

Chair Hansen and Members of the House Environment & Natural Resources Committee:

Conservation Minnesota thanks you and your fellow committee members for the good work you did this session. The DE1 to HF3911 is emblematic of the remarkable work you have managed to accomplish in a non-budget year. We would like to highlight several key proposals that have Conservation Minnesota's strong support in the omnibus.

The Packaging Waste and Cost Reduction Act

We appreciate the increased attention the committee gave to several bills concerning garbage, recycling, and waste reduction. Conservation Minnesota strongly supports including the Packaging Waste and Cost Reduction Act in the omnibus, and we look forward to finding agreement with the Senate and making Minnesota the fifth state to implement this policy.

Updating Minnesota's Plan for Elk Management

Last session the legislature began the process of reintroducing a wild elk heard in northeast Minnesota in partnership with the Fond Du Lac Band of Lake Superior Chippewa. Conservation Minnesota is thankful to see changes to the elk management statutes in the DE1 that will help streamline the reintroduction process.

Clarifying public waters and the Public Waters Inventory

The over whelming majority of Minnesotans want public waters protected. From large lakes to small wetlands and streams, Minnesotans get it - public waters need state protection. Conservation Minnesota is grateful for the inclusion of clarifying language that makes state law clear that the incomplete Public Waters Inventory is not necessarily the determining factor when investigating if a waterbody is a public water. Rather the criteria set forth in Minn. Stat. Sec. 103G.005,sub. 15 shall determine what is and is not a public water.

We respectfully ask that this committee support the DE1 to HF3911 to start tackling Minnesota's growing trash problem, to return elk to northeast Minnesota, and to clarify public waters regulations statewide. Thank you.

Sincerely,
Nels Paulsen, Policy Director
(608) 469-5299
nels@conservationminnesota.org

James Lehner, Policy Associate (978) 844-4625 james@conservationminnesota.org



Dear Chair Hansen and Members of the Environment and Natural Resources Committee:

Metro Cities, representing the collective interests of cities in the metropolitan area, appreciates the opportunity to comment on HF 3911 (Hansen), as amended by the DE 1 amendment.

Metro Cities supports the \$3.4 million from the heritage enhancement account and \$8 million from the general fund for community tree planning grants. Metro Cities also supports the additional \$3.4 million for implementing agencies to plant trees within the metropolitan-area regional parks and trails system. These provisions recognize the importance of urban forests and the benefits they provide our communities. Economic and environmental gains for storm water management, climate change mitigation, air quality management, tourism, recreation, and other benefits must be protected from tree loss.

Metro Cities further supports the additional \$1.337 million in FY 2025 for the Lawn to Legumes program. Metro Cities' policy emphasizes the importance of creating and maintaining habitat for pollinators and supports continued funding for this program.

Thank you for your consideration of this letter. Please contact me if you have any questions.

Sincerely,

Mike Lund

Government Relations Specialist

Vietrus Lunc

Metro Cities



Testimony to the House Environment and Natural Resources Finance and Policy April 16, 2024

I am Eric Schenck, executive director of the Minnesota Forest Resources Council (MFRC). The 17 stakeholder members of MFRC are statutorily responsible for providing policy recommendations to the Legislature that promote sustainable management, use, and protection of the Minnesota's forest resources. This testimony is supported by Council resolution 2022-1 adopted on January 18, 2022.

A year ago, Washington became the third state in the country to implement a clean transportation fuel standard. Prior to this, Washington State also made national news in 2016 by flying an Alaska Airlines commercial jet from Seattle to Washington, DC. What made this flight noteworthy was that it used a biofuel derived from wood. This dramatic achievement demonstrates the potential for Minnesota to also lower greenhouse gas emissions of the transportation sector by supporting wood-based biofuels, including Sustainable Aviation Fuel.

MFRC has three recommendations for this committee to consider: 1) include woody biomass as an eligible renewable biofuel feedstock for Sustainable Aviation Fuel (SAF), 2) include woody biomass as an eligible feedstock for Sustainable Aviation Fuel under a Clean Transportation Standard (CTS); and 3) support, through fuel credit generation, all sources of woody biomass that further lower life-cycle greenhouse gas emissions associated with Sustainable Aviation Fuel. Please consider the following:

First, using low carbon emitting woody biomass for biofuels vastly reduces carbon emissions compared to petroleum-based fuels and provides a more rapid pathway to achieving Minnesota's emission reduction goals. To understand this potential, simply compare the Carbon Intensity (CI) of 8 for wood-based renewable diesel, with soybean-based biodiesel's CI of 58, and petroleum diesel's CI of 90+. Similar dramatic carbon emission benefits are associated with using renewable woody biomass for Sustainable Aviation Fuel.

Second, Minnesota has a sustainable supply of woody biomass that is vast, underutilized, and rapidly increasing on private, public, and urban forestlands. SAF can support sustainable forest management by providing a market for important forestry measures and actions that will further enhance forest resiliency to climate change.

Finally, innovative technologies are rapidly transforming woody biomass into an economically viable feedstock for sustainable aviation fuel, renewable diesel, and other biofuels. Eligibility of woody biomass as a SAF feedstock supports the forestry sector, spurs more technological innovation, and promotes the environmental, economic, and societal benefits sought by Minnesota's Climate Action Framework.

Eric.schenck@mn.state.us 651-247-1367 Minnesota Forest Resources Council, St. Paul, MN https://mn.gov/frc/



Minnesota Forest Resources Council Resolution 2022-1 "Supporting Minnesota's Climate Change Goals Through Development of Sustainable Forest Products Markets"

- 1. WHEREAS, Minnesota is facing multiple challenges related to over-abundance of mill residuals, forestry residuals, and underutilized tree species.
- 2. WHEREAS, uneven policy support in Minnesota for bioenergy production using mill residuals, forest residuals, excess woody biomass, dead trees, diseased trees or otherwise unmarketable timber has resulted in the loss of a number of markets for such woody material.
- 3. WHEREAS, management of trees killed by extreme storm events, diseases, or insects such as emerald ash borer and spruce bud worm, is a critical problem in Minnesota that is expected to continue to grow over time with climate change.
- 4. WHEREAS, dead and dying wood, if unmanaged, creates multiple risks including risk of wild fire, habitat loss, and loss of the biogenic carbon sink.
- 5. WHEREAS, active forest management and stewardship, supported by local markets, and following sustainable forest management practices and sustainable management plans, is essential to maintaining healthy, productive forests that are resilient and adaptable to climate change.
- 6. WHEREAS, under the direction of the Minnesota Sustainable Forest Resources Act (MN Stat. 89A) the Minnesota Forest Resources Council (MFRC) has developed forest management guidelines for the sustainable harvest of forest residuals and woody biomass.
- 7. WHEREAS, MFRC is charged by statute with developing recommendations to the governor and to state government with respect to forest resource policies that result in the sustainable management, use, and protection of the state's forest resource.
- 8. WHEREAS, it is important that MFRC recommendations for new market attraction strategies to support sustainable forest management not create additional competition for otherwise marketable wood species.
- 9. AND WHEREAS, it is desirable for Minnesota to be a leader in developing and attracting the most advanced forest products industries to the state and to set the example for sustainable management of its forests
- 10. **BE IT THEREFORE RESOLVED,** the Minnesota Forest Resources Council, consistent with its statutory responsibility, recommends support for new and expanded Minnesota markets for forest and mill residuals, and other types of sustainably harvested woody biomass and encourages elected and appointed officials to:
 - a. Include woody feedstocks in statewide fuel or energy standards and/or offer broadly available production incentives for low carbon renewable biofuels derived from woody biomass or other bioenergy feedstocks.

- 11. **BE IT FURTHER RESOLVED,** the Minnesota Forest Resources Council commits to developing an action and communications strategy to further align new market development and sustainable forest management by:
 - a. Evaluating appropriate sources of material that could be considered "woody biomass" or "forest residuals" such as mill residuals, harvest residuals, wood waste, diseased wood, unmerchantable wood, and other material removed for fuel reduction.
 - b. Describing how harvesting of these materials acknowledges Tribal treaty rights while integrating with existing forest management plans, timber harvesting guidelines, and forest certification standards.
 - c. Recommending policies and strategies for attracting new markets that align with the state's management objectives, to potentially include energy products (e.g commercial and residential heating, pellets, biofuels) and non-energy products (e.g thermally-modified wood, biochar, activated carbon, biobased chemicals and extractives, and engineered and specialty wood products).

Motion supporting the resolution "Supporting Minnesota's Climate Change Goals Through Development of Sustainable Forest Products Markets" (MFRC Resolution 2022-1) as a 2022 priority policy recommendation of the Minnesota Forest Resources Council; and directing the MFRC Policy Committee, MFRC Landscape Advisory Committee, and MFRC Communications Committee to collaboratively develop an action and communications strategy for conveying the recommendation to the Governor, Legislature, and stakeholders.

