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Minnesota Pollution Control Agency

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<https://www.pca.state.mn.us/>

AT A GLANCE

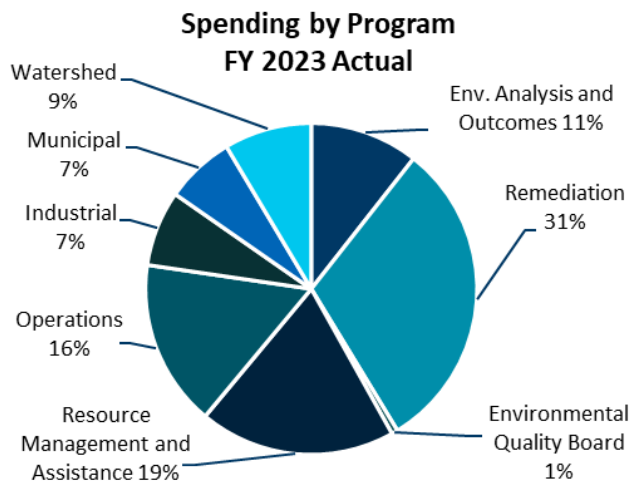
- 885 employees in FY23: 644 in Saint Paul and 241 in six regional offices; 32 are student workers or seasonal employees
- Protect and improve the environment and human health by issuing and modifying more than 16,700 permits with environmental standards to avoid or limit pollution
- Monitor the condition of air, ground and surface water, and land at more than 2,320 sites
- Inspect and license more than 40,000 sites that involve hazardous waste, feedlots, and storage tanks
- Offer 172 online e-services to increase efficiencies, which is used by over 20,000 state and external users
- Awarded 168 grants for \$21 million to replace old diesel engines with new cleaner models and install electric vehicle charging stations from the Volkswagen Environmental Settlement
- Awarded nearly \$200 million in grant funds from the U.S. Environmental Protection Agency (EPA) to reduce climate impacts through Smart Food Systems by reducing greenhouse gases, and air pollution, with new technologies to build food security in low-income and disadvantaged communities

PURPOSE

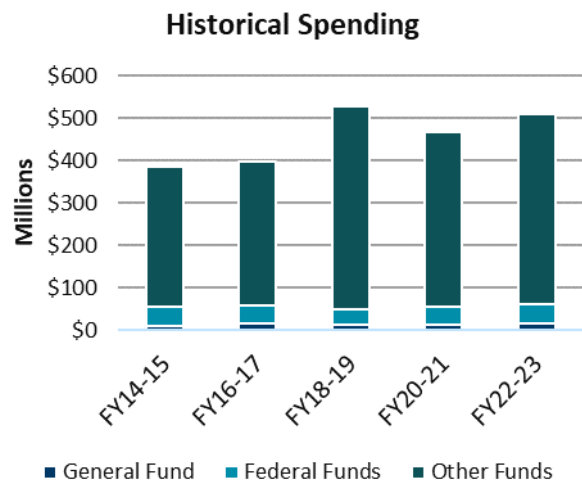
The Minnesota Pollution Control Agency (MPCA) mission is to protect and improve the environment and human health. The MPCA fosters a diverse, equitable, and inclusive workplace and throughout its agency operations.

The MPCA completes the following activities: monitors environmental quality, offers technical and financial assistance, enforces environmental regulations, and finds and cleans up spills/leaks that can affect human health and the environment. These activities accelerate progress to reduce greenhouse gas emissions, ensure waters are fishable and swimmable, ensure Minnesotans have safe, abundant drinking water, and reduce Minnesotans' food waste. Additionally, the MPCA develops statewide policy, supports environmental education, and helps ensure pollution does not have a disproportionate impact on any individual or group of individuals living in Minnesota. The MPCA's work addresses several of the One MN goals including: Minnesota's environment, Healthy Minnesotans, and Equity and inclusion.

BUDGET



Source: Budget Planning & Analysis System (BPAS)



*Note: The increase in spending for FY18-19 is due to a \$125 million legal expense for the East Metro 3M challenges.

Source: Consolidated Fund Statement

MPCA's budget is funded from multiple state government funds and federal grants. The funding MPCA received from the general fund has decreased over time, as has the federal funding. The bulk of the MPCA's funding has come from the Environmental, Remediation and Petroleum Funds, with a significant addition from the Clean Water Fund. The Environmental Fund is a consolidation of permit fees, penalties, and similar fee payments. The Clean Water Fund is a legacy fund created when voters passed a constitutional amendment in November 2008.

STRATEGIES

In 2024, the MPCA updated its 5-year Strategic Plan. The Strategic Plan charts the agency's direction and reflects insights gathered from external stakeholders and thoughtful review from agency staff and management. The MPCA will complete its priority work based on six (6) priority strategies outlined in its Strategic Plan:

- Reduce direct exposures to known pollutants, including their cumulative impacts
- Reduce levels of high priority pollutants
- Advance environmental justice and protect Minnesotans who are disproportionately impacted
- Advance the Climate Action Framework
- Modernize capabilities to collect, manage, and share data
- Foster a diverse, equitable, and inclusive workplace and throughout agency operations

Limiting pollution caused by businesses, organizations, and individuals is fundamental to MPCA's mission. The MPCA develops and enforces regulations and provides education and technical assistance to help meet these regulations. Increasingly, MPCA's focus is on preventing pollution rather than just controlling or cleaning it up.

MPCA works with many partners—citizens, communities, businesses, government, environmental groups, and educators—to prevent pollution and conserve resources. These partnerships allow MPCA to:

- Foster greater commitment and personal responsibility for the environment
- Work to minimize the use and generation of toxic chemicals in products and materials
- Protect, restore, and preserve the quality of our waters
- Develop solutions to Minnesota's climate change challenges
- Prevent and correct disproportionate environmental impacts on communities

Minnesota is a national model for environmental protection. The state's air, land, and water are cleaner now than 50 years ago, even with a growing, diverse population and rising industrialization. However, the MPCA recognizes environmental improvements have not benefitted all Minnesotans in the same way. The MPCA established an Environmental Justice Advisory Committee to provide feedback and suggest improvements to its environmental justice framework. The MPCA also emphasizes a goal of attracting and retaining a diverse and inclusive workforce that reflects the important perspectives of all Minnesotans in its daily work activities.

MPCA's range of activities includes:

- Testing and researching to identify environmental problems
- Setting standards and developing rules that protect people and the environment
- Writing permits to regulate activities that affect the environment (air emissions, toxic, or hazardous materials, water discharges, landfills, etc.)
- Ensuring compliance with and enforcing regulatory requirements to ensure equitable treatment and a level playing field for Minnesota businesses
- Integrating environmental justice principles into the agency's processes to ensure pollution does not disproportionately impact the health of low-income populations or people of color.
- Providing technical assistance, training, outreach, and education to schools, facility operators, permittees, and Minnesotans
- Managing contracts for equity, sustainability, and fiscal accountability
- Managing internal activities through proper control plans, risk management, and priorities
- Providing access to environmental data and regulatory services through data requests and online systems
- Publicizing and demonstrating pollution prevention techniques
- Responding to environmental spills, releases, and other environmental emergencies

Minnesota Statutes, Chapter, 114D (<https://www.revisor.mn.gov/statutes/?id=114D>), Chapter 115 (<https://www.revisor.mn.gov/statutes/?id=115>), Chapter 115A (<https://www.revisor.mn.gov/statutes/?id=115A>), and Chapter 116 (<https://www.revisor.mn.gov/statutes/?id=116>) provide the agency with its main authorities to provide regulatory, monitoring, and assistance services.

Pollution Control

Agency Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 8,872 | 7,952 | 57,743 | 229,949 | 8,729 | 8,729 |
| 1200 - State Government Special Rev | 77 | 71 | 78 | 102 | 92 | 92 |
| 2000 - Restrict Misc Special Revenue | 8,539 | 4,596 | 2,202 | 3,435 | 2,523 | 2,523 |
| 2001 - Other Misc Special Revenue | 29,847 | 32,059 | 37,645 | 51,799 | 44,814 | 44,814 |
| 2050 - Environment & Natural Resources | 2,117 | 407 | 3,366 | 2,330 | | |
| 2302 - Clean Water | 22,420 | 22,506 | 24,005 | 37,315 | | |
| 2340 - Renewable Development | | | | 1,000 | | |
| 2403 - Gift | 3,009 | 3,921 | 17,129 | 20,267 | 16,280 | 16,280 |
| 2800 - Environmental | 82,825 | 95,418 | 93,501 | 130,049 | 116,004 | 120,051 |
| 2801 - Remediation | 59,086 | 78,318 | 111,713 | 183,564 | 150,097 | 150,064 |
| 2802 - Closed Landfill Investment | 1,956 | 2,525 | 3,722 | 4,500 | | |
| 3000 - Federal | 24,427 | 19,258 | 32,156 | 63,275 | 126,520 | 82,446 |
| 8200 - Clean Water Revolving | 1,829 | 2,034 | 2,385 | 3,205 | 2,602 | 2,602 |
| Total | 245,003 | 269,066 | 385,644 | 730,790 | 467,661 | 427,601 |
| Biennial Change | | | | 602,366 | | (221,172) |
| Biennial % Change | | | | 117 | | (20) |

Expenditures by Program

| | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Environmental Analysis and Outcomes Division | 28,130 | 28,542 | 40,674 | 169,957 | 93,804 | 59,862 |
| Industrial Division | 18,871 | 19,867 | 24,962 | 57,491 | 25,773 | 28,413 |
| Municipal Division | 17,076 | 18,235 | 22,528 | 27,502 | 15,079 | 15,079 |
| Operations Division | 41,220 | 43,825 | 59,147 | 98,653 | 60,480 | 60,363 |
| Remediation Division | 65,159 | 82,806 | 128,644 | 215,124 | 152,479 | 152,479 |
| Resource Management and Assistance Division | 51,375 | 51,619 | 79,849 | 131,417 | 99,255 | 90,614 |
| Watershed Division | 21,902 | 23,046 | 28,097 | 28,637 | 19,289 | 19,289 |
| Environmental Quality Board | 1,271 | 1,125 | 1,742 | 2,009 | 1,502 | 1,502 |
| Total | 245,003 | 269,066 | 385,644 | 730,790 | 467,661 | 427,601 |

Expenditures by Category

| | | | | | | |
|----------------------------|--------|---------|---------|---------|---------|---------|
| Compensation | 90,531 | 96,743 | 105,470 | 138,596 | 116,769 | 119,495 |
| Operating Expenses | 99,588 | 102,533 | 125,583 | 499,812 | 278,804 | 239,105 |
| Grants, Aids and Subsidies | 53,711 | 68,637 | 154,257 | 87,034 | 65,846 | 65,588 |

