bottled water plants, ethanol plants, and hyperscale data centers. But our groundwater resources are increasingly strained as these high-volume uses compete with residential and agricultural uses (groundwater provides 75% of the water we drink at the tap and 90% of agricultural irrigation).
- When we pump out too much groundwater, it can lead to well interference (where wells can run dry), harm groundwater-dependent ecosystems such as cold-water trout streams, and disturb contaminants in the groundwater like manganese and arsenic. Long-term, groundwater overuse threatens the ability of the state to provide sustainable water supplies to future generations.
- To address the increased strain on its groundwater resources, Minnesota should close regulatory loopholes for water-intensive industries that are drawn to Minnesota for its abundant water resources. These industries should follow Minnesota’s environmental review laws and be held liable for the costs of any well interference they might cause.

BACKGROUND

- This bill addresses two primary concerns: (1) the DNR’s inability to enforce the state’s water allocation priorities when large-volume industrial and commercial users use municipal water, and (2) the ability of large-volume industrial and commercial users to avoid public scrutiny of their water appropriation requests.
- We have **water allocation priorities** written into state law that prioritize domestic water supply as the most important water use to preserve in Minnesota; industrial and commercial uses of water are ranked 5th on that list. When large-volume

industrial and commercial water users get their water supply through municipal water permits, these priorities are harder to enforce. This can put residents' water supply at risk in times of drought/water shortage, which are increasingly frequent with climate change.

- When large industries get their water through municipal water appropriation permits, that means the **liability and cost for well interference** falls on the city, rather than the company that uses the water.
- There's also the issue of **transparency**. When large-volume commercial and industrial users hide their water needs behind nondisclosure agreements with city staff, community members and other local businesses that rely on the municipal water supply are denied the opportunity to weigh in on how that water use will impact the community and if the demand can be sustainably met.

MINNESOTA'S GROUNDWATER DESERVES PROTECTION

This bill creates a separate permit requirement for industrial and commercial uses that exceed 100MGY. This will ensure that liability for private well interference from an industrial or commercial large-volume water use falls on the industry, rather than the municipality. It also puts the DNR in an enforcement role for the water allocation priorities outlined in state law and requires large-volume users to report their water use to the DNR monthly.

We define large-volume commercial and industrial water users to include all commercial and industrial uses of water that exceed 100 million gallons of water per year. This definition encompasses data centers as well as other large-volume users such as bottled water plants and ethanol plants.

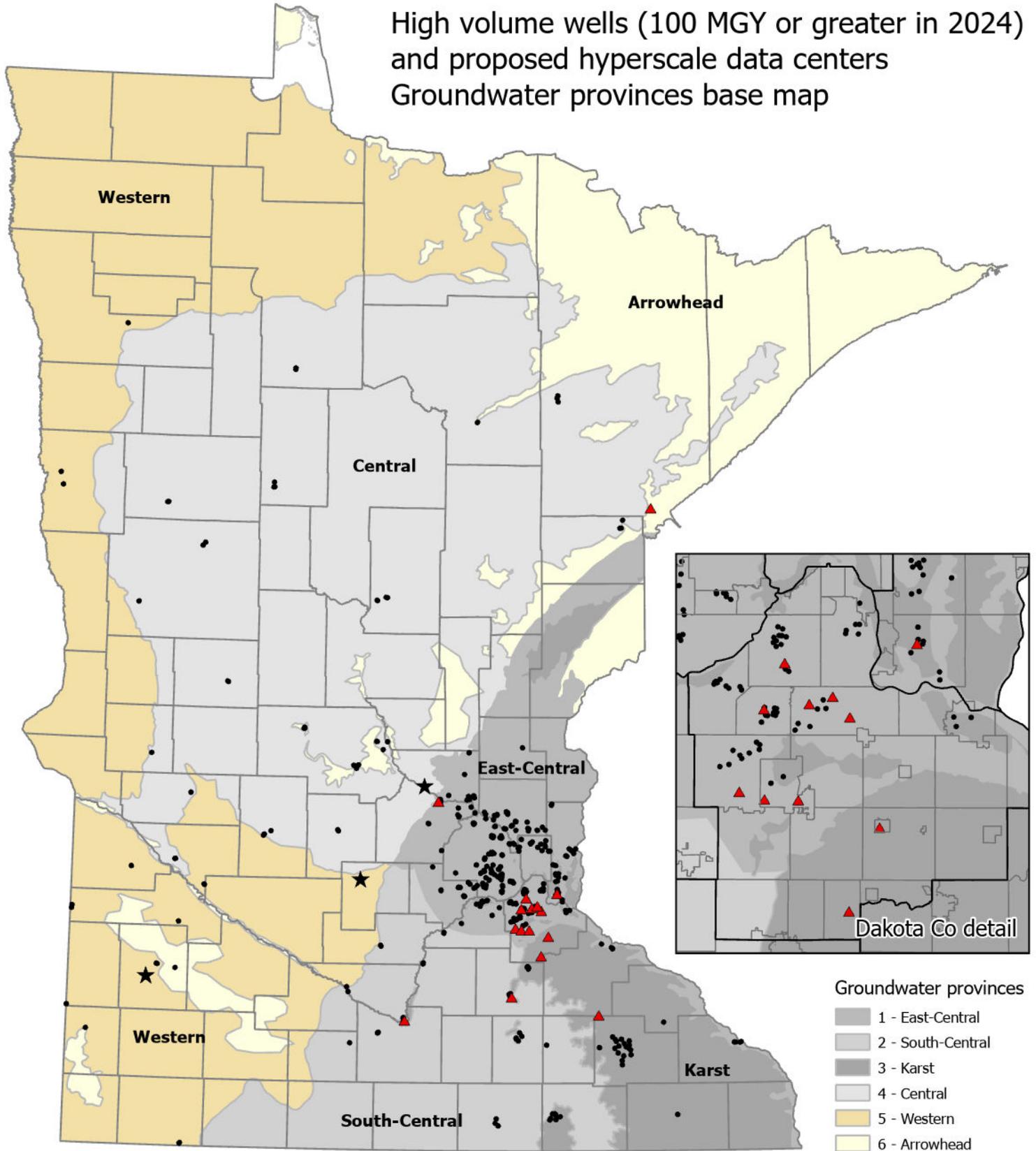
This bill requires a mandatory public comment period on water appropriation permits for large-volume commercial and industrial users and requires aquifer pump tests to be included in environmental review. These measures create more transparency and opportunities for public input.

Distributed and produced by the Minnesota Center for Environmental Advocacy

Contacts:

**Ben Olson, Legislative Director at (818) 850-9976, bolson@mncenter.org
Carly Griffith, Water Program Director cgriffith@mncenter.org**

High volume wells (100 MGY or greater in 2024) and proposed hyperscale data centers Groundwater provinces base map



- Groundwater provinces**
- 1 - East-Central
 - 2 - South-Central
 - 3 - Karst
 - 4 - Central
 - 5 - Western
 - 6 - Arrowhead



- High volume public well (100 MGY or greater in 2024)
- ★ High volume industrial/commercial well (100 MGY or greater in 2024)
- ▲ Approximate location proposed hyperscale data center