AYES (9) Craig Engwall, Janet Erdman, Kathleen Preece, Katie Fernholz, Kim Berns-Melhus, Kory Cease, Mike Kilgore, Pete Aube, Rick Horton

NAYS (1) Keith Karnes

ABSTAIN (2) Forrest Boe, Jim Manolis

ABSENT (4) Bob Owens, Connie Cummins, Deb Theisen, Scott Pittack

Attested to by:

O1/18/2022

Pete Aube, Chair, Minnesota Forest Resources Council

Date



April 15, 2024

Representative Rick Hansen, Chair Representative Josh Heintzeman, Republican Lead House Environment and Natural Resources Committee 10 State Office Building St. Paul, MN 55155

Dear Chair Hansen, Republican Lead Heintzeman, and members of the committee:

Thank you for your work on the Environment and Natural Resources Supplemental Finance and Policy bill (HF3911) and for the opportunity to submit written testimony on the delete-everything amendment ("DE1").

The Minnesota Bio-Fuels Association (MBA), the largest non-profit organization dedicated to supporting and representing the renewable fuel industry in Minnesota, would like to express its concerns with the following provisions in the delete-everything amendment.

• Minnesota Pollution Control Agency Air Permitting and Compliance Protocols [Lines 29.3 – 32.9]: MBA producer members are continually identifying new investments in facilities, equipment, and processes that will result in improved energy efficiency and air emissions controls. These projects and processes will better protect Minnesota's natural resources while contributing to economic development through jobs and tax revenue. We believe the twin goals of incentivizing business investment and protecting the environment are not mutually exclusive, and it is for this reason that we are concerned the provisions in the delete-everything amendment relating to Section 116 would unnecessarily tip that delicate balance by increasing air permitting timeline uncertainty.

Specifically, the proposed compliance requirements for permits not obtained (Subd. 9b.) are vague and raise questions about how and when permits will be classified as unobtained. For example, many ethanol plants have submitted applications for Tier 2 air permits that are still pending and have not been finalized by the Minnesota Pollution Control Agency (MPCA). It is unclear whether those pending unobtained permits would be subject to compliance. Furthermore, the proposed compliance protocols and reporting requirements in Sec. 18 (Line 29.15) are duplicative of existing permit conditions on quality control, monitoring, and performance testing at ethanol facilities.

• Sustainable Aviation Fuel (SAF) Definition & Biomass Certifications [Lines 122.4 – 124.9]: Ethanol producers in Minnesota strongly support efforts to increase the use of SAF to decarbonize the aviation sector. The Biden administration's SAF Grand Challenge has set an ambitious goal of producing 3 billion gallons of SAF domestically by 2030. We are concerned that achieving that goal will be more challenging, if not impossible, without the full participation of Minnesota farmers that help produce crop-based biofuels that can meet a 50 percent lifecycle greenhouse gas emissions reduction as compared to petroleum-based jet fuel. It is for this reason that we oppose requiring SAF producers or blenders to certify that biomass feedstocks are grown



on agricultural land that had previously been cropped in five or more of the previous ten years. We urge the committee to avoid unnecessarily restricting the use of crop-based biofuels in SAF production while disincentivizing participation from Minnesota farmers.

Thank you again for the opportunity to provide written testimony. If you or your staff have questions, please contact me at 651-356-4330 or at bwerner@mnbiofuels.org.

Sincerely,

Brian Werner

Executive Director

Minnesota Bio-Fuels Association

Br I Win



04/15/24

RE: Environment and Natural Resources Supplemental Finance and Policy Bill

Members of the House Environment and Natural Resources Finance and Policy Committee,

Medical Alley represents a global network of more than 800 leading health technology and care companies including representation from all corners of the state of Minnesota. Our mission is to activate and amplify healthcare transformation.

Recognized worldwide as a leader in healthcare innovation, Minnesota sets a standard for excellence – impacting local communities and influencing global health outcomes and advancements. With access, affordability, and quality as top priorities, Medical Alley and our partners are committed to developing solutions which drive meaningful change and save lives.

Since our founding in 1984, Medical Alley has been committed to advancing innovation while protecting the environment. Alongside our partners, we embrace the responsibility of minimizing environmental impacts to ensure a healthy and sustainable future for all Minnesotans.

As we balance environmental stewardship with protecting access to healthcare, Medical Alley appreciates Representative Jordan's work with us as the Packaging Waste and Cost Reduction Act has moved through the House committee process, including adopting the following amendments onto the bill:

- An <u>amendment</u> exempting infant formula, medical food, and fortified oral nutritional supplements adopted on February 28 in the House Commerce Finance and Policy Committee
- An <u>amendment</u> exempting medical devices and drugs adopted on March 19 in the House Judiciary Finance and Civil Law Committee

We believe this language, as provided on lines 75.27 through 76.5 of the <u>H3911DE1 Amendment</u>, represents a significant step in the right direction toward addressing many of our concerns.

Medical Alley is grateful to Representative Jordan for incorporating this language into the Packaging Waste and Cost Reduction Act.

Sincerely,

Peter Glessing

Senior Director of Policy and Advocacy Medical Alley

Ith Dlasing



To: Members of the House Environment and Natural Resources Finance and Policy Committee

From: Riley Titus, CropLife America

Date: 4/16/2024

RE: HF 3911 - Oppose Inclusion of Article 7, Lines 120.13-120.25, and 121.1-121.9

Dear Chair Hansen, Vice Chair Jordan, and distinguished members of the House Committee on Environment and Natural Resources Finance and Policy,

On behalf of CropLife America, we respectfully oppose HF 3911, Article 7, lines 120.13-120.25, and 121.1-121.9. The current regulatory framework within the Minnesota Department of Agriculture (MDA) and United States Environmental Protection Agency (EPA) is appropriate for regulating all aspects of pesticide sales and use within the state. The ban on neonic treated soybean seed proposed in lines 120.13-120.25, is inaccurate and unnecessary based on existing regulation of MDA over seed and pesticides, in addition to federal oversight by and the United States Department of Agriculture (USDA). Seed treatments, and the seed applied pesticides that are applied to them, are highly regulated at both the state and federal level, so lines 120.13-120.25 is both duplicative and unnecessary.

Creating a new definition of "systemic pesticide" (lines 121.1-121.9) is unnecessary given pesticides are already defined in existing Minnesota law, under Chapter 18B, Section 18B.01, Definitions. Seed applied pesticides are highly regulated, just as foliar and soil-applied pesticides are. Seed applied pesticide products undergo a thorough evaluation by the U.S. Environmental Protection Agency (EPA), and by applicable state agencies prior to commercialization. Additionally, the seeds are regulated by state and federal seed control agencies. The EPA assesses the potential risk for seed treatment products from treating and planting the seed (i.e., environmental fate, ecotoxicology and operator exposures), to the consumption of the harvested commodity (i.e., human health). Labels approved through EPA's registration process include seed treatment uses that, when their instructions are followed, do not pose an "unreasonable risk to man or the environment, taking into account the economic, social, and environmental costs and benefits".

Pesticides are rigorously regulated under existing federal law. Pesticides are unique substances, with more scientific data available about them than for any other products available in commerce today. Pesticide products are subject to regulation and oversight from five federal agencies: EPA, Department of Agriculture, Food and Drug Administration, Fish and Wildlife Service, and National Marine Fisheries Service. This multi-agency federal regulatory framework is focused on ensuring products can be used safely. This framework is also the foundation of the federal and state pesticide regulatory partnership.

To approve a new pesticide under the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA), EPA must determine that, when used in accordance with the label, it will not cause unreasonable adverse effects on the environment and does provide a reasonable certainty of no harm to human health. EPA must periodically review registered pesticides to ensure they continue to meet this robust safety standard. EPA subjects all new pesticide products to rigorous human health and environmental review and testing requirements to satisfy these standards for registration.



The federal and state regulation of pesticide distribution, sale, and use, as well as stringent safety standards and oversight, are well established federally under FIFRA and in Minnesota under Chapter 18b. The statutes are designed to evolve as science advances, to support product innovation, and to provide for robust stakeholder and public input into pesticide regulation. The statutes require the review of the most current scientific data on health and environmental impacts for all pesticide products and impose requirements to minimize any risks before they are made available for sale and use.

We respectfully oppose the language banning neonic treated soybean seed proposed in lines 120.13-120.25, and the definition of "systemic pesticide" in lines 121.1-121.9, to be burdensome and unnecessary given the science-driven regulatory programs administered and enforced by the MDA, and the U.S. EPA and USDA and ask the committee to reject inclusion of these sections in the broader House Environment and Natural Resources Finance and Policy omnibus bill.

Sincerely,

Riley Titus
Director, State Government Relations
CropLife America
rtitus@croplifeamerica.org
202-872-3856



Re: LMC Comments on DE1 amendment to HF 3911

Dear Chair Hansen and members of the Environment and Natural Resources Finance and Policy Committee:

The League of Minnesota Cities, representing 838 of Minnesota's 855 cities, appreciates the opportunity to submit comments related to the DE4 amendment to H.F. 4492. Many of the provisions in this bill have impacts on Minnesota cities and how they provide services and governance to their residents and businesses.

Urban forestry

The League appreciates the badly needed investment in urban forest management created through the metropolitan tree planting grant program (funded in Article 1, Sec. 4 and established in Article 7, Sec. 10). The abilities of local government to finance management of urban tree canopies, especially in light of emerald ash borer, has been massively exceeded. These tree canopies are extremely important for air quality, stormwater management, heat island reduction, and energy benefits, in addition to the quality of life and property value impacts mature trees provide. Unfortunately, this problem is not limited to the metropolitan area, so, while supporting this effort and understanding the constraints of the budget targets, the League asks that in the future similar resources be made available to the more than 600 cities located outside the metropolitan area.