Pollution Control

Agency Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|------------------------------|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY26 | FY27 |
| Capital Outlay-Real Property | 1,028 | 1,051 | 157 | | | |
| Other Financial Transaction | 145 | 102 | 177 | 5,348 | 6,242 | 3,413 |
| Total | 245,003 | 269,066 | 385,644 | 730,790 | 467,661 | 427,601 |

| | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Total Agency Expenditures | 245,003 | 269,066 | 385,644 | 730,790 | 467,661 | 427,601 |
| Internal Billing Expenditures | 30,014 | 32,038 | 43,978 | 46,710 | 33,766 | 34,748 |
| Expenditures Less Internal Billing | 214,989 | 237,028 | 341,667 | 684,080 | 433,895 | 392,853 |

| | | | | | | |
|-------------------------------------|---------------|---------------|---------------|-----------------|-----------------|-----------------|
| <u>Full-Time Equivalents</u> | 839.70 | 896.85 | 889.52 | 1,235.05 | 1,059.11 | 1,085.79 |
|-------------------------------------|---------------|---------------|---------------|-----------------|-----------------|-----------------|

Pollution Control

Agency Financing by Fund

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|-----------------------------------|--------------|--------------|---------------|----------------|---------------|--------------|
| | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |
| 1000 - General | | | | | | |
| Balance Forward In | 42 | 2,457 | 1,211 | 122,830 | 8,729 | 8,729 |
| Direct Appropriation | 8,339 | 7,285 | 181,674 | 107,211 | | |
| Transfers In | 2,000 | | | | | |
| Transfers Out | | | 2,313 | 92 | | |
| Cancellations | | 579 | | | | |
| Balance Forward Out | 1,509 | 1,211 | 122,829 | | | |
| Expenditures | 8,872 | 7,952 | 57,743 | 229,949 | 8,729 | 8,729 |
| Biennial Change in Expenditures | | | 270,868 | | (270,234) | |
| Biennial % Change in Expenditures | | | 1,610 | | (94) | |
| Full-Time Equivalents | 8.67 | 8.64 | 24.64 | 87.37 | 15.63 | 15.63 |

1200 - State Government Special Rev

| | | | | | | |
|-----------------------------------|-----------|-----------|-----------|------------|-----------|-----------|
| Balance Forward In | | 0 | | 10 | | |
| Direct Appropriation | 75 | 75 | 85 | 90 | 90 | 90 |
| Open Appropriation | 2 | 1 | 3 | 2 | 2 | 2 |
| Cancellations | | 5 | | | | |
| Balance Forward Out | 0 | | 10 | | | |
| Expenditures | 77 | 71 | 78 | 102 | 92 | 92 |
| Biennial Change in Expenditures | | | | 32 | | 4 |
| Biennial % Change in Expenditures | | | | 22 | | 2 |
| Full-Time Equivalents | 0.67 | 0.61 | 0.58 | 0.58 | 0.58 | 0.58 |

2000 - Restrict Misc Special Revenue

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Balance Forward In | 4,273 | 322 | 400 | 467 | | |
| Receipts | 4,580 | 4,675 | 2,268 | 2,968 | 2,523 | 2,523 |
| Transfers Out | | 0 | | | | |
| Balance Forward Out | 314 | 400 | 467 | | | |
| Expenditures | 8,539 | 4,596 | 2,202 | 3,435 | 2,523 | 2,523 |
| Biennial Change in Expenditures | | | | (7,499) | | (591) |
| Biennial % Change in Expenditures | | | | (57) | | (10) |
| Full-Time Equivalents | 11.66 | 7.38 | 6.10 | 7.26 | 6.76 | 6.76 |

2001 - Other Misc Special Revenue

Pollution Control

Agency Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| Balance Forward In | 6,374 | 7,696 | 8,292 | 19,687 | 15,963 | 11,354 |
| Receipts | 30,276 | 32,163 | 44,092 | 47,435 | 39,410 | 40,392 |
| Internal Billing Receipts | 30,014 | 32,038 | 43,978 | 46,806 | 38,781 | 39,763 |
| Transfers In | 404 | 404 | 5,147 | 860 | 860 | 860 |
| Transfers Out | 112 | 125 | 200 | 220 | 65 | 65 |
| Balance Forward Out | 7,095 | 8,079 | 19,686 | 15,963 | 11,354 | 7,727 |
| Expenditures | 29,847 | 32,059 | 37,645 | 51,799 | 44,814 | 44,814 |
| Biennial Change in Expenditures | | | | 27,538 | | 184 |
| Biennial % Change in Expenditures | | | | 44 | | 0 |
| Full-Time Equivalents | 102.77 | 111.57 | 122.84 | 173.20 | 177.40 | 177.40 |

2050 - Environment & Natural Resources

| | | | | | | |
|-----------------------------------|--------------|------------|--------------|--------------|---|---------|
| Balance Forward In | 2,604 | 1,287 | 3,680 | 1,455 | | |
| Direct Appropriation | 800 | 2,800 | 1,562 | 875 | 0 | 0 |
| Cancellations | | | 422 | | | |
| Balance Forward Out | 1,287 | 3,680 | 1,454 | | | |
| Expenditures | 2,117 | 407 | 3,366 | 2,330 | | |
| Biennial Change in Expenditures | | | | 3,172 | | (5,696) |
| Biennial % Change in Expenditures | | | | 126 | | (100) |
| Full-Time Equivalents | 0.01 | 0.62 | 1.24 | 1.12 | | |

2302 - Clean Water

| | | | | | | |
|-----------------------------------|---------------|---------------|---------------|---------------|---|----------|
| Balance Forward In | 9,701 | 8,787 | 7,588 | 7,760 | | |
| Direct Appropriation | 21,024 | 21,153 | 24,187 | 29,514 | 0 | 0 |
| Open Appropriation | 35 | 30 | 52 | 41 | 0 | 0 |
| Cancellations | 0 | 215 | 63 | | | |
| Balance Forward Out | 8,339 | 7,249 | 7,759 | | | |
| Expenditures | 22,420 | 22,506 | 24,005 | 37,315 | | |
| Biennial Change in Expenditures | | | | 16,393 | | (61,320) |
| Biennial % Change in Expenditures | | | | 36 | | (100) |
| Full-Time Equivalents | 83.31 | 89.60 | 84.68 | 108.84 | | |

2340 - Renewable Development

Pollution Control

Agency Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------|
| | | | | | FY26 | FY27 |
| Direct Appropriation | | | 2,000 | 1,000 | 0 | 0 |
| Transfers Out | | | 2,000 | | | |
| Expenditures | | | | 1,000 | | |
| Biennial Change in Expenditures | | | | 1,000 | | (1,000) |
| Biennial % Change in Expenditures | | | | | | |

2403 - Gift

| | | | | | | |
|-----------------------------------|--------------|--------------|---------------|---------------|---------------|---------------|
| Balance Forward In | 8,693 | 9,911 | 13,601 | 3,987 | | |
| Receipts | 4,227 | 7,611 | 7,514 | 16,280 | 16,280 | 16,280 |
| Balance Forward Out | 9,911 | 13,601 | 3,987 | | | |
| Expenditures | 3,009 | 3,921 | 17,129 | 20,267 | 16,280 | 16,280 |
| Biennial Change in Expenditures | | | | 30,466 | | (4,836) |
| Biennial % Change in Expenditures | | | | 440 | | (13) |
| Full-Time Equivalents | 4.89 | 4.85 | 4.19 | 4.00 | 4.00 | 4.00 |

2800 - Environmental

| | | | | | | |
|-----------------------------------|---------------|---------------|---------------|----------------|----------------|----------------|
| Balance Forward In | 4,213 | 10,948 | 4,920 | 19,896 | 8,529 | 8,779 |
| Direct Appropriation | 114,460 | 109,223 | 130,055 | 141,018 | 137,978 | 142,018 |
| Open Appropriation | 247 | 255 | 365 | 324 | 408 | 324 |
| Receipts | 2,906 | 3,085 | 6,849 | 6,777 | 6,868 | 6,965 |
| Transfers In | 8 | 2,696 | 2,751 | 2,875 | 2,819 | 2,819 |
| Transfers Out | 28,726 | 25,696 | 28,647 | 28,958 | 28,902 | 28,902 |
| Net Loan Activity | 99 | 115 | (159) | (487) | (106) | (6) |
| Cancellations | 6 | 288 | 2,740 | 2,867 | 2,811 | 2,811 |
| Balance Forward Out | 10,376 | 4,921 | 19,893 | 8,529 | 8,779 | 9,135 |
| Expenditures | 82,825 | 95,418 | 93,501 | 130,049 | 116,004 | 120,051 |
| Biennial Change in Expenditures | | | | 45,307 | | 12,505 |
| Biennial % Change in Expenditures | | | | 25 | | 6 |
| Full-Time Equivalents | 380.64 | 435.32 | 396.45 | 540.79 | 540.63 | 567.93 |

2801 - Remediation

| | | | | | | |
|----------------------|---------|---------|--------|--------|--------|--------|
| Balance Forward In | 710,673 | 687,725 | 56,889 | 34,094 | | |
| Direct Appropriation | 14,546 | 14,546 | 19,671 | 20,247 | 20,247 | 20,247 |

Pollution Control

Agency Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY26 | FY27 |
| Open Appropriation | 11,455 | 11,448 | 12,620 | 14,925 | 14,958 | 14,925 |
| Receipts | 8,935 | 11,987 | 23,117 | 105,514 | 106,108 | 106,108 |
| Transfers In | 45,206 | 51,111 | 62,586 | 112,341 | 112,359 | 112,359 |
| Transfers Out | 40,533 | 643,196 | 28,839 | 103,557 | 103,575 | 103,575 |
| Cancellations | | 4 | 235 | | | |
| Balance Forward Out | 692,787 | 55,298 | 34,095 | | | |
| Expenditures | 59,086 | 78,318 | 111,713 | 183,564 | 150,097 | 150,064 |
| Biennial Change in Expenditures | | | | 157,873 | | 4,884 |
| Biennial % Change in Expenditures | | | | 115 | | 2 |
| Full-Time Equivalents | 92.50 | 114.54 | 107.90 | 140.04 | 145.51 | 145.51 |

2802 - Closed Landfill Investment

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|---|---------|
| Direct Appropriation | 4,500 | 4,500 | 4,500 | 4,500 | 0 | 0 |
| Cancellations | 2,544 | 1,975 | 778 | | | |
| Expenditures | 1,956 | 2,525 | 3,722 | 4,500 | | |
| Biennial Change in Expenditures | | | | 3,741 | | (8,222) |
| Biennial % Change in Expenditures | | | | 84 | | (100) |

