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

Chair Bill Ingebrigtsen  
Environment and Natural  
Resources Finance Committee  
3207 Minnesota Senate Building  
95 University Avenue West  
St. Paul, MN 55155

RE: Environment Finance and Policy Omnibus Agreement, HF5/SF20

June 22, 2021

Dear Chair Hansen, Chair Ingebrigtsen and members of the Committees:

Thank you for the opportunity to provide comments as the legislature reviews the House and Senate agreement on the Omnibus Environment and Natural Resources Finance and Policy bill.

We are pleased to see several important investments and policy provisions included in the bill, and we thank Chair Hansen, Chair Ingebrigtsen, House and Senate working group members, and committee members for including the following items in the bill that will benefit nature:

#### Article 1

- *(Sec. 3, Subd. 4 (h))* A \$1 million appropriation to the Department of Natural Resources (DNR) for light detection and ranging data (LIDAR) for forest inventory. Forests offer the largest potential for natural carbon sequestration in the state, but we must be able to measure progress.
- *(Sec. 3, Subd. 4 (i))* A \$2.5 million appropriation to DNR for accelerated tree planting and state forest nursery seedling production for carbon sequestration. Science tells us the most critical natural lands-based tool to sequester carbon in Minnesota is through expanded tree planting.
- *(Sec. 4 (d (2)))* A \$2.4 million appropriation to the Board of Water and Soil Resources (BWSR) for cost sharing programs that provide erosion control and advance soil health and *(Sec. 4, (k)) as amended by A21-0232* a \$1.35 million appropriation to BWSR for cost sharing to provide technical assistance for soil health practice adoption. Expanding soil health practices will provide positive outcomes for water quality, resilience, and carbon sequestration.
- *(Sec. 4, (l))* A \$2 million appropriation for BWSR to establish a water quality and storage program. While water storage is needed in critical areas around the state, this appropriation sets a foundation to begin a program that can expand in the future.

## Article 2

- *(Sec. 21)* Conveyance of conservation easements for ecosystem services on state-owned lands and *(Sec. 48)* Conservation planning leases to investigate the potential for ecosystem services benefits. This addition will provide the Office of School Trust Lands on behalf of the Permanent School Fund with an option to convey easements to maintain lands that have high conservation value and work in a new, innovative way to benefit both education and the environment.
- *(Sec. 26, 27)* Changes to the Reinvest in Minnesota Critical Habitat Match program, including adjusting the match ratio from 1:1 to 2:1 and allowing bonding to be considered eligible as match. The existing Critical Habitat Match program has yielded successful conservation projects to date, and these changes will incentivize additional matching dollars and increase the rate at which projects can be implemented.
- *(Sec. 80)* Development of a water quality and storage program that will prioritize storage in both the lower Mississippi River basin in Minnesota and the Minnesota River basin. This program will aid in reducing downstream flows carrying sediment, nitrogen and phosphorus to lakes and river that otherwise would cause algal blooms, water quality impairments, and reduced recreation opportunities.
- *(Sec. 133)* Establishment of a goal for carbon sequestration in state forests, and sustainable forestry strategies to sequester carbon and provide additional ecosystem services. Identifying the state's goals is an essential first step to maximizing carbon sequestration on Minnesota's natural and working lands.

## Articles 5 and 6

- Inclusion of appropriations from the Environment and Natural Resources Trust Fund, and projects vetted by the Legislative Citizen Commission on Minnesota Resources. Using these funds consistent with their constitutionally-directed purposes and preserving projects vetted by the citizen-legislator commission will result in many important on-the-ground projects that benefit Minnesota's wildlife and natural resources.

We appreciate the Committees' efforts to advance these important measures and funding this session, and we thank you for your work on behalf of the State of Minnesota.

Sincerely,



Stephanie Pinkalla  
Government Relations Manager  
The Nature Conservancy in Minnesota