Enforcement changes

A couple of the enforcement changes made to Chapter 115, located in Article 2, Sec. 5 and 6, are of concern to the League. Adding individual citizen suit options to state permits significantly increases the potential for that form of legal action to occur. The costs of any such challenge, even if a challenge is unsuccessful, are significant and fall on the local taxpayers. In regard to the permits held by local utilities and city governments, we do not see an added benefit to this added legal exposure that is not already provided under state and federal permit procedures and federal citizen suit availability.

In addition, the new language found in Article 5(b), as the League has previously testified, does not differentiate for the nature of a violation, its impacts, severity, and actual threat to public health and safety and the environment. A minor reporting violation should not have a significant financial penalty simply because a previous violation that was penalized occurred. The MPCA enforcement matrix already addresses this issue.

TF: (800) 925-1122

LMC comments on HF 1237 Page 2

Packaging

The League supports the producer responsibility provisions contained in Article 7 and appreciates the work that the authors and proponents have put into addressing city concerns with the legislation related to preserving existing city contractual options for residential solid waste management.

Thank you for providing the opportunity for this input. We look forward to working with the Chair and the committee as this bill progresses.

Sincerely,

Craig A. Johnson

Intergovernmental Relations Representative

League of Minnesota Cities

Craig a C/ohnson



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

RE: HF3911, Elk Management Modifications

Dear Chair Hansen and Committee Members,

Kittson County is writing to voice our concern regarding proposed language in House Bill 3911 DE1 amendment; striking language that, with its removal, essentially grants the Department of Natural Resources the ability to grow the elk herds in Kittson County and other frontier status counties.

While the bill allows for a public meeting between the Department of Natural Resources, Department of Agriculture and county stakeholders, we feel that is nothing more than a symbolic move and local stakeholders' opinions will be overlooked.

Increasing the size of the elk population, without an additional influx of funds to compensate landowners for damage, creates an undue financial burden for farmers and other property owners in our frontier status county.

Claimants may file for damages from the Department of Agriculture but receive minimal compensation. The current cap on claims results in a substantial number of claims going unreported, resulting in inaccurate data to the Department of Agriculture. While damages may go unclaimed, recorded damages more than doubled from 2022 to 2023 due to the increase of the herd size.

Some farmers have even resorted to taking federal crop insurance claims on elk damaged land. This raises the cost of their federal crop insurance premiums and lowers their average yield, which adds an additional undue burden.

Outside organizations have too heavily influenced policy that we deal with in our own back yards. By striking previous language, local cattle and grain farmers' voices are being ignored.

Kittson, Marshall, Roseau, and Beltrami county grain and cattle farmers should not bear the burden of growing an elk herd.

Thank you for your consideration.

Kittson County Board of Commissioners Hallock, MN



Amateur Riders Motorcycle Association PO Box 458 Hasting, MN 55016

April 16, 2024

Minnesota House of Representatives Environment and Natural Resources Finance and Policy Committee Ethics Committee 430 State Office Building St. Paul, MN 55155 651-296-5069

Re: Bill HE3911DE1

Committee Members:

The Amateur Riders Motorcycle Association (ARMCA) operates as the Minnesota District (23) of the American Motorcyclist Association (AMA). We have over 4,000 members within our district and there are over 8,000 AMA members in Minnesota.

This letter is in opposition to certain aspects of the bill HE3911DE1. We oppose:

- Lines 3.16 3.22, and more specifically lines 3.19 3.20 for OHMs for the implementation of the new electronic licensing system (ELS). We had asked the DNR to be part of the full process to implement this new system. Eventually, we were given a meeting to show the draft system. Off-highway vehicles were definitely an afterthought for the system design and our requests had not been addressed. We have not seen a system other than the original draft and we do not feel that our needs have been addressed. Because of this, we do not feel that any funding should come from the Off-Highway Motorcycle (OHM) account (specifically) and also do not support funding from the All-Terrain Vehicle Account or the Off-Road Vehicle accounts as they would have the same concerns and had also requested to be included in the design and implementation process. This system caters specifically to the hunters and anglers. The funding for the new system should come from those accounts. The funding in the dedicated motorized vehicle accounts should be used for trail maintenance more than being used to supplement other DNR divisions. Items that we requested to be added to the ELS system which we have not seen implemented include:
 - The ability to do an original vehicle registration electronically through the system.
 Currently renewals only are allowed to be done electronically.
 - Add photos or icons of the vehicle types to the registration program to ensure that the
 correct vehicle type is being selected during the registration process. This is a continuing
 issue of vehicles being registered for the wrong vehicle type.
 - Include the use of the VIN number during the registration process to also ensure the accuracy of the type of registration chosen.



Amateur Riders Motorcycle Association PO Box 458 Hasting, MN 55016

- Allow MN motorized vehicle dealerships to process the registration. Dealerships already collect the funding for the registrations, but have to bring individual checks for each registration daily to a Deputy Registrar Office.
- We oppose the deletion and addition of language in lines 46.11 46.12 and 46.16 46.18. This language could allow the forests to be used with off-trail travel for uses apart from the recreational use of off-highway vehicles (OHV). It is the people who use OHVs for recreational purposes who do the least amount of damage to the forests and who maintain the trail systems. The non-recreational forest use are the vast majority of the off-trail travel of OHVs, such as berry picking or maple sap gathering. Recreationists by far prefer designated and well-maintained trails. To only allow the use of the forests for the uses that will do the most off-trail travel versus the uses that maintain the trails systems appears to be contrary to the intent of the language. This is true unless this bill is attempting to be an anti-OHV bill/section.
- We oppose the language on lines 46.27 47.1. The current law allows the DNR to chose to designate any forest in the State north of Highway 2 to be either a Managed forest or a Limited forest. This section of the bill is not necessary for forests north of Hwy 2 to be designated as Limited. All forests currently listed as Managed were designated for that purpose after stakeholder meetings and public comments. The language in this section eliminates the voice of many people in the State and who live in the affected areas. This language would allow the voice of a very few to dictate and override the choices of the communities affected by this language.

If the above points are eliminated, lines 4.22 – 4.25 are not needed and may also be deleted.

Thank you for your time in reviewing our concerns with the select language including in this bill. We hope you will take action to remove the problematic sections for our members and the communities that would be affected by highlighted language.

Sincerely,

Tom and Karen Umphress
Government Relations Officers
Amateur Riders Motorcycle Association/District 23
612.965.8618/19
Tom@tnkent.com
Karen@tnkent.com



April 15, 2024

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

Re: H.F. 3911, Environment and Natural Resources Supplemental Finance and Policy Omnibus Bill

Dear Chair Hansen and Members of the House Environment and Natural Resource Finance and Policy Committee,

The Partnership on Waste and Energy (Partnership) is a Joint Powers Board consisting of Hennepin, Ramsey and Washington counties, formed to address waste management and energy issues. The Partnership seeks to end waste, promote renewable energy and enhance the health and resiliency of the communities we serve while advancing equity and responding to the challenges of a changing climate.

The Partnership appreciates the opportunity to express support for several provisions of H.F. 3911 that will have significant impact on protecting public health and the environment and help counties be more successful in reaching challenging statutory waste management goals.

Packaging Waste and Cost Reduction Act

The Partnership strongly supports inclusion of the Packaging Waste and Cost Reduction Act in this bill. Counties are working very hard with our cities, recyclers, residents and businesses to keep as much waste out of landfills as possible. Counties spend four to five times more on recycling efforts than we receive in state funding through SCORE grants. Cities raise tens of millions of dollars annually in taxes and fees to operate their recycling programs. Even with all this, the state's recycling rates have been stuck at around 40-45% for many years, resulting in 3 million tons of materials managed as trash each year.

We need to get the state out of "business-as-usual" and get us to the next level to meet state recycling mandates and zero waste ambitions. Resources that could be recycled or composted are instead creating mountains of trash in our landfills.

The provisions in this Act will:

- Hold packaging and paper product producers accountable to help fix the waste problem they have created.
- Build on the state's recycling collection and processing infrastructure, with the producers responsible for the waste, not taxpayers, funding the gaps where we lose recyclables now.
- Increase statewide access to reuse, recycling and composting programs.
- Reduce the financial burden on individuals and taxpayers for recycling services.
- Incentivize redesign of packaging to make them reusable, recyclable or compostable.

PARTNERSHIP ON WASTE AND ENERGY HENNEPIN | RAMSEY | WASHINGTON 100 Red Rock Road | Newport, MN 55055 info@recyclingandenergy.org | 651-768-6670

Other Provisions We Support

Multifamily composting grants: The Partnership supports expanding opportunities for residents to participate in composting. Metro counties will not meet the state mandate of 75% recycling by 2030 without significant diversion of organic materials from trash. A third of Partnership residents live in apartments and other multifamily buildings. Partnership counties provide technical, logistical and financial resources to building owners and residents to help them address challenges they face and ensure composting efforts are successful. The Partnership supports the proposed grant program so county efforts can have greater reach and engage more partners.

Clean lighting: The Partnership supports reducing the hazards to public health and the environment posed by products that contain mercury. Restricting the use of mercury in lighting is an important risk reduction solution for homes and businesses, as well as in county household hazardous waste collection programs that handle mercury-containing lighting products.