3000 - Federal

| | | | | | | |
|-----------------------------------|---------------|---------------|---------------|---------------|----------------|---------------|
| Balance Forward In | 16 | | 11 | 156 | | |
| Receipts | 24,411 | 19,258 | 32,301 | 63,119 | 126,520 | 82,446 |
| Balance Forward Out | | | 156 | | | |
| Expenditures | 24,427 | 19,258 | 32,156 | 63,275 | 126,520 | 82,446 |
| Biennial Change in Expenditures | | | | 51,746 | | 113,535 |
| Biennial % Change in Expenditures | | | | 118 | | 119 |
| Full-Time Equivalents | 141.31 | 108.73 | 125.61 | 155.55 | 151.30 | 150.68 |

8200 - Clean Water Revolving

| | | | | | | |
|---------------------|---------|---------|---------|---------|---------|-------|
| Balance Forward In | 14,863 | 14,171 | 11,852 | 8,789 | 5,806 | 2,806 |
| Receipts | 170 | 138 | 101 | 578 | 578 | 578 |
| Transfers In | 3,829 | 2,102 | 2,379 | 2,644 | 2,102 | 2,102 |
| Net Loan Activity | (2,862) | (2,524) | (3,158) | (3,000) | (3,078) | (884) |
| Balance Forward Out | 14,171 | 11,852 | 8,790 | 5,806 | 2,806 | 2,000 |

Pollution Control

Agency Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| Expenditures | 1,829 | 2,034 | 2,385 | 3,205 | 2,602 | 2,602 |
| Biennial Change in Expenditures | | | | 1,728 | | (386) |
| Biennial % Change in Expenditures | | | | 45 | | (7) |
| Full-Time Equivalents | 13.27 | 14.99 | 15.29 | 16.30 | 17.30 | 17.30 |

Pollution Control

Agency Change Summary

(Dollars in Thousands)

| | FY25 | FY26 | FY27 | Biennium 2026-27 |
|---|---------|----------|----------|---------------------|
| Direct | | | | |
| Fund: 1000 - General | | | | |
| FY2025 Appropriations | 107,211 | 107,211 | 107,211 | 214,422 |
| Base Adjustments | | | | |
| All Other One-Time Appropriations | | (48,405) | (48,405) | (96,810) |
| Current Law Base Change | | (50,083) | (50,083) | (100,166) |
| Minnesota Paid Leave Allocation | | 6 | 6 | 12 |
| Forecast Base | 107,211 | 8,729 | 8,729 | 17,458 |
| Fund: 1200 - State Government Special Rev | | | | |
| FY2025 Appropriations | 90 | 90 | 90 | 180 |
| Forecast Base | 90 | 90 | 90 | 180 |
| Fund: 2050 - Environment & Natural Resources | | | | |
| FY2025 Appropriations | 875 | 875 | 875 | 1,750 |
| Base Adjustments | | | | |
| All Other One-Time Appropriations | | (875) | (875) | (1,750) |
| Forecast Base | 875 | | | |
| Fund: 2302 - Clean Water | | | | |
| FY2025 Appropriations | 29,514 | 29,514 | 29,514 | 59,028 |
| Base Adjustments | | | | |
| One-Time Legacy Fund Appropriations | | (29,514) | (29,514) | (59,028) |
| Forecast Base | 29,514 | | | |
| Fund: 2340 - Renewable Development | | | | |
| FY2025 Appropriations | 1,000 | 1,000 | 1,000 | 2,000 |
| Base Adjustments | | | | |
| All Other One-Time Appropriations | | (1,000) | (1,000) | (2,000) |
| Forecast Base | 1,000 | | | |
| Fund: 2800 - Environmental | | | | |
| FY2025 Appropriations | 141,018 | 141,018 | 141,018 | 282,036 |
| Base Adjustments | | | | |
| All Other One-Time Appropriations | | (2,019) | (2,019) | (4,038) |
| Current Law Base Change | | (1,021) | 3,019 | 1,998 |
| Forecast Base | 141,018 | 137,978 | 142,018 | 279,996 |
| Fund: 2801 - Remediation | | | | |
| FY2025 Appropriations | 20,247 | 20,247 | 20,247 | 40,494 |

Pollution Control

Agency Change Summary

(Dollars in Thousands)

| | FY25 | FY26 | FY27 | Biennium 2026-27 |
|---|--------|---------|---------|---------------------|
| Forecast Base | 20,247 | 20,247 | 20,247 | 40,494 |
| Fund: 2802 - Closed Landfill Investment | | | | |
| FY2025 Appropriations | 4,500 | 4,500 | 4,500 | 9,000 |
| Base Adjustments | | | | |
| Current Law Base Change | | (4,500) | (4,500) | (9,000) |
| Forecast Base | 4,500 | | | |
| Open | | | | |
| Fund: 1200 - State Government Special Rev | | | | |
| FY2025 Appropriations | 2 | 2 | 2 | 4 |
| Forecast Base | 2 | 2 | 2 | 4 |
| Fund: 2302 - Clean Water | | | | |
| FY2025 Appropriations | 41 | 41 | 41 | 82 |
| Base Adjustments | | | | |
| One-Time Legacy Fund Appropriations | | (41) | (41) | (82) |
| Forecast Base | 41 | | | |
| Fund: 2800 - Environmental | | | | |
| FY2025 Appropriations | 324 | 324 | 324 | 648 |
| Base Adjustments | | | | |
| Forecast Open Appropriation Adjustment | | 84 | | 84 |
| Forecast Base | 324 | 408 | 324 | 732 |
| Fund: 2801 - Remediation | | | | |
| FY2025 Appropriations | 14,925 | 14,925 | 14,925 | 29,850 |
| Base Adjustments | | | | |
| Forecast Open Appropriation Adjustment | | 33 | | 33 |
| Forecast Base | 14,925 | 14,958 | 14,925 | 29,883 |
| Dedicated | | | | |
| Fund: 2000 - Restrict Misc Special Revenue | | | | |
| Planned Spending | 3,435 | 2,523 | 2,523 | 5,046 |
| Forecast Base | 3,435 | 2,523 | 2,523 | 5,046 |
| Fund: 2001 - Other Misc Special Revenue | | | | |
| Planned Spending | 51,799 | 44,814 | 44,814 | 89,628 |
| Forecast Base | 51,799 | 44,814 | 44,814 | 89,628 |

Pollution Control

Agency Change Summary

(Dollars in Thousands)

| | FY25 | FY26 | FY27 | Biennium 2026-27 |
|---|---------|---------|---------|---------------------|
| Fund: 2403 - Gift | | | | |
| Planned Spending | 20,267 | 16,280 | 16,280 | 32,560 |
| Forecast Base | 20,267 | 16,280 | 16,280 | 32,560 |
| Fund: 2800 - Environmental | | | | |
| Planned Spending | 3,653 | 3,701 | 3,792 | 7,493 |
| Forecast Base | 3,653 | 3,701 | 3,792 | 7,493 |
| Fund: 2801 - Remediation | | | | |
| Planned Spending | 146,904 | 115,208 | 115,208 | 230,416 |
| Forecast Base | 146,904 | 115,208 | 115,208 | 230,416 |
| Fund: 3000 - Federal | | | | |
| Planned Spending | 63,275 | 126,520 | 82,446 | 208,966 |
| Forecast Base | 63,275 | 126,520 | 82,446 | 208,966 |
| Fund: 8200 - Clean Water Revolving | | | | |
| Planned Spending | 3,205 | 2,602 | 2,602 | 5,204 |
| Forecast Base | 3,205 | 2,602 | 2,602 | 5,204 |
| Revenue Change Summary | | | | |
| Dedicated | | | | |
| Fund: 2000 - Restrict Misc Special Revenue | | | | |
| Forecast Revenues | 2,968 | 2,523 | 2,523 | 5,046 |
| Fund: 2001 - Other Misc Special Revenue | | | | |
| Forecast Revenues | 47,435 | 39,410 | 40,392 | 79,802 |
| Fund: 2403 - Gift | | | | |
| Forecast Revenues | 16,280 | 16,280 | 16,280 | 32,560 |
| Fund: 2800 - Environmental | | | | |
| Forecast Revenues | 6,777 | 6,868 | 6,965 | 13,833 |
| Fund: 2801 - Remediation | | | | |
| Forecast Revenues | 105,514 | 106,108 | 106,108 | 212,216 |
| Fund: 3000 - Federal | | | | |

Pollution Control

Agency Change Summary

(Dollars in Thousands)

| | FY25 | FY26 | FY27 | Biennium 2026-27 |
|--|--------|---------|--------|---------------------|
| Forecast Revenues | 63,119 | 126,520 | 82,446 | 208,966 |
| Fund: 8200 - Clean Water Revolving | | | | |
| Forecast Revenues | 578 | 578 | 578 | 1,156 |
| Non-Dedicated | | | | |
| Fund: 1000 - General | | | | |
| Forecast Revenues | 7 | 7 | 7 | 14 |
| Fund: 1200 - State Government Special Rev | | | | |
| Forecast Revenues | 60 | 60 | 60 | 120 |
| Fund: 2350 - Petroleum Tank Release Cleanup | | | | |
| Forecast Revenues | 4 | 4 | 4 | 8 |
| Fund: 2800 - Environmental | | | | |
| Forecast Revenues | 32,806 | 32,806 | 32,806 | 65,612 |
| Fund: 2801 - Remediation | | | | |
| Forecast Revenues | 1,366 | 1,366 | 1,366 | 2,732 |
| Fund: 2802 - Closed Landfill Investment | | | | |
| Forecast Revenues | 2,091 | 2,091 | 2,091 | 4,182 |

Program: Environmental Analysis and Outcomes Division<https://www.pca.state.mn.us/>**AT A GLANCE**

- Develop water quality standards and evaluate 80 major watersheds against those standards
- Monitor and track air quality, surface water quality, and ambient groundwater conditions
- Provide environmental data quality assurance and data management services for the agency
- Provide resources to local water management organizations for lake and streams monitoring
- Provide forecasts for the state and seven tribes, to inform the public of unhealthy air quality days
- Estimate and track pollutant emissions to air and discharges to water
- Support climate action through Green House Gas (GHG) emissions tracking and support for community resilience

PURPOSE AND CONTEXT

The Environmental Analysis and Outcomes (EAO) Division monitors and evaluates the physical, chemical, and biological conditions of Minnesota's environment; identifies environmental threats and impacts to human and ecosystem health; establishes environmental goals and measures progress in achieving them; supports regulatory programs (such as permitting); ensures data quality; and makes environmental data broadly accessible. The Division's efforts support human health, aquatic life, and a strong economy.

We provide leadership to implement the federal Clean Air Act by monitoring and evaluating air quality conditions, supporting air quality permitting and environmental review, and assisting sister agencies with energy and transportation projects.

We accelerate progress in meeting the Agency's goals of reducing GHG emissions and increasing resiliency of communities and the environment to climate impacts.

We help implement the Clean Water Act and portions of Minnesota's Clean Water Legacy Act by monitoring surface water and groundwater resources; evaluating water quality data; communicating lake, stream, wetland, and groundwater conditions; and developing water quality standards that protect the health of water resources. Water data and assessment results support the development of permit limits to protect water quality and inform local planning, restoration, and protection activities.

SERVICES PROVIDED**Air Assessment**

- Monitors for the air quality index and compliance with air quality standards and health benchmarks at 54 sites statewide
- Supports community air monitoring, focusing on areas of concern for environmental justice
- Provides monitoring technical assistance and quality assurance at five locations operated by Tribal governments, five federal PM2.5 speciation sites, one national multi-pollutant monitoring site, one ozone precursor measurements site, and nine National Atmospheric Deposition Program sites
- Collects and analyzes annual air emission inventories for more than 2,200 companies
- Estimates state-wide emissions from all sources every three years
- Supports facility air dispersion modeling to estimate compliance with standards and estimate risk from facilities for permitting, compliance, and enforcement and environmental review

- Estimates and analyzes for public health risks from air pollution, with a focus on potential disproportionate impacts on the most vulnerable Minnesotans
- Prepares state implementation plans and ensures program compliance with federal and state requirements
- Coordinates and provides technical expertise for rulemaking

Water Monitoring and Assessment

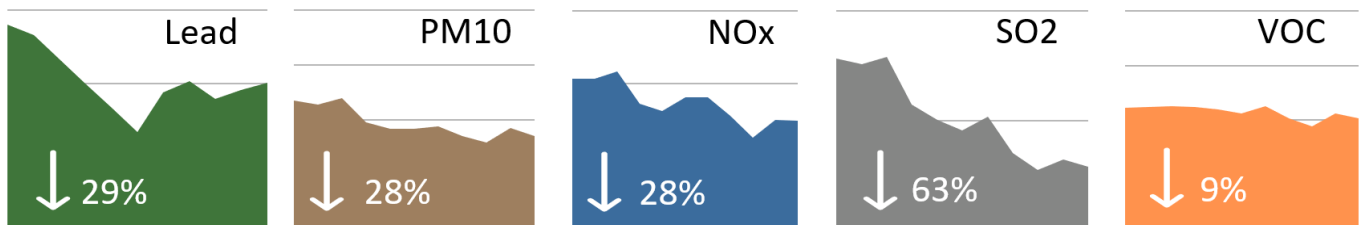
- Develops water quality standards and uses other tools to protect human health and aquatic life
- Monitors lakes, streams and rivers, wetlands, and groundwater to identify water quality trends
- Gathers and reviews data to understand water condition and identify causes of stress on a water body
- Monitors for the effectiveness of protection and restoration activities
- Provides funding opportunities and technical assistance for local units of government to conduct water monitoring.
- Provides information and assistance to regulated facilities, communities, local governments, and Minnesotans
- Monitors, studies, and coordinates work on contaminants in Minnesota's water and fish, including accumulative contaminants like mercury and per- and polyfluoroalkyl substances (PFAS), and emerging contaminants like pharmaceuticals and consumer products

RESULTS PERFORMANCE MEASURES

AIR EMISSIONS FROM PERMITTED FACILITIES

The EAO Division annually collects and processes data from all permitted facilities in the state. These data are used to calculate facility annual emissions fees, assess health risks, support air modeling, evaluate the effectiveness of air regulations, and understand what air pollutants are in the environment. The graph below shows emission trends for permitted sources from 2010-2022. These emissions have decreased significantly over the past decade largely due to governmental regulations and industry efforts to reduce emissions, including switching from coal to natural gas and installing new pollution controls on their units.

Minnesota permitted source emissions 2010-2022



SURFACE WATER PROTECTION AND RESTORATION

During the last 5 years, MPCA has increased water monitoring efforts and completed assessments across the entire state. The information is used to determine if watersheds are meeting water quality standards to protect public health, recreational use, and aquatic life.

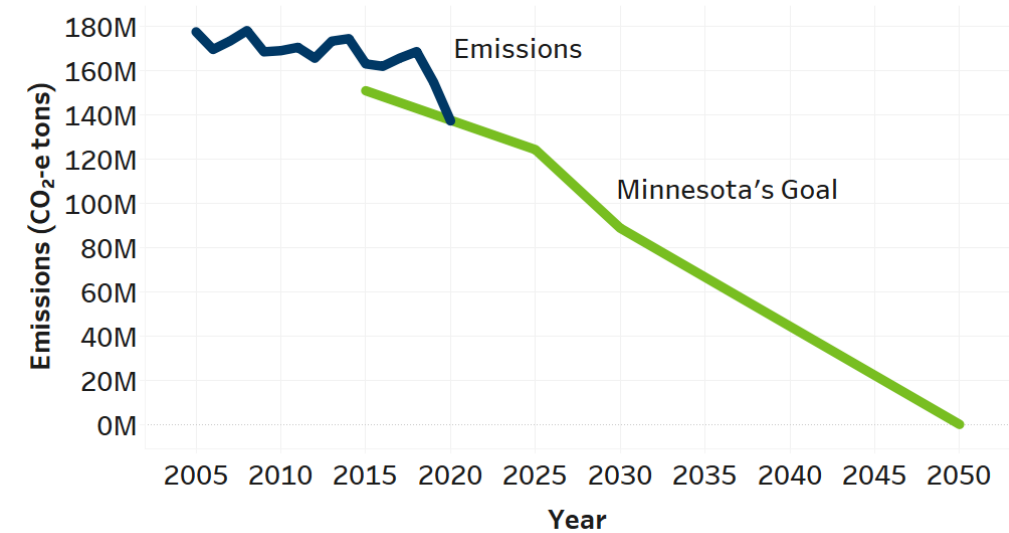
Using data through 2022, 60 percent of state lakes and streams meet water quality standards; however, there are wide variations in condition by watershed. All of Minnesota's 80 watersheds have been monitored and assessed. MPCA is carrying out a second monitoring cycle across the state that focuses on measuring progress and, where needed, incorporating monitoring to understand new pollutants of concern.

GREENHOUSE GAS EMISSIONS IN MINNESOTA

The EAO Division estimates the greenhouse gas emissions from all sources in Minnesota to track progress against the Next Generation Climate Act reduction targets. The analysis allows the EAO Division to support the Governor’s Climate Change Subcabinet and Advisory Council to identify effective and cost-efficient emission reduction strategies.

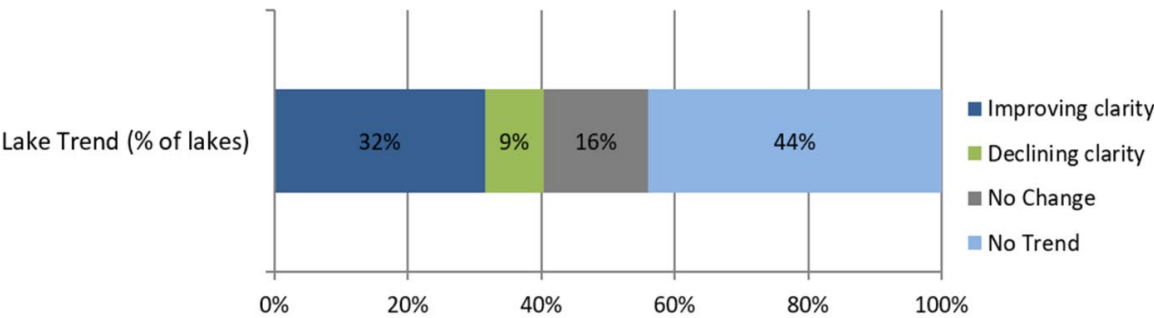
The Division is completing a report to the Legislature, due January 15, 2025, that will contain the most up-to-date estimates for greenhouse gas emissions through 2022.

Minnesota’s GHG emissions 2005-2020 and goals from the Next Generation Climate Act



PERCENT OF LAKES GETTING CLEARER

Hundreds of volunteers across the state help the MPCA measure water clarity in all Minnesota counties. A minimum of eight years of monitoring data is needed before a lake is included in the chart below. The data updated through 2023, demonstrates that water clarity is improving or holding steady in 91 percent of our lakes.



Minnesota Statutes, Chapters, 115 (<https://www.revisor.mn.gov/statutes/?id=115>). 115A (<https://www.revisor.mn.gov/statutes/?id=115A>), and 116 (<https://www.revisor.mn.gov/statutes/?id=116>) provide the agency with its main authorities to provide regulatory, monitoring, and assistance services.

Environmental Analysis and Outcomes Division

Program Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 976 | 927 | 10,179 | 103,317 | 542 | 542 |
| 2000 - Restrict Misc Special Revenue | 284 | 114 | 71 | 215 | 124 | 124 |
| 2001 - Other Misc Special Revenue | 371 | 604 | 734 | 3,556 | | |
| 2050 - Environment & Natural Resources | 1,135 | 111 | 137 | 651 | | |
| 2302 - Clean Water | 9,314 | 8,435 | 9,398 | 16,144 | | |
| 2340 - Renewable Development | | | | 1,000 | | |
| 2800 - Environmental | 11,058 | 14,443 | 14,668 | 23,333 | 19,631 | 21,031 |
| 2801 - Remediation | 178 | 223 | 196 | 258 | 205 | 205 |
| 3000 - Federal | 4,814 | 3,685 | 5,291 | 21,483 | 73,302 | 37,960 |
| Total | 28,130 | 28,542 | 40,674 | 169,957 | 93,804 | 59,862 |
| Biennial Change | | | | 153,959 | | (56,965) |
| Biennial % Change | | | | 272 | | (27) |

Expenditures by Activity

| | | | | | | |
|--|---------------|---------------|---------------|----------------|---------------|---------------|
| Environmental Analysis and Outcomes Division | 28,130 | 28,542 | 40,674 | 169,957 | 93,804 | 59,862 |
| Total | 28,130 | 28,542 | 40,674 | 169,957 | 93,804 | 59,862 |