Boat wrap product stewardship: The Partnership supports engaging manufacturers in creating a program to keep boat wrap out of landfills and offer consumers convenient recycling and reuse options, all without burdening taxpayers. The Partnership appreciates that local government is specifically included in stakeholder consultation during stewardship plan development.

Critical materials recovery task force: Electronic waste must be kept out of the mixed municipal solid waste stream and disposal facilities to reduce waste toxicity, to prevent risks to the environment, public health and facilities and to recover valuable products and critical materials for reuse and recycling. The Partnership supports efforts that strengthen systems to recycle electronic waste. We also appreciate that counties will be represented on the Critical Materials Recovery Task Force by the Solid Waste Administrators Association.

Tree removal and planting funding: The Partnership supports funding for tree removal and planting, particularly through the Community Tree Planting grants detailed in the bill. This offers funds that resource-strapped communities need now as emerald ash borer destroys community forests and urban canopy in a growing number of counties (50 and counting).

Repealing the "bag ban": The Partnership supports local authority to implement policies and activities consistent with the state's waste management hierarchy and solid waste plans. Repealing Minn. Stat. Sec. 451.9998 would restore that local authority as it regards the use of merchant bags in their jurisdictions. It would allow local governments an option to restrict the use of certain bags to reduce waste and prevent negative impacts to land, water, wildlife and public health from littering.

Provisions We Support With Concerns

Food and food waste hierarchy: The Partnership shares the state's priority on addressing food waste. It is critical to prevent food from becoming waste and manage what is discarded using strategies that best reduce impacts on the climate and keep food out of landfills. The Partnership appreciates the recognition in the proposed food and food waste hierarchy provision that anaerobic digestion to produce valuable biogas and digestate products is an important climate protection and landfilling reduction strategy, and as such it is placed on the same level as composting. However, we advise against establishing a duplicate hierarchy within the state's highest waste management policy declaration in 115A.02. Doing so can create confusion and potential misalignment with implementing the long-standing waste management hierarchy.

Sustainable Aviation Fuel: The Partnership has previously supported legislation creating pathways for the use of biomass, in particular organic wastes, for the production of clean transportation fuels such as sustainable aviation fuel. The provision regarding credit certificates for fuel derived from biomass appears to be written without regard to the broad types of renewable and recurring organic matter listed in the definition of "biomass" in Minn. Stat. Sec. 41A.15, subdivision 2e. The provision should be revised to not impede the availability of credit certificates for sustainable aviation fuel derived from organic materials such as trees, wood, wood waste, wood residues, and organic portions of solid wastes.

Thank you for the opportunity to present the Partnership's positions on H.F. 3911. We stand ready to work together on these important issues for the benefit of our communities and the state.

Sincerely,

Commissioner Victoria A. Reinhardt, Ramsey County

Victoria a. Reinharat

Chair, Partnership on Waste and Energy



April 15th, 2024

Dear Chair Hansen and Committee Members

On behalf of the Minnesota 4-wheel Drive Association, we are writing in opposition to HF3911DE1. We have over 1,000 active members who are responsible users and ambassadors of established state trails and courses. These parks are growing in demand and offer a secure and sustainable option for off-road enthusiasts to enjoy their hobby responsibly in new areas of the state.

Article 1 Sec 2 (e) allocates \$100,000 from the Off-Road Vehicle account for new signs that will be needed. It appears that the majority of these new signs would be needed for ATV trail and Not ORV trails. We do not support the use of ORV account funds for this purpose.

We oppose Article 3 sections 7-9 that would cause the need for more signs. We have and existing regulatory structure that is working and allows for strong stewardship among users and sponsoring clubs. These sections would underpin established agreements and add unneeded costs and confusion.

The Minnesota Off-road community values the routes and trails that we have worked so hard to create and maintain AND the environment in which they are located. We will continue to be strong stewards of both. We hope that these concerning sections will be removed from this legislation.



Chair Hansen and Members of the House Environment and Natural Resources Finance and Policy Committee:

Thank you for the opportunity to submit written testimony regarding Minnesota Realtors®' concerns with Article 4, Section 6 of the DE1 amendment to HF 3911, which creates a new drain tile seller's disclosure requirement for the sale or transfer of class 2a or 2b agricultural property.

Minnesota Realtors® (MNR) was founded in 1919 and is a business trade association with a membership of over 21,000 real estate professionals statewide active in all aspects of the real estate transaction.

MNR's members work with both buyers and sellers of real property and believe strongly in ensuring buyers are informed of material facts of which the seller is aware that could adversely and significantly affect their enjoyment or intended use of the property. Buyers should also do their due diligence when making the largest investment of their life.

MNR, along with representatives of the Minnesota State Bar Association-Real Property Section (MSBA), and the Minnesota Country Recorders Association (MCRA) have met with Rep. Pursell and provided feedback regarding her bill (HF 3389). Those conversations are ongoing, and we appreciate Rep. Pursell's willingness to work with us.

While MNR appreciates the amendment Rep. Pursell brought forward to the Judiciary Finance and Civil Law Committee, we still have concerns with the language in the DE1 amendment, including the creation of a new recording requirement and fee and the absence of important language that clearly states the disclosure is provided to the best of the seller's knowledge.

MNR respectfully requests that Article 4, Section 6 be removed from the DE1 amendment to allow time over the interim for productive conversations to continue among MNR, MSBA, MCRA and Rep. Pursell on the language so the disclosure is clear to both sellers and buyers and does not create unintended consequences that could delay the transaction or lead to litigation.

Again, thank you for the opportunity to submit written testimony on Article 4, Section 6 of the DE1 amendment.

Sincerely,

Matt Spellman

Senior Director of Advocacy

Minnesota Realtors®



ATV Minnesota P.O. Box 300 Stacy, MN 55079 www.atvmn.org - 1-800-442-8826



ATV Minnesota – Your Voice to RIDE

Working with you to build a trail system for you in Minnesota

April 15, 2024

Peter Strohmeier, Committee Administrator
MN House Environment and Natural Resources Finance and Policy

Re: DE Amendment

The All-Terrain Vehicle Association of Minnesota (ATV MN), a nonprofit State Association representing 70 ATV clubs and over 12,000 members, did attended Committee hearing to testify in favor of HF 4181 and in opposition to HF 2791. Some of both of those bills are found in H3911DE1. We remain in support of the funding as shown on lines 4.13 – 4.17 and 4.18 – 4.21. These funds are being requested from the ATV dedicated account; no general funds are being requested.

ATV Association of Minnesota does not support the changes being proposed on lines 46.10 through 47.12, none of these changes are necessary or needed. Currently the Minnesota Department of Natural Resources can classify DNR forest lands as either closed, limited or managed regarding the use of off highway vehicles. Considering the State Forests north of Highway 2, that includes twenty-six forests. Currently, of those twenty-six, only twelve are currently classified as Managed; eleven are completely or largely classified as Limited; and the remaining two are classified as Closed. The tools currently exist to manage these lands to restrict off highway use in those forests where use is significant to warrant that level of management. Where use is low, it is more appropriate to use the Manage classification to avoid cluttering up the forest with unnecessary signs and signposts.

Section 7 on line 46.10, includes snowmobiles in this limited use, snowmobiles have always been allowed to travel on existing routes and cross country because of the season on type of use, this could significantly impact their use going forward and ATVMN does not support this.

Best Regards,
Ron Potter

Ron Potter, president ATV Minnesota email: r.potter@atvmn.org

Chairman Representative Rick Hansen 407 State Office Building 100 Rev. Martin Luther King Jr. Boulevard Saint Paul, MN 55155

Dear Chair Hansen:

As the spokesperson for the Metropolitan Area Regional Parks and Trails Implementing Agencies during the 2024 legislative session, I'm writing to communicate our collective support for HF3911. Specifically, section 4 of HF3911 titled "Metropolitan Council Appropriations" calls out funding provided to implementing agencies to plant trees within the metropolitan-are regional parks and trails system.

Obtaining this funding would be extremely beneficial and is critical for addressing issues that have been created by diseases and invasive pests. This funding would provide opportunities to plant more climate resilient trees throughout the regional parks and trails system.

All agencies take seriously the role of environmental stewardship and strive to provide a parks and trails system that is free of hazardous trees and includes healthy vegetation so that all who visit the parks and trails can have a positive experience and the opportunity to connect with nature.

We thank you for past support of the Metropolitan Regional Parks and Trails System. We look forward to the opportunities the passage of this bill would provide.

Sincerely,

Mark McCabe

2024 Legislative Spokesperson

Mal mach

Metropolitan Regional Parks and Trails Agencies

P: 651.266.003 | mark.mccabe@co.ramsey.mn.us



April 15, 2024

Re: HF3911 (Hansen) Environment and Natural Resources Supplemental Finance and Policy Bill.

Dear Chair Hansen and Members of the House Environment and Natural Resources Policy and Finance Committee:

The Association of Minnesota Counties (AMC) is a membership-based organization representing all 87 Minnesota counties. We appreciate the opportunity to address provisions included in your Omnibus Finance and Policy legislation (HF3911DE1 amendment).