Expenditures by Category

| | | | | | | |
|------------------------------|---------------|---------------|---------------|----------------|---------------|---------------|
| Compensation | 14,788 | 15,810 | 17,552 | 25,873 | 18,963 | 19,811 |
| Operating Expenses | 13,051 | 12,477 | 14,414 | 138,345 | 62,064 | 27,627 |
| Grants, Aids and Subsidies | 200 | 200 | 8,633 | 5,739 | 12,777 | 12,424 |
| Capital Outlay-Real Property | 61 | 5 | 12 | | | |
| Other Financial Transaction | 30 | 50 | 64 | | | |
| Total | 28,130 | 28,542 | 40,674 | 169,957 | 93,804 | 59,862 |

| | | | | | | |
|---|---------------|---------------|---------------|----------------|---------------|---------------|
| Total Agency Expenditures | 28,130 | 28,542 | 40,674 | 169,957 | 93,804 | 59,862 |
| Internal Billing Expenditures | 6,373 | 6,910 | 9,072 | 10,232 | 6,595 | 6,947 |
| Expenditures Less Internal Billing | 21,758 | 21,632 | 31,603 | 159,725 | 87,209 | 52,915 |

Full-Time Equivalents

| | | | | | |
|---------------|---------------|---------------|---------------|---------------|---------------|
| 141.94 | 152.22 | 151.96 | 237.36 | 171.08 | 178.38 |
|---------------|---------------|---------------|---------------|---------------|---------------|

Environmental Analysis and Outcomes Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|-----------------------------------|--------|--------|--------|----------|---------------|------|
| | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |
| 1000 - General | | | | | | |
| Balance Forward In | | 809 | | 49,612 | | |
| Direct Appropriation | 1,292 | 224 | 62,103 | 53,797 | 542 | 542 |
| Transfers Out | | | 2,313 | 92 | | |
| Cancellations | | 106 | | | | |
| Balance Forward Out | 316 | | 49,611 | | | |
| Expenditures | 976 | 927 | 10,179 | 103,317 | 542 | 542 |
| Biennial Change in Expenditures | | | | 111,592 | (112,412) | |
| Biennial % Change in Expenditures | | | | 5,863 | (99) | |
| Full-Time Equivalents | 1.63 | 1.78 | 6.27 | 14.56 | 3.78 | 3.78 |

2000 - Restrict Misc Special Revenue

| | | | | | | |
|-----------------------------------|------------|------------|-----------|------------|------------|------------|
| Balance Forward In | 335 | 96 | 149 | 91 | | |
| Receipts | 38 | 166 | 13 | 124 | 124 | 124 |
| Balance Forward Out | 90 | 149 | 91 | | | |
| Expenditures | 284 | 114 | 71 | 215 | 124 | 124 |
| Biennial Change in Expenditures | | | | (111) | | (38) |
| Biennial % Change in Expenditures | | | | (28) | | (13) |
| Full-Time Equivalents | 2.22 | 0.94 | 0.27 | 1.00 | 1.00 | 1.00 |

2001 - Other Misc Special Revenue

| | | | | | | |
|-----------------------------------|------------|------------|------------|--------------|------|---------|
| Balance Forward In | 800 | 782 | 290 | 3,556 | | |
| Receipts | 20 | 21 | | | | |
| Transfers In | | | 4,000 | | | |
| Balance Forward Out | 448 | 199 | 3,555 | | | |
| Expenditures | 371 | 604 | 734 | 3,556 | | |
| Biennial Change in Expenditures | | | | 3,315 | | (4,290) |
| Biennial % Change in Expenditures | | | | 340 | | (100) |
| Full-Time Equivalents | | | 0.39 | 0.90 | 0.90 | 0.90 |

2050 - Environment & Natural Resources

| | | | | | | |
|----------------------|-------|-----|-----|-----|---|---|
| Balance Forward In | 1,404 | 269 | 158 | 30 | | |
| Direct Appropriation | | | 54 | 621 | 0 | 0 |
| Cancellations | | | 45 | | | |

Environmental Analysis and Outcomes Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|-------|
| | | | | | FY26 | FY27 |
| Balance Forward Out | 269 | 158 | 30 | | | |
| Expenditures | 1,135 | 111 | 137 | 651 | | |
| Biennial Change in Expenditures | | | | (458) | | (788) |
| Biennial % Change in Expenditures | | | | (37) | | (100) |

2302 - Clean Water

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|---------------|---|----------|
| Balance Forward In | 4,025 | 3,116 | 3,127 | 3,718 | | |
| Direct Appropriation | 8,366 | 8,366 | 10,050 | 12,426 | 0 | 0 |
| Cancellations | | 61 | 62 | | | |
| Balance Forward Out | 3,077 | 2,985 | 3,717 | | | |
| Expenditures | 9,314 | 8,435 | 9,398 | 16,144 | | |
| Biennial Change in Expenditures | | | | 7,793 | | (25,542) |
| Biennial % Change in Expenditures | | | | 44 | | (100) |
| Full-Time Equivalents | 38.48 | 42.04 | 39.31 | 61.00 | | |

2340 - Renewable Development

| | | | | | | |
|-----------------------------------|--|--|-------|--------------|---|---------|
| Direct Appropriation | | | 2,000 | 1,000 | 0 | 0 |
| Transfers Out | | | 2,000 | | | |
| Expenditures | | | | 1,000 | | |
| Biennial Change in Expenditures | | | | 1,000 | | (1,000) |
| Biennial % Change in Expenditures | | | | | | |

2800 - Environmental

| | | | | | | |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Balance Forward In | | 1,615 | | 2,998 | | |
| Direct Appropriation | 13,469 | 13,715 | 18,959 | 21,653 | 20,949 | 22,349 |
| Transfers Out | 811 | 811 | 1,294 | 1,318 | 1,318 | 1,318 |
| Cancellations | | 75 | | | | |
| Balance Forward Out | 1,600 | | 2,997 | | | |
| Expenditures | 11,058 | 14,443 | 14,668 | 23,333 | 19,631 | 21,031 |
| Biennial Change in Expenditures | | | | 12,500 | | 2,661 |
| Biennial % Change in Expenditures | | | | 49 | | 7 |
| Full-Time Equivalents | 67.04 | 80.33 | 77.31 | 117.59 | 119.49 | 126.79 |

Environmental Analysis and Outcomes Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|-----------------------------------|--------|--------|--------|----------|---------------|------|
| | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |
| 2801 - Remediation | | | | | | |
| Balance Forward In | | 23 | | 53 | | |
| Direct Appropriation | 201 | 201 | 249 | 205 | 205 | 205 |
| Cancellations | | 1 | | | | |
| Balance Forward Out | 23 | | 53 | | | |
| Expenditures | 178 | 223 | 196 | 258 | 205 | 205 |
| Biennial Change in Expenditures | | | | 53 | | (44) |
| Biennial % Change in Expenditures | | | | 13 | | (10) |
| Full-Time Equivalents | 1.16 | 1.15 | 1.83 | 1.57 | 1.57 | 1.57 |

3000 - Federal

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|---------------|---------------|---------------|
| Balance Forward In | | | | 117 | | |
| Receipts | 4,814 | 3,685 | 5,409 | 21,366 | 73,302 | 37,960 |
| Balance Forward Out | | | 117 | | | |
| Expenditures | 4,814 | 3,685 | 5,291 | 21,483 | 73,302 | 37,960 |
| Biennial Change in Expenditures | | | | 18,276 | | 84,488 |
| Biennial % Change in Expenditures | | | | 215 | | 316 |
| Full-Time Equivalents | 31.41 | 25.98 | 26.58 | 40.74 | 44.34 | 44.34 |

Program: Industrial Division<https://www.pca.state.mn.us/>**AT A GLANCE**

The Industrial Division provides regulatory services (permitting, technical assistance, training, compliance determination, enforcement, licensing, and certification) for approximately:

- 4,500 industrial wastewater and stormwater sources
- 2,000 air emission sources
- 10,400 underground fuel storage tank facilities
- 24,500 hazardous waste generators

PURPOSE AND CONTEXT

The Industrial Division engages with regulated parties to manage emissions, discharges, and wastes to minimize impacts to human health, the environment, and climate change. The Division implements a set of core regulatory programs that ensure Minnesota's outdoor air is healthy for all to breathe, and waters are swimmable, fishable, and safe to drink. The Industrial Division enforces state and federal environmental regulations so that Minnesota reduces its contribution to regional, national, and global pollution. Compliance assistance is provided to pollution sources, and we respond to citizen complaints. Our efforts support the One Minnesota goals to support Healthy Minnesotans and to improve Minnesota's Environment while contributing to strong economies in Minnesota communities. The Industrial Division administers regulatory programs in support of the MPCA's strategic goal to advance environmental justice and protect Minnesotans who are disproportionately impacted by environmental emissions.

MPCA is authorized by the Environmental Protection Agency (EPA) to administer the air quality regulatory programs under the federal Clean Air Act. About 2,000 air emission facilities are managed in the program. These programs use state and federal regulations, best management practices, technology, and site-specific determinations to control sources of air pollution. The Division's work to regulate air pollution from facilities that need an air quality permit has resulted in a significant reduction in emissions from these sources and has contributed to the attainment of ambient air quality standards in the state.

MPCA is also authorized by the EPA to administer the wastewater regulatory program under the federal Clean Water Act. Over 900 industrial wastewater dischargers are managed in the program in addition to approximately 3,500 businesses through the industrial stormwater program. These programs use best management practices, technology, and site-based standards to protect water resources.

The Division works with a large and diverse group of private businesses, industry consultants, local, state and federal partners, environmental groups, and people living in the state.

SERVICES PROVIDED

The services the Division provides fall into four categories:

Permitting

- Issue air and water permits to operate or expand existing facilities and to build new industrial, commercial, and institutional facilities
- Better connect the public, industry, and local governments by providing input opportunities on permits through community engagement, public notices, and local meetings
- Reduce the burden on regulated parties by providing assistance, flexibility, and permitting options

Compliance determination, assistance, and enforcement

- Conduct inspections and determine compliance with air quality, water quality, hazardous waste, stormwater, and underground fuel storage tank rules, regulations, and permits
- Provide technical assistance and training to regulated facilities
- Take enforcement action when warranted

Licensing and certification

- Issue licenses for hazardous waste treatment, storage, and disposal facilities
- License hazardous waste haulers and monitor the movement of hazardous waste
- Certify over 10,000 underground fuel tanks

Community engagement

- In 2024, the Industrial Division added a new Community Affairs Unit, which seeks to improve community engagement around high-profile facilities and regulatory processes and create on-going relationships with impacted communities

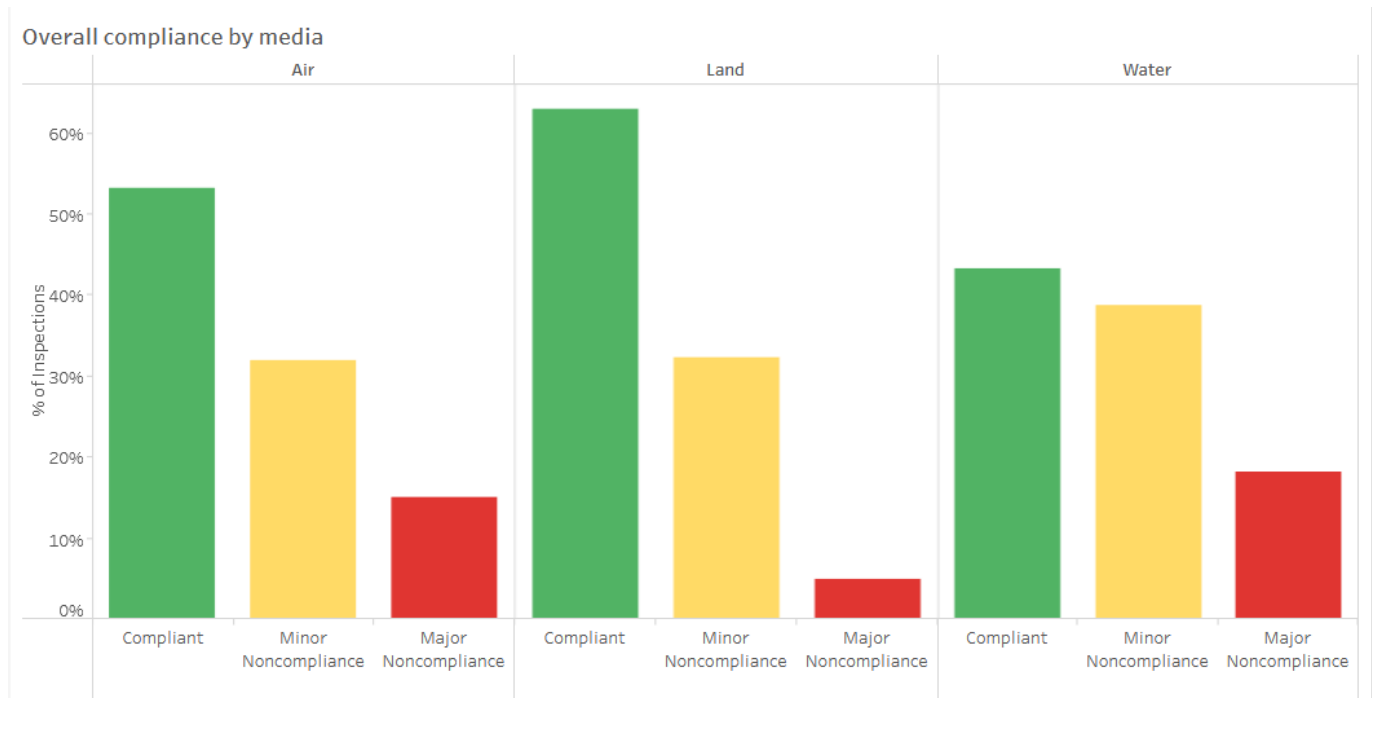
RESULTS

To support MPCA's strategic goal to protect Minnesotans who are disproportionately impacted, the MPCA has made a commitment with EPA to look for ways to increase resources assigned to our priority permits. One target is to issue at least 12 backlogged priority air permit renewals in environmental justice areas annually. As of July 2024, the Industrial Division has issued exceeded the commitment of 12, and issued 16 air permits in environmental justice areas, ensuring that the facilities operating in those areas are meeting current regulations.

The MPCA has worked hard to speed up the permitting process without compromising the environment. The Department meets their 90-day and 150-day permitting timeliness goals 98 percent of the time for priority permits, which are construction focused and have the most bearing on job and growth. Tier 1 permits are permits do not require individualized actions or public comment periods and have a 90-day issuance goal. Tier 2 permits are permits that require individualized actions or a public comment period and have a 150-day issuance goal. For Tier 1 permits, which are less complex, the Department meets timeliness goals 99 percent of the time. Our Tier 2 permits are more involved to issue, and we currently meet timeliness goals 67 percent of the time for priority permits.

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|------|------|------|------|------|------|------|------|------|
| Priority permits that met goal | 97% | 94% | 97% | 99% | 98% | 98% | 99% | 98% | 98% |
| Non-priority permits that met goal | 40% | 46% | 63% | 61% | 92% | 83% | 46% | 76% | 67% |
| All permits that met goal | 74% | 87% | 93% | 93% | 96% | 96% | 89% | 91% | 95% |

Issuing permits is only part of what the MPCA does to protect our environment. We also provide assistance, conduct inspections and enforce standard to improve compliance. So far in federal fiscal year 2024, 93 percent of overall inspections had no major non-compliance. For air, 85 percent of inspections had no major non-compliance. For land, 95 percent of inspections had no major non-compliance. For water, 82 percent of inspections showed no major non-compliance. These results are illustrated in the bar chart below.



Minnesota Statutes, Chapters, 115 (<https://www.revisor.mn.gov/statutes/?id=115>), 115A (<https://www.revisor.mn.gov/statutes/?id=115A>), and 116 (<https://www.revisor.mn.gov/statutes/?id=116>) provide the agency with its main authorities to provide regulatory, monitoring, and assistance services.

Industrial Division

Program Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--------------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | | | 4,145 | 29,745 | 250 | 250 |
| 2000 - Restrict Misc Special Revenue | 10 | 8 | 142 | 34 | 30 | 30 |
| 2001 - Other Misc Special Revenue | 353 | 301 | 298 | 302 | 300 | 300 |
| 2800 - Environmental | 14,000 | 15,875 | 15,291 | 22,151 | 20,157 | 22,797 |
| 2801 - Remediation | 923 | 1,079 | 1,703 | 1,791 | 1,773 | 1,773 |
| 3000 - Federal | 3,585 | 2,605 | 3,382 | 3,468 | 3,263 | 3,263 |
| Total | 18,871 | 19,867 | 24,962 | 57,491 | 25,773 | 28,413 |
| Biennial Change | | | | 43,715 | | (28,267) |
| Biennial % Change | | | | 113 | | (34) |

Expenditures by Activity

| | | | | | | |
|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Industrial Division | 18,871 | 19,867 | 24,962 | 57,491 | 25,773 | 28,413 |
| Total | 18,871 | 19,867 | 24,962 | 57,491 | 25,773 | 28,413 |

Expenditures by Category

| | | | | | | |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Compensation | 13,190 | 14,072 | 15,007 | 20,015 | 17,765 | 19,675 |
| Operating Expenses | 5,680 | 5,786 | 7,714 | 36,876 | 7,466 | 8,196 |
| Grants, Aids and Subsidies | | | 2,240 | 600 | 542 | 542 |
| Capital Outlay-Real Property | | 8 | | | | |
| Total | 18,871 | 19,867 | 24,962 | 57,491 | 25,773 | 28,413 |

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Agency Expenditures | 18,871 | 19,867 | 24,962 | 57,491 | 25,773 | 28,413 |
| Internal Billing Expenditures | 4,846 | 4,775 | 6,730 | 7,605 | 6,413 | 7,053 |
| Expenditures Less Internal Billing | 14,025 | 15,092 | 18,231 | 49,886 | 19,360 | 21,360 |

| | | | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <u>Full-Time Equivalents</u> | 126.58 | 134.50 | 132.43 | 177.99 | 164.93 | 184.93 |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|

Industrial Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|-----------------------------------|--------|--------|--------------|---------------|---------------|------------|
| | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |
| 1000 - General | | | | | | |
| Balance Forward In | | | | 22,270 | | |
| Direct Appropriation | | | 26,415 | 7,475 | 250 | 250 |
| Balance Forward Out | | | 22,270 | | | |
| Expenditures | | | 4,145 | 29,745 | 250 | 250 |
| Biennial Change in Expenditures | | | | 33,890 | | (33,390) |
| Biennial % Change in Expenditures | | | | | | (99) |
| Full-Time Equivalents | | | 6.15 | 14.25 | 1.50 | 1.50 |

2000 - Restrict Misc Special Revenue

| | | | | | | |
|-----------------------------------|-----------|----------|------------|-----------|-----------|-----------|
| Balance Forward In | 7 | 11 | 4 | 4 | | |
| Receipts | 13 | 1 | 143 | 30 | 30 | 30 |
| Balance Forward Out | 11 | 4 | 4 | | | |
| Expenditures | 10 | 8 | 142 | 34 | 30 | 30 |
| Biennial Change in Expenditures | | | | 159 | | (116) |
| Biennial % Change in Expenditures | | | | 892 | | (66) |
| Full-Time Equivalents | 0.08 | 0.08 | 0.02 | 0.02 | 0.02 | 0.02 |

2001 - Other Misc Special Revenue

| | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|
| Balance Forward In | 53 | 1 | 0 | 2 | | |
| Transfers In | 300 | 300 | 300 | 300 | 300 | 300 |
| Balance Forward Out | 1 | 0 | 2 | | | |
| Expenditures | 353 | 301 | 298 | 302 | 300 | 300 |
| Biennial Change in Expenditures | | | | (53) | | 0 |
| Biennial % Change in Expenditures | | | | (8) | | 0 |
| Full-Time Equivalents | 2.24 | 1.93 | 1.09 | 2.00 | 2.00 | 2.00 |

2800 - Environmental

| | | | | | | |
|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Balance Forward In | | 927 | | 1,644 | | |
| Direct Appropriation | 15,048 | 15,076 | 17,078 | 20,656 | 20,306 | 22,946 |
| Transfers Out | 121 | 121 | 145 | 149 | 149 | 149 |
| Cancellations | | 7 | | | | |
| Balance Forward Out | 927 | | 1,642 | | | |
| Expenditures | 14,000 | 15,875 | 15,291 | 22,151 | 20,157 | 22,797 |

Industrial Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------|
| | | | | | FY26 | FY27 |
| Biennial Change in Expenditures | | | | 7,567 | | 5,512 |
| Biennial % Change in Expenditures | | | | 25 | | 15 |
| Full-Time Equivalents | 90.30 | 103.59 | 88.46 | 124.97 | 124.81 | 144.81 |

2801 - Remediation

| | | | | | | |
|-----------------------------------|------------|--------------|--------------|--------------|--------------|--------------|
| Balance Forward In | | 78 | | 18 | | |
| Direct Appropriation | 1,001 | 1,001 | 1,721 | 1,773 | 1,773 | 1,773 |
| Balance Forward Out | 78 | | 18 | | | |
| Expenditures | 923 | 1,079 | 1,703 | 1,791 | 1,773 | 1,773 |
| Biennial Change in Expenditures | | | | 1,492 | | 52 |
| Biennial % Change in Expenditures | | | | 75 | | 1 |
| Full-Time Equivalents | 6.50 | 8.52 | 12.41 | 12.75 | 12.60 | 12.60 |