AMC appreciates the great deal of work that the committee has done reviewing legislation this session and trust that you will continue to consider adjustments to this proposal until final passage. There are a number of positive investments made with your available funds and **AMC supports several funding and policy provisions**:

- **Community Tree Planting Grants** (lines 4.9-4.12, 45.9-46.9, 125.7-126.4): The impacts of Emerald Ash Borer are continuing across the state. *Counties are grateful for state resources to address the costs of replacing the many lost trees and maintaining the environmental benefits of a healthy tree canopy.*
- Landfill Fund Replacement (lines 8.24-9.22): Both the Closed Landfill Investment Fund (CLIF) and the Metropolitan Landfill Contingency Action Trust (MLCAT) have had funds redirected for other purposes by past Legislatures. CLIF and MLCAT are critical to environmental protection and clean-up efforts at closed landfills statewide. When funds were borrowed, the intention was to repay these accounts but repayment never materialized while general fund deficits persisted. AMC appreciates this proposal to prioritize the repayment of funds to these accounts.

AMC would also like to address a few items that are problematic or may need some additional work from a county perspective:

- Public Waters (lines 64.20-65.17): AMC is concerned that calling into question the validity of public water designations established through the extensive state, local and public process that established the public waters inventory is going in the wrong direction. Waters properly inventoried should be treated as such and afforded the protections of public waters laws and state statute allows for the inventory to be updated. Rather than discount all of the good work that has already been done, the state should consider updating the inventory by making necessary additions and subtractions to ensure accuracy. This proposal installs unnecessary confusion and conflict for the enforcement of public waters regulations.
- Drainage Tile Seller's Disclosure (lines 5.21-5.27, 71.17-73.27): AMC has concerns with the impacts of the drainage tile seller's disclosure as currently drafted. This creates added requirements for county officials working to process deeds and other instruments of conveyance. The proposal is modeled after well disclosure that must be submitted to the state along with fees collected by the county. Counties have proposed changes to this procedure and do not wish to create additional procedures like this that create additional work, costs and delays in the system.

• Civil Actions and Injunctions: (Lines 14.29-16.3): The authority to initiate an action on behalf of the state resides with the state attorney general's office because it is the proper entity to represent the state on matters before the courts. The language of this proposal extends that same authority to any individual, greatly expanding the scope by which actions might be brought. AMC has concerns with this proposal and would suggest that further discussion of the potential impacts of this change is necessary.

Thank you again for your work on the many provisions in HF3911. We look forward to continued discussions with the author and committee on its omnibus finance and policy proposal.

Sincerely,

B 8112

Brian Martinson, Policy Analyst Association of Minnesota Counties

Office: 651-789-4322 |Cell: 651-246-4156

bmartinson@mncounties.org

RE: HF3911

Dear Chair Hansen and members of the committee,

On behalf of Minnesota Watershed, we write to express appreciation for portions, as well as concerns regarding HF3911.

<u>Article 2, Section 22 (34.22-35.3), state salt purchase report and reduction goal</u>. Minnesota Watersheds appreciates the recognition of the water quality problems caused by salt and the goal for state agencies to reduce the use of deicing salt by 25 percent over the next six years.

Article 3, Section 40 (65.16-65.17), public waters definition changes. This addition of language to the public waters statute does not increase clarity or certainty to a landowner about what a public water is or is not. It relies solely on using the statutory definition and corresponding regulation that landowners would be subject to if left up to interpretation of the statutory definition.

<u>Article 4, Section 6 (71.17-73.21), drain tile seller's disclosure requirement.</u> We believe that it is improbable in many land sales that a landowner would have a complete set of drain tile records from a previous property owner or operator to fulfill the requirement of a property disclosure statement.

We appreciated the work that was done with stakeholders to amend the original language in committee and are confused as to why that language did not survive. That proposed language change was much less onerous for landowners and generally better received by stakeholders. We still have serious concerns about this DE language and would encourage further work on the language.

Thank you for the opportunity to provide written comments. If you have any questions, please feel free to contact me at jvoit@mnwatersheds.com.

Sincerely,

Jan Voit, Executive Director Minnesota Watersheds



Chair Hansen and Members of the Committee:



Thank you for the opportunity to testify in strong support of HF 3911 DE, the omnibus Environment and Natural Resources budget bill. Minnesota Center for Environmental Advocacy (MCEA) supports this bill because it <u>improves environmental enforcement, supports environmental justice</u>, and protects water quality. Like any omnibus bill, our testimony can't respond to the full breadth of the bill, so we will highlight some specific provisions.

Environmental enforcement and environmental justice

We appreciate provisions in HF 3911 DE that clarify authority to enforce environmental laws and permits. These include lines 15.27 - 16.3 <u>allowing affected people to bring enforcement actions in court</u>, which are similar to federal environmental laws and provide a crucial backstop for state agency enforcement. We also agree with lines 34.4 - 34.20, which provide a range of actions the Minnesota Pollution Control Agency (MPCA) commissioner can take to <u>immediately address threats to public health and the environment</u>. We also support the sections in lines 29.15 - 32.9 that <u>identify the top thirty facilities in Minnesota based on their potential to emit pollution and require enhanced testing</u> to ensure that these facilities are in compliance with their permits.

Thank you also for including provisions that <u>enhance enforcement of environmental laws in environmental justice areas</u> across Minnesota. The appropriations on lines 1.12 - 1.19 for enforcement in environmental justice areas, and the expanded use of mobile air pollution testing equipment are important aspects of the Governor's budget request that address historic injustices.

Public Waters protection and water quality

MCEA supports inclusion of lines 65.13 - 65.17, which <u>clarify the definition of public waters</u> in response to a 2022 Minnesota Supreme Court decision. This change provides certainty that the statutory definition of public waters applies when determining whether public waters works permits are required or when environmental review is needed. The <u>funding for PFAS testing in sewage sludge</u> on lines 2.4 - 2.7 as well as the policy language on lines 39.28 - 40.2 requiring the development of a strategy for testing and including PFAS testing in water quality permits is especially urgent now that the Environmental Protection Agency has finalized the first ever national drinking water standards for six PFAS compounds.. <u>Requiring a mandatory environmental impact statement for the very largest feedlots in Minnesota</u> (more than 10,000 animal units, a threshold that very few propose) is a significant improvement in the mandatory categories for environmental review that will protect human health and our natural resources. Lastly, common sense <u>disclosure about the presence of drain tile in property transactions</u> (lines 71.17 - 73.27) is an important transparency measure to ensure that drain tile is disclosed and recorded on the deed when property is sold.

Improvements to waste and landfill policy

With a growing recognition of the water quality and air quality impacts of waste sent to landfills and incinerators in Minnesota, MCEA supports two provisions in HF 3911 DE. First, we support the language on lines 9.8 - 9.13 requiring the repayment of funds removed from the metropolitan landfill contingency action trust and closed landfill investment fund accounts when surpluses in the general fund allow these reimbursements. Secondly, MCEA supports rolling, ongoing waste composition studies (lines 24.20 - 26.5) which will provide critical information to make decisions and track progress in our ongoing efforts to divert organics and electronics out of the waste stream and into composting and recycling.

In sum, HF 3911 DE is a powerful piece of legislation that will advance Minnesota's work to address environmental injustice, provide needed resources and tools to enforce our environmental laws, and protect the water that Minnesotans treasure. Thank you to Chair Hansen, Rep. Kristi Pursell, Rep. Fue Lee, and many others whose work is reflected in this bill. MCEA supports HF 3911 and hopes that all members of the committee will give it their full consideration and reach the same conclusions that we have.

Sincerely,
Aaron Klemz, Chief Strategy Officer
aklemz@mncenter.org, 763-788-0282 (mobile)



Minnesota Solid Waste Administrators Association | 125 Charles Avenue, St. Paul, MN 55103-2108 | www.mn-swaa.org

April 15, 2024

RE: HF3911 (Hansen) Environment and Natural Resources Supplemental Finance and Policy Bill.

Chair Hansen and Members of the House Environment and Natural Resources Policy and Finance Committee:

The Minnesota Solid Waste Administrators Association (SWAA) — an affiliate of the Association of Minnesota Counties (AMC), which represents all 87 Minnesota counties— is an organization of county and solid waste district professionals and affiliated waste specialists. SWAA advocates for policies and funding to improve and promote responsible waste management and reduce the environmental impacts of solid waste.

SWAA appreciates the provisions in this legislation that support efforts to reduce and manage waste and those that address the health and environmental impacts of solid waste. We would like to offer the following feedback on items that impact our work and responsibilities to the public:

- Packaging Waste and Cost Reduction Act (Article 5, lines 74.1-113.2): Packaging materials represent 40 percent of the waste stream creating management challenges for meeting our waste reduction and recycling goals. This proposal represents the largest policy initiative to reduce waste and increase recycling rates statewide that the legislature has considered in years. It will have waste management and financial benefits for Minnesota residents and local governments currently paying for the recycling system. SWAA supports passage of the Packaging Waste and Cost Reduction Act as one of our priorities for the 2024 legislative session.
- Landfill Fund Replacement (lines 8.24-9.22): Both the Closed Landfill Investment Fund (CLIF) and the Metropolitan Landfill Contingency Action Trust (MLCAT) have had funds redirected for other purposes by past legislatures. CLIF and MLCAT are critical to environmental protection and clean-up efforts at closed landfills statewide. When funds were borrowed, intentions were to repay these accounts, but those plans were abandoned when general fund deficits persisted. AMC appreciates this proposal to prioritize the repayment of funds to these accounts.
- Landfill Funds Use Notice (lines 27.1-27.29, 39.20-39.27): SWAA is supportive of the proposal to inform impacted local governments when funding in CLIF and MLCAT are redirected for purposes other than those directed by statute. It is important that local governments are aware of these fund changes.
- **Critical Materials Task Force** (lines 2.8-2.11, 40.3-41.32): SWAA is supportive of coordinated efforts to collect and provide for market development of critical materials. Many of these are collected now as part of our e-waste recycling program but that law is also in need of updates and there are products that fall outside of the current framework of that program. We appreciate having a seat on this task force to contribute our experience working on these issues.
- Waste Composition Study Requirements (lines 24.20 -26.5): SWAA is concerned about the unfunded
 mandate created by this proposal for local governments that operate facilities. The state has performed
 waste composition studies in the past and provided the funds to complete that work. We also question

whether collected data from every facility is necessary to get the data needed to inform decision making. We do want to recognize the changes made to this proposal that extend the timelines, remove some smaller facilities, and engage local government in developing standards to testing and costs. However, SWAA would recommend that the State determine a more practical schedule to gather statistically relevant data set and that they fund and perform the studies.

Postclosure Care Rulemaking (lines 42.1-42.9): This provision provides the MPCA Commissioner with a good cause exemption for expediated rulemaking regarding termination of postclosure care requirements. Landfills must fund and address postclosure care requirements for a period of 20 years. There are requirements in place that must be met to exit postclosure care and the MPCA has authority to review and extend that timeline as necessary. SWAA would be happy to engage with the agency and other stakeholders in the standard rulemaking process to assess and make changes to postclosure care policy. We do not believe that a good-cause exemption has been proven necessary. This legislation will cause unnecessary, financial hardship for publicly owned landfills and their communities and would bypass the public engagement of the standard rulemaking process.

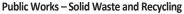
SWAA appreciates the opportunity to provide you with our perspective on issues the HF3911 as amended by the **DE1**. Should you have any questions about the information provided above, or other waste provisions please contact Brian Martinson, AMC Policy Analyst, at bmartinson@mncounties.org or 651-246-4156.

Sincerely,

Drew Hatzenbihler

Drew Hatzenbihler

Morrison County Solid Waste Administrator President, Solid Waste Administrators Association





309 2nd Avenue South Minneapolis, MN 55401 TEL 612.673.2917

www.minneapolismn.gov

April 16, 2024

Representative Rick Hansen Chair of the Committee on Environment and Natural Resources Finance and Policy

Re: Support passage of Packaging Waste and Cost Reduction Act in the Environment and Natural Resources Supplemental Finance and Policy Bill— HF 3911, DE Amendment

Dear Environment and Natural Resources Finance and Policy Committee members,

The City of Minneapolis is well-known for our high participation and low contamination in our residential recycling and organics recycling programs. Even so, our 2022 Capture Rate Study found it is not feasible for Minneapolis to meet the City, County or the State's recycling and composting goals without systematic changes and infrastructure improvements.

Our customers, Minneapolis residents (and all residents and businesses in the State), have always had to cover the cost for recycling, composting and disposal of packaging and have had no say in how products are manufactured. It's time that manufacturers and producers be held accountable for the packaging they make and the infrastructure needed to manage packaging at its end of life. We encourage you to support the Packaging Waste and Cost Reduction Act (HF3577 / SF3561) which will do just that.

Passage of this bill will not only reduce taxpayer money spent to manage the end of life of these products; it will set requirements for manufacturers to reduce and redesign their packaging so eventually it is all reusable, recyclable, or compostable. Additionally, passage of this bill will help cover education and outreach costs, and expand access to reuse, recycling and composting programs around the State.

These systematic changes and financial support - packaging redesign, increased access to reuse, recycling and organics recycling programs and increased education - are necessary to reduce greenhouse gas emissions to help meet City, County and State waste and climate goals.

Please continue to support waste reduction, reuse, recycling, and organics recycling programs and all residents in Minnesota by passing the Packaging Waste and Cost Reduction Act.

Sincerely,

David A. Herberholz, Director

Danda Herry

Minneapolis Solid Waste & Recycling



Rep. Rick Hansen 407 State Office Building St. Paul, MN 55155

Dear Chair Hansen and members of the committee,

On behalf of the Minnesota Corn Growers Association's (MCGA) nearly 7,000 members I appreciate the opportunity to provide written comments on HF 3911. We have concerns with several sections of the DE amendment on HF 3911, most of which we have previously provided verbal and/or written testimony to the committee.

We would have concerns with the following sections:

Article 2, Section 30 (42.10-42.21): Mandatory EIS for large livestock Projects — MCGA is opposed to this section. Minnesota already has a robust environmental review process as well as specific requirements on feedlots starting at 300 or more animal units and additional requirements on feedlots with 1,000 or more animal units. These requirements include a manure management plan, public notice, emergency disaster plans and engineered construction plans. The manure management plan gives livestock farmers the direction they need to apply manure nutrients in a way that reduces impacts to groundwater and delivers a high-quality alternative to commercial fertilizer for farmers to grow their crop. The existing permit process contains a framework for an Environmental Assessment Worksheet (EAW) to be completed. Once a feedlot completes an EAW, the MPCA can evaluate and determine if additional study needs to happen and can at that point require an Environmental Impact Statement.

Article 3, Section 13 (50.3-50.5) and Section 43 (66.9-66.15): Prohibiting the planting of corn on state lands — MCGA opposed to this section. According to the Department of Natural Resources there are about 12,000 acres under cooperative farming agreement or lease agreements with farmers and about one-third of these agreements cover corn. The majority of these agreements are to provide food plots for wildlife on public land. We are concerned that if we take away a source of food for wildlife on public land, wildlife will look for sources of food on private agricultural land at a time when the call for depredation payments for wildlife damage to crops — especially in southeast — is increasing.

Article 3, Section 40 (65.16-65.17): <u>Public Waters Definition Changes</u> -the addition of this language to the public waters statute provides no increase in clarity or certainty to a landowner about what is and what is not a public water and relies solely on using the statutory definition for determining public waters and corresponding regulation landowners would be subject to if it left up to interpretation of a statutory definition.

Article 4, Section 6 (71.17-73.21): <u>Drain Tile Seller's Disclosure Requirement-</u> we appreciate that this language has changed from introduction after working with a diverse set of stakeholders to address concerns. However, we still have some remaining concerns and would encourage more work on the language. Specifically, lines 71.30 we would suggest inserting after structures, "installed during the current seller's ownership of the property" and deleting the remaining language beginning with "and" on line 71.30. We think it is unrealistic that a current landowner would have a complete set of drainage

records from a previous landowner or operator to fulfill the requirement on a property disclosure statement. It is also our understanding that the assessors are currently undergoing a process to change the private well real estate disclosure, which this language is modeled after. Before adding a new real estate disclosure certificate, we should wait until the process and updates are completed for private well disclosure.

We also have concerns with the number of sections that impact on the Agriculture Committee's jurisdiction in Article 7 including provisions that did not receive a hearing or a bill introduction.

Article 7, Section 2 (120.19-102.25): Registration Restriction - this is a new provision that has not been included in previous legislation or received a hearing. If this provision were to become law, it would result in significant confusion and uncertainty for farmers about the use of treated seeds. The types of treatments used on agricultural seed are reviewed and registered by the U.S. Environmental Protection Agency using a scientific process that assesses impacts on the environment and human health.

Article 7, Section 7 (123.17-123.24): credit certificates for Sustainable Aviation Fuel (SAF) tax credits — this is also a new provision that has not been included in previous legislation or received a hearing. The U.S. Department of the Treasury has not yet issued final guidance for SAF tax credits made available in the Inflation Reduction Act and in order to most efficiently help bolster the production and use of SAF in Minnesota, we should not be creating a new process for validating credits that differ significantly from federal guidance. Since this language provides no legislative guidance on what should or should not be included on a form to demonstrate compliance for an SAF tax credit, this could significantly impact the ability the ability of SAF producers and airlines to produce or utilize SAF in Minnesota.

Thank you again for the opportunity to provide written comments. If you have any questions please feel free to reach out to MCGA's Senior Public Policy Director Amanda Bilek at abilek@mncorn.org

Dana Allen-Tully

Dona all-Tully

President

Minnesota Corn Growers Association



April 15, 2024

Rick Horton Testimony

House Environment and Natural Resources Finance and Policy

Chair: Representative Rick Hansen

RE: HF3911

Chair Hansen and Members,

My name is Rick Horton, and I am the Executive Vice President of Minnesota Forest Industries (MFI). MFI is a trade organization representing the primary wood-consuming mills in the state. Together we transform trees into products we use every day.

Extended Producer Responsibility

While there are many positive elements in House File 3911, MFI is opposed to the addition of Section 5, the Packaging Waste and Cost Reduction Act, as it pertains to paper products. As we have repeatedly pointed out, the recycling rates for paper and cardboard products are already much higher than any other packaging material.

The American Pulp and Paper Association (attached) shows that nationwide 67.9% of paper, and a staggering 93.6% of cardboard was recycled in 2022! And it shows that paper usage is declining overall.

The 50 States of Recycling Report for Minnesota (attached) shows that 78% of cardboard, boxboard and paper is recycled in this state (gray bar at 4 o'clock). This is the direct result of the commitment our industry has made to recycling.