3000 - Federal

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Receipts | 3,585 | 2,605 | 3,382 | 3,468 | 3,263 | 3,263 |
| Expenditures | 3,585 | 2,605 | 3,382 | 3,468 | 3,263 | 3,263 |
| Biennial Change in Expenditures | | | | 660 | | (324) |
| Biennial % Change in Expenditures | | | | 11 | | (5) |
| Full-Time Equivalents | 27.46 | 20.38 | 24.30 | 24.00 | 24.00 | 24.00 |

Program: Municipal Division<https://www.pca.state.mn.us/>**AT A GLANCE**

In fiscal year 2024:

- 293 municipal wastewater permits issued: 243 under two general permits and 50 individual permits
- 2,563 construction stormwater permits issued
- 249 municipalities operated under municipal stormwater permit coverage
- 45 sub-surface sewage treatment systems compliance and enforcement actions taken
- 229 construction stormwater compliance and enforcement actions taken
- 15 municipal stormwater compliance and enforcement actions taken
- 161 municipal wastewater compliance and enforcement actions taken
- 142 grants totaling \$3.7 million awarded to local partners for sub-surface sewage treatment systems grants

PURPOSE AND CONTEXT

The Municipal Division contributes to the One Minnesota Plan by working to ensure all Minnesotans and the Environment are healthy. The work of the Division ensures that Minnesota has clean water to support aquatic life, clean drinking water, healthy communities, and a strong economy. Components of the program include:

- Working to fulfill the agency's mission to protect human health and the environment by reducing and preventing water pollution from wastewater, stormwater, and sub-surface sewage treatment systems (SSTS)
- Working cooperatively with stakeholders to implement activities that protect all Minnesota waters and citizens
- Providing financial assistance to local government and other partners to achieve and accelerate water quality improvements

SERVICES PROVIDED

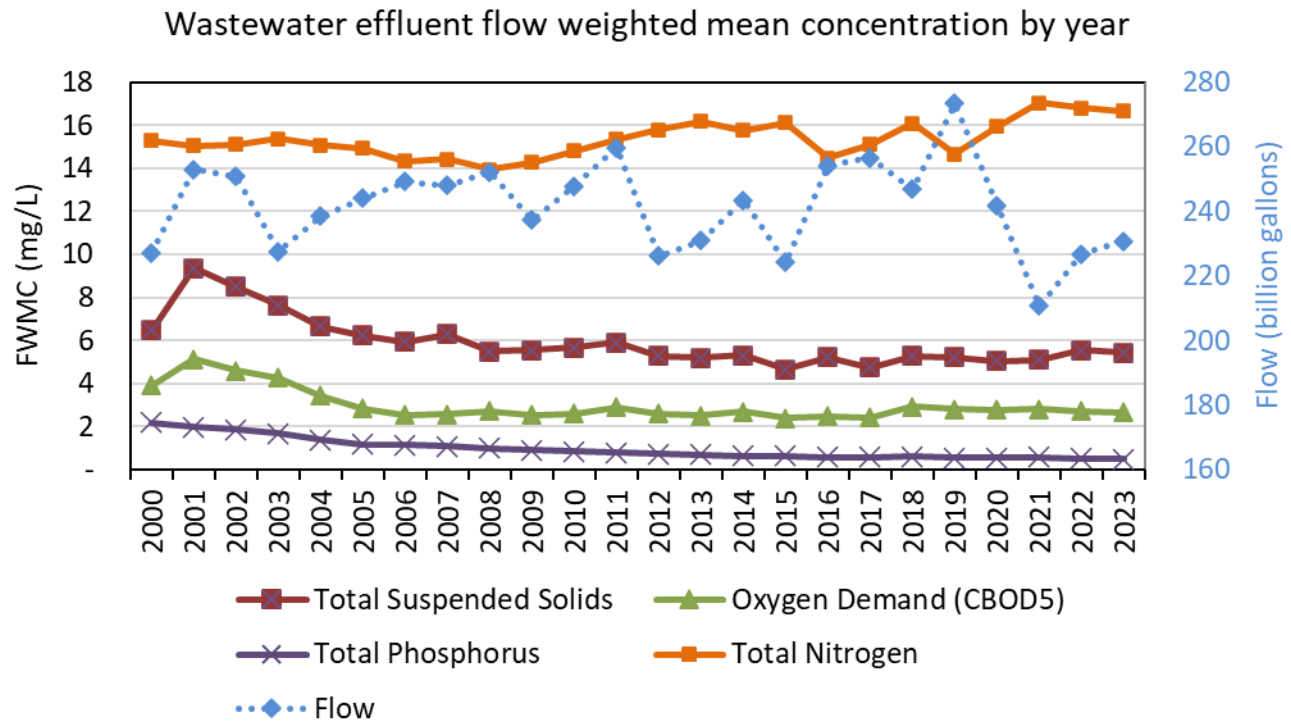
The Municipal Division conducts activities to ensure the state's lakes, rivers, streams, and groundwater are clean, healthy, and sustainable. To accomplish this, the division:

- Issues construction and operation permits to Minnesota businesses and municipalities
- Issues wastewater and stormwater permits, completes inspections to ensure compliance with permit requirements, and provides assistance to wastewater operators and stormwater and SSTS professionals
- Implements the states biosolids land application program
- Supports local units of governments that implement SSTS programs
- Educates, licenses, and certifies wastewater and SSTS professionals
- Assists in flood and spill response
- Addresses imminent health threats from septic systems, particularly for low-income households
- Provides grants and contracts for water quality improvement projects
- Conducts technical reviews and prioritizes wastewater projects that receive funding from the Public Facilities Authority

RESULTS

Municipal Wastewater

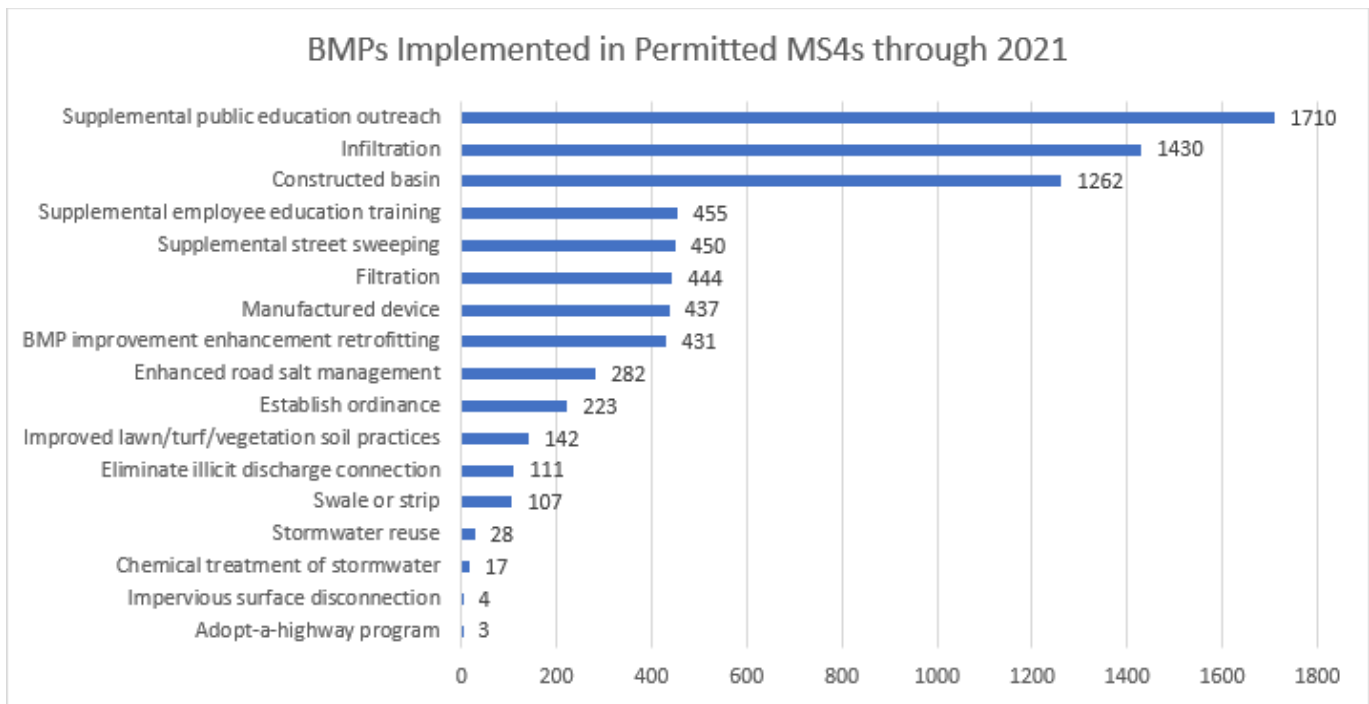
Since 2000, pollutant load discharges from municipal wastewater plants have decreased for all parameters except nitrogen. This decrease is due to MPCA developing permit limits that achieve water quality goals. The program continues to seek opportunities to reduce pollutants in wastewater discharges. In July 2023, the program finalized and began more consistently implementing the wild rice sulfate standard in municipal wastewater permits. In April 2024, the program finalized and begin implementing a Wastewater Nitrate Reduction Strategy to make progress in reducing the nitrate discharges from the wastewater sector. The program continues to work with the sector to characterize and make reductions to the amount of PFAS discharged from wastewater systems.



The Municipal Division has been working hard to streamline the permitting processes to reduce the number of expired municipal wastewater permits. By issuing 293 permits in fiscal year 2023, the Division has an overall National Pollutant Discharge Elimination System, municipal wastewater permit backlog of 21 percent expired permits down from 22 percent in fiscal year 2022 and 24 percent in fiscal year 2021.