The paper industry is highly integrated, where impacts to one particular mill can have wideranging implications for other facilities (see attached FRA supply chain graphic). And it is a global industry, where impacts in Minnesota can have implications across the country, and indeed the world. The paper industry is fluid and rapidly changes to meet consumer demands. While some of the proposed options may provide protection to products currently being made in these mills, they may also constrain future investment in Minnesota.

This bill will add to the factors that reduce Minnesota's competitiveness for the forest products industry. We have high industrial energy rates. We have high corporate taxation. We have low forest productivity. We have high transportation costs and long haul distances. We have excessive environmental review permit costs and timelines. We have an aging rural workforce. And this would add another tax to these manufacturers. In this global industry, this bill has the real chance to jeopardize our existing mills and constrain future investment in Minnesota. That

is one of the many reasons we prefer that paper be completely exempt from the EPR legislation.

If a complete exemption is not possible, we prefer building in off-ramps that allow exemptions when it is proven that a sector meets reasonable recycling targets. It is good policy to reward those who perform well and target attention upon those who do not.

Paper is made from renewable and sustainably-sourced wood. Managing forests improves forest health, creates wildlife habitat, reduces wildfire risk and creates good-paying jobs in impoverished rural communities. We should be encouraging conversion to paper-based packaging, rather than forcing punitive regulations upon the industry that has been doing the right thing all along.

Sustainable Aviation Fuel

We are also very concerned with the amended language to Sec. 6. Minnesota Statutes 2023 Supplement, section 41A.30, subdivision 3(b) (Line 123.17). This section would narrow the definition of eligible biomass for sustainable aviation fuel (SAF) to the degree that it would exclude woody biomass. The goal of producing SAF is reducing carbon emissions in the transportation sector. The fastest way to do that is to produce it from wood fiber. Agriculture-based SAF has a Carbon Intensity score of 50-60. Wood-based SAF has a Carbon Intensity score of 8. Omitting woody biomass jeopardized the ability to meet the Governor's carbon emission reduction goals.

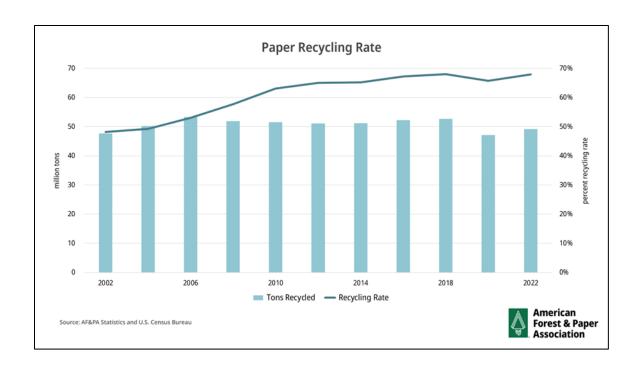
There is an abundance of residual wood available at mills, post-timber harvest, and after natural disturbances. Removing some of it from the woods improves forest health, increases climate resilience, improves visual quality and increases forest regeneration rates. There are forest site-level guidelines in place to ensure that enough material is left on site to provide for wildlife habitat, prevent erosion and provide for soil health.

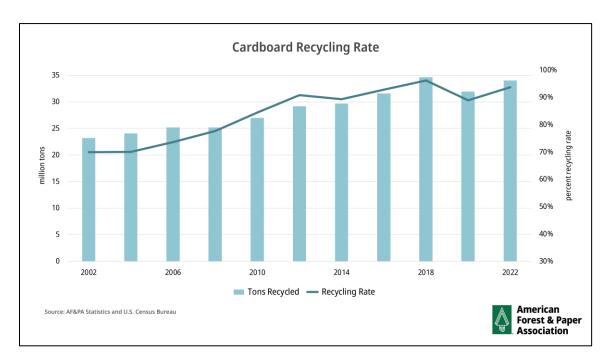
We ask that this section be modified to include SAF made from woody biomass is allowed for tax credits.

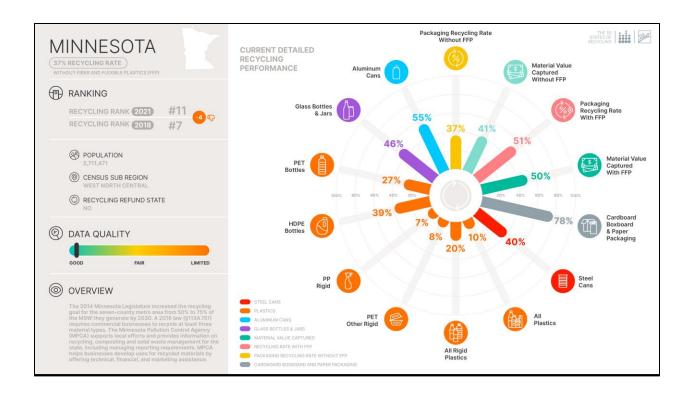
Thank you.

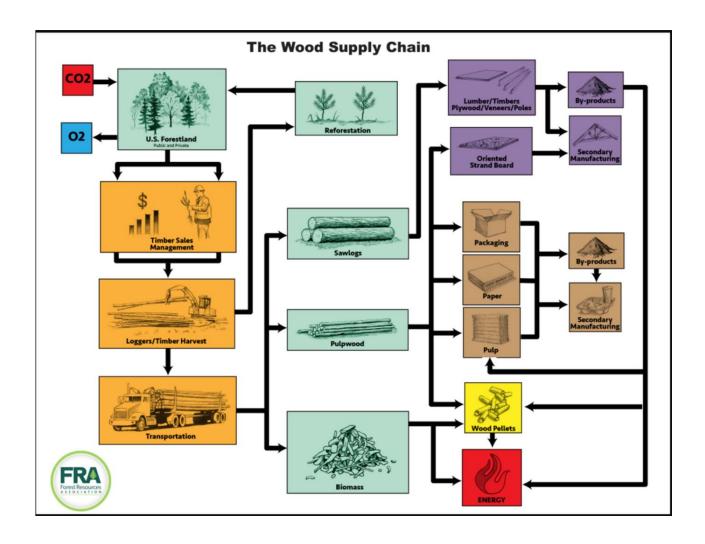
Ju Statu

Rick Horton, Executive Vice President, Minnesota Forest Industries











Board of Commissioners

606 5th Ave. SW. Room #131 Roseau, MN 56751 Phone: 218-463-4248

Fax: 218-463-3252

April 9, 2024

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

HF391/DEL AMCOMENT
RE: HF4420, Elk Management Modifications

Dear Chair Hansen and Committee Members.

Roseau County is writing to advocate that proposed language regarding an increase of the elk population within Kittson, Roseau, Marshall, and/or Beltrami Counties not be stricken from HF4420, Section 27.

The language currently in Statute was agreed upon in 2016 after creation of a local Elk Management Work Group (EMWG), and several meetings between the DNR and property owners in the affected counties. Removing this language will allow for an increased elk population, which will add to the already undue financial burden for farmers in Northwestern Minnesota caused by over-population of the herd.

Farm producers may file elk-related damage claims; however, the damages are not fully compensated. In addition, the process to file a claim is cumbersome, so many claims go unreported; and, the maximum claim allowed is only \$20,000 for crop damage and \$1,800 for fence damage. Even though we know damages may go unclaimed, the recorded monetary damage losses have more than doubled from 2022 to 2023.

Clearly, the herd has surpassed the EMWG's agreed-upon population goals and, in certain areas, has nearly doubled. Due to over-population of the herd, our farm producers have incurred excessive damage and have had to purchase additional Federal crop insurance to cover the increased claims. Therefore, along with added financial input associated with insurance costs, average yields have been reduced by the herd. creating an additional burden to our farm producers.

3911, DE I AMENDARY The EMWG was created to provide input at the grassroots level, and by working cooperatively with the MnDNR, developed the language currently in Statute, Passage of HF4420 will ignore previous efforts of the EMWG, and allow the MnDNR the ability to make a decision to grow the elk herd without having to justify the reasons supporting that decision to the residents of our 4 counties. We are confused/concerned as to why the legislature would support legislation that ignores past local input, and removes the ability for our constituents to have any future input on an issue that directly affects them.

We hope you seriously consider our request not to pursue revision of HF4420 as proposed.

3911, DEY AMENDIE

Levi Novacek - Chair, Roseau County Board of Commissioners

Cc: Representative John Burkel - District 1A Senator Mark Johnson - District 1

Governor Tim Walz

House Environment and Natural Resources Finance and Policy Committee Chair Rep. Rick Hansen 407 State Office Building 100 Rev. Dr. Martin Luther King Jr. Blvd. St. Paul, MN 55155

Chair Hansen and committee members,

April 16, 2024

We write to you, as conservation organizations working to conserve Minnesota's lands, natural resources and wildlife habitat, to share recommendations related to portions of the delete-all amendment (DE1) to HF3911 -- the Environment and Natural Resources Supplemental Finance and Policy bill-- affecting the Reinvest in Minnesota Critical Habitat Match program and account (RIM CHM).

Minnesota citizens who donate through Critical Habitat License plates expect that their investments will be used to provide and protect critical habitat. We too expect the funds generated by the RIM CHM private matching account are utilized to expand access to public lands for hunting, hiking, wildlife watching and benefits for Minnesota's air, water, and wildlife.

Like members of the legislature, our organizations have been concerned about the spending balance in the account and whether the activities it promises to fund are being centered and prioritized for spending. Recent conversations with Department of Natural Resources (DNR) staff indicate the balance is already obligated to projects that are in progress or slated for advancement in the near-term that would effectively eliminate the current balance.

Before any changes are made affecting the program or the distribution of license plate dollars, we believe it would be best to have a clear understanding for the public of how monies are being spent.

We applaud the inclusion of the proposal in the DE1, Article 1, Section 2(c) (lines 3.1-3.7) to fund a report from the DNR on expenditures in the critical habitat private sector matching account and the nongame wildlife management account.

We also believe the information that report would provide is essential to be made public before the legislature would take any further action affecting these funds, and we encourage the legislature refrain at this time from advancing the changes proposed in Article 1, Section 1(q) that would utilize RIM CHM dollars for restoration of native vegetation on food plots; Article 3, Section 11 which would remove the requirement that money in the account be spent for acquisition, restoration and enhancement under Minn. Statutes 2022 section 84.943; and Article 3, Section 12, which would alter the distribution of license plate revenues for different activities.

The expenditures report should also confirm from the DNR that due to measures passed by the legislature in 2021 to RIM CHM, it should be easier to expend funds in a timely fashion. We

request the legislature provides the time for the report to indicate how obligated funds are and will be spent, resulting balances, and any additional information needed to reset before pursuing changes that may ultimately make the dollars more challenging to spend.

Increasing threats to habitats and biodiversity have only elevated the importance for the RIM CHM program; maintaining the efforts to protect critical lands through this program will do more for wildlife resiliency and carbon sequestration than fragmentation or other uses of these funds.

Sincerely,

Audubon Upper Mississippi River
Backcountry Hunters and Anglers
Ducks Unlimited
Fergus Falls Fish and Game Club
Friends of Minnesota Scientific and Natural Areas
Minnesota Conservation Federation
Pheasants Forever
The Conservation Fund
The Nature Conservancy
Trust for Public Land



DEDICATED TO A STRONG GREATER MINNESOTA

April 16, 2024

RE: H.F. 3911 DE1

Dear Representative Hansen and Committee Members:

I am reaching out on behalf of the Coalition of Greater Minnesota Cities (CGMC) to comment on the House Environment and Natural Resources Supplemental Finance and Policy Bill. The CGMC is a group of more than 100 cities located outside the Metropolitan Area. Our members are dedicated to a stronger Greater Minnesota and are focused on developing viable, progressive communities for families and businesses through good local government and strong economic growth.

Community Tree Planting Grants Art. 1, Sec. 2, lines 4.3 – 4.6 and Sec. 4, lines 5.28 – 5.32

We applaud the committee's commitment to community tree planting, but we are deeply concerned about the disparity in funds made available to communities in Greater Minnesota as compared to cities in the Metropolitan Area. This bill appropriates \$8 million from the General Fund to the Metropolitan Council for community tree planting. Greater Minnesota receives no dedicated funding. Cities, counties, townships, and tribal governments in Greater Minnesota will be forced to compete with those in the Metropolitan Area for the \$2.8 million available from the game and fish fund. (An additional \$600,000 is earmarked for two communities.) We urge the committee to remedy this inequity and make more funding available to Greater Minnesota communities by creating an identical program to the one created for Metropolitan communities except for Greater Minnesota. Alternatively, the committee could increase the amount to the DNR for its program and direct that the funding be spent in Greater Minnesota.

Citizen Lawsuits – Art. 2, Sec. 6, lines 15.28 – 16.3

We are concerned about language in this bill that would allow private individuals the right to sue for any violation of regulatory mechanisms, such as permits, variances, or schedules of compliance. We fear the language is too broad and could be subject to abuse by unscrupulous attorneys.

Our cities work hard to ensure that they comply with all of their regulatory obligations, but at times, there may be minor violations that are beyond their control. For example, extreme weather may cause exceedances at a wastewater facility. This new language does not recognize any distinctions regarding the cause of a violation, the severity, or other mitigating factors. We are very concerned that this new form of relief could be used against cities for minor violations and/or circumstances beyond their control.

Our concerns are grounded in the experiences we have had over the last several years with nuisance suits brought by file and settle attorneys, who use AI tools to scan federal databases to identify potential violations. They then file suits for injunctive relief and other damages, seeking to force monetary settlements from cities because they recognize that it is often cheaper to settle than to litigate against an unjustified lawsuit. We worry that this new language will only embolden these lawyers and encourage more lawsuits.

We appreciate that the goal of this new language is to allow citizens to step forward in the face of significant environmental harms and sue to stop those incidents. We believe that this new power should be limited to the most egregious of circumstances so as not to lead to frivolous litigation that is not aimed at protecting the environment.

Enhanced Enforcement – Art. 2, Sec. 6, lines 15.10 – 15.13

As noted above, our municipal wastewater operators may commit minor violations due to circumstances beyond their control or that are simple mistakes. This new language would require an enhanced penalty for a second violation within three years, regardless of how minor the offense may be. An enhanced penalty may be appropriate for blatant disregard of the law, but this language makes no distinction between types of offenses. We believe that this language should also be limited to more serious offenses.

Testing of Biosolids for PFAS – Art. 2, Sec. 27, lines 39.28 – 40.2

We share the Legislature's concerns about the health risks associated with per-and-polyfluoroalkyl substances (PFAS) and have been supportive of efforts to address PFAS through source control. Since the treating and destroying of PFAS in wastewater and biosolids is not feasible, and the only practical solution is source reduction and elimination, our organization has worked with the MPCA and other city groups to develop and implement aggressive science-based source reduction strategies. Simultaneously, the MPCA is actively working to design a Minnesota-specific biosolids management and testing program based on programs already functioning in other states.

Testing biosolids at the municipal level is expensive and challenging for a number of reasons, including the need for trained personnel who can take the samples accurately, the limited availability of labs that can process the samples, and the high costs to get that work done. We do not believe that the cost and timeline requirements in Sec. 27 are feasible for municipal wastewater systems. We would instead suggest that the MPCA be allowed to complete their biosolids management program creation process, which is well underway, before new requirements are put in place and that the Legislature looks at ways to support that work by providing resources for wastewater systems to complete the necessary testing.

¹ Biosolids is the more common regulatory term for what is defined in this bill as "sewage sludge."

Thank you for the opportunity to comment on this legislation. If you have any questions, please contact me.

Sincerely,

Elizabeth Wefel

Coalition of Greater Minnesota Cities



Chair Hansen and Members of the Environment and Natural Resources Finance and Policy Committee,

We are writing to express our support for House File 3911, as amended by DE1, the committee's omnibus finance and policy bill.

This legislation builds on many of the strengths of the committee's 2023 omnibus bill growing natural climate solutions, protecting air quality, and reducing harmful waste. We want to lift up those ten provisions, as well as one improvement we recommend.

First, we recommend including at least \$700,000 for the climate adaptation costs study proposed by Rep. Hollins in House File 4684. Minnesota needs to plan for our changing climate. The economic modeling being proposed in that bill will help us plan for the local, state, and private costs we'll share in different possible warming scenarios. The bill received a favorable hearing in the Minnesota Senate on April 4, 2024. We hope you will include it in your eventual conference committee report.

Second, we enthusiastically support your robust investments in forestry. We support the investments in Community Tree Planting Grant programs at the Department of Natural Resources (\$8 million in lines 3.31-4.8 and 45.9-46.9) and the Metropolitan Council (\$11.4 million in lines 5.29-5.32; 6.4-6.8; and 125.7-126.4). We're particularly happy to see the prioritization of disadvantaged communities within the ReLeaf Community Forestry Grants program on lines 50.8-50.25.

Third, we are excited to support two of the bill's proposals to reduce and recycle Minnesota's waste. The **Packaging Waste and Cost Reduction Act** and its related studies (Lines 74.1-113.2) are long overdue, systemic responses that would ensure Minnesota's packaging and waste materials will be recyclable, compostable, or reusable by the year 2033. Additionally, the **Critical Minerals Recovery Advisory Task Force** (Lines 2.8-2.11 and 40.3-41.32) will position Minnesota to be a leader in recovering the metals we need to build a more equitable clean energy future.

Fourth, thank you for encouraging the use of waste heat as a policy for the State of Minnesota. Making it a responsibility within Minnesota's environmental policy (Lines 38.29-38.30) and a duty of the Commissioner of the Pollution Control Agency (Lines 14.13-14.14) will help accelerate the deployment of proven, carbon-free technologies like Thermal Energy Networks.

Fifth, we were glad to see ramped-up investments of \$2.975 million in **air regulatory program work** in Environmental Justice areas (1.12-1.15) and an additional \$1.025 million for mobile emissions regulatory monitoring (1.16-1.19). Improving public health is one of the key benefits of a transition to a clean energy economy. These investments will help ensure we don't miss this opportunity.

Finally, we appreciate your providing the option of using \$5 million of the climate resiliency and water infrastructure grant program for **supplementing a Climate Pollution Reduction Grant (CPRG) award** from the Environmental Protection Agency. Minnesota is positioned to be a leader on federally supported climate solutions. This change will help ensure our success.

Thank you for your work this year,

Aurora Vautrin

Aurora Vautrin Legislative Director of 100% 2429 Nicollet Ave Minneapolis, MN 55404 www.100percentmn.org