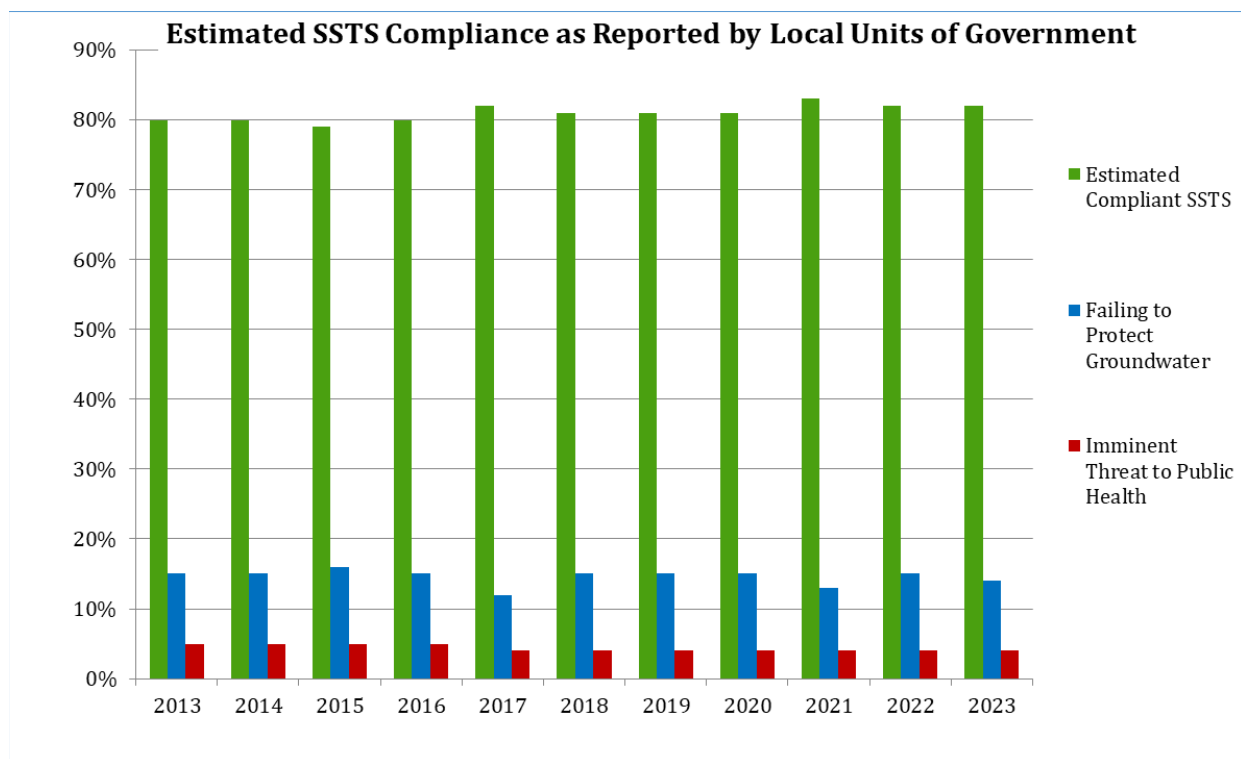
Municipal Stormwater

Since 2015, cities have used best management practices (BMPs) in their Municipal Separate Storm Sewer Systems (MS4s) to help to achieve reductions in pollutants.



Sub-surface Sewage Treatment System (SSTS)

Compliance rates increased over the last ten years but have remained relatively steady for the past three years.



Minnesota Statutes, Chapters, 115 (<https://www.revisor.mn.gov/statutes/?id=115>), 115A (<https://www.revisor.mn.gov/statutes/?id=115A>), and 116 (<https://www.revisor.mn.gov/statutes/?id=116>) provide the agency with its main authorities to provide regulatory, monitoring and assistance services.

Municipal Division

Program Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 153 | 159 | 825 | 1,792 | 223 | 223 |
| 1200 - State Government Special Rev | 75 | 70 | 75 | 100 | 90 | 90 |
| 2000 - Restrict Misc Special Revenue | 363 | 299 | 443 | 670 | 581 | 581 |
| 2050 - Environment & Natural Resources | 500 | 221 | 1,914 | 66 | | |
| 2302 - Clean Water | 4,594 | 5,122 | 5,734 | 8,534 | | |
| 2800 - Environmental | 8,295 | 9,358 | 9,480 | 11,165 | 10,466 | 10,466 |
| 3000 - Federal | 1,268 | 973 | 1,673 | 1,970 | 1,117 | 1,117 |
| 8200 - Clean Water Revolving | 1,829 | 2,034 | 2,385 | 3,205 | 2,602 | 2,602 |
| Total | 17,076 | 18,235 | 22,528 | 27,502 | 15,079 | 15,079 |
| Biennial Change | | | | 14,719 | | (19,872) |
| Biennial % Change | | | | 42 | | (40) |

Expenditures by Activity

| | | | | | | |
|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Municipal Division | 17,076 | 18,235 | 22,528 | 27,502 | 15,079 | 15,079 |
| Total | 17,076 | 18,235 | 22,528 | 27,502 | 15,079 | 15,079 |

Expenditures by Category

| | | | | | | |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Compensation | 9,488 | 10,168 | 11,066 | 12,966 | 10,556 | 10,556 |
| Operating Expenses | 6,819 | 6,666 | 8,183 | 14,536 | 4,523 | 4,523 |
| Grants, Aids and Subsidies | 770 | 1,400 | 3,279 | | | |
| Capital Outlay-Real Property | | 1 | 0 | | | |
| Total | 17,076 | 18,235 | 22,528 | 27,502 | 15,079 | 15,079 |

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Agency Expenditures | 17,076 | 18,235 | 22,528 | 27,502 | 15,079 | 15,079 |
| Internal Billing Expenditures | 3,271 | 3,419 | 3,893 | 4,316 | 3,357 | 3,357 |
| Expenditures Less Internal Billing | 13,805 | 14,816 | 18,635 | 23,186 | 11,722 | 11,722 |

| | | | | | | |
|-------------------------------------|--------------|--------------|--------------|---------------|--------------|--------------|
| <u>Full-Time Equivalents</u> | 91.87 | 97.41 | 94.66 | 105.98 | 95.97 | 95.97 |
|-------------------------------------|--------------|--------------|--------------|---------------|--------------|--------------|

Municipal Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|-----------------------------------|--------|--------|--------|----------|---------------|---------|
| | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |
| 1000 - General | | | | | | |
| Balance Forward In | | 24 | | 481 | | |
| Direct Appropriation | 177 | 190 | 1,305 | 1,311 | 223 | 223 |
| Cancellations | | 55 | | | | |
| Balance Forward Out | 24 | | 480 | | | |
| Expenditures | 153 | 159 | 825 | 1,792 | 223 | 223 |
| Biennial Change in Expenditures | | | | 2,305 | | (2,171) |
| Biennial % Change in Expenditures | | | | 739 | | (83) |
| Full-Time Equivalents | 0.80 | 0.83 | 4.06 | 4.65 | 1.00 | 1.00 |

1200 - State Government Special Rev

| | | | | | | |
|-----------------------------------|-----------|-----------|-----------|------------|-----------|-----------|
| Balance Forward In | | 0 | | 10 | | |
| Direct Appropriation | 75 | 75 | 85 | 90 | 90 | 90 |
| Cancellations | | 5 | | | | |
| Balance Forward Out | 0 | | 10 | | | |
| Expenditures | 75 | 70 | 75 | 100 | 90 | 90 |
| Biennial Change in Expenditures | | | | 30 | | 5 |
| Biennial % Change in Expenditures | | | | 21 | | 3 |
| Full-Time Equivalents | 0.63 | 0.61 | 0.58 | 0.58 | 0.58 | 0.58 |

2000 - Restrict Misc Special Revenue

| | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|
| Balance Forward In | 136 | 100 | 89 | 89 | | |
| Receipts | 326 | 288 | 443 | 581 | 581 | 581 |
| Balance Forward Out | 99 | 89 | 89 | | | |
| Expenditures | 363 | 299 | 443 | 670 | 581 | 581 |
| Biennial Change in Expenditures | | | | 452 | | 49 |
| Biennial % Change in Expenditures | | | | 68 | | 4 |
| Full-Time Equivalents | 2.04 | 1.64 | 1.56 | 1.83 | 1.83 | 1.83 |

2050 - Environment & Natural Resources

| | | | | | | |
|----------------------|------------|------------|--------------|-----------|--|--|
| Balance Forward In | 700 | 200 | 1,979 | 66 | | |
| Direct Appropriation | | 2,000 | | | | |
| Balance Forward Out | 200 | 1,979 | 66 | | | |
| Expenditures | 500 | 221 | 1,914 | 66 | | |

Municipal Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------|
| | | | | | FY26 | FY27 |
| Biennial Change in Expenditures | | | | 1,259 | | (1,980) |
| Biennial % Change in Expenditures | | | | 175 | | (100) |
| Full-Time Equivalents | | 0.17 | 0.12 | 0.12 | | |

2302 - Clean Water

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|---|----------|
| Balance Forward In | 510 | 628 | 219 | 534 | | |
| Direct Appropriation | 4,712 | 4,712 | 6,050 | 8,000 | 0 | 0 |
| Cancellations | 0 | 3 | 1 | | | |
| Balance Forward Out | 628 | 215 | 534 | | | |
| Expenditures | 4,594 | 5,122 | 5,734 | 8,534 | | |
| Biennial Change in Expenditures | | | | 4,552 | | (14,268) |
| Biennial % Change in Expenditures | | | | 47 | | (100) |
| Full-Time Equivalents | 7.92 | 7.50 | 8.09 | 8.94 | | |

2800 - Environmental

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|---------------|---------------|---------------|
| Balance Forward In | | 492 | | 349 | | |
| Direct Appropriation | 8,837 | 8,917 | 9,879 | 10,866 | 10,516 | 10,516 |
| Transfers Out | 50 | 50 | 50 | 50 | 50 | 50 |
| Cancellations | | 1 | | | | |
| Balance Forward Out | 492 | | 349 | | | |
| Expenditures | 8,295 | 9,358 | 9,480 | 11,165 | 10,466 | 10,466 |
| Biennial Change in Expenditures | | | | 2,991 | | 287 |
| Biennial % Change in Expenditures | | | | 17 | | 1 |
| Full-Time Equivalents | 58.51 | 65.42 | 56.98 | 64.66 | 65.46 | 65.46 |

3000 - Federal

| | | | | | | |
|-----------------------------------|--------------|------------|--------------|--------------|--------------|--------------|
| Receipts | 1,268 | 973 | 1,673 | 1,970 | 1,117 | 1,117 |
| Expenditures | 1,268 | 973 | 1,673 | 1,970 | 1,117 | 1,117 |
| Biennial Change in Expenditures | | | | 1,402 | | (1,409) |
| Biennial % Change in Expenditures | | | | 63 | | (39) |
| Full-Time Equivalents | 8.70 | 6.25 | 7.98 | 8.90 | 9.80 | 9.80 |

8200 - Clean Water Revolving

Municipal Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| Balance Forward In | | | 68 | 61 | | |
| Receipts | | | | 500 | 500 | 500 |
| Transfers In | 1,829 | 2,102 | 2,379 | 2,644 | 2,102 | 2,102 |
| Balance Forward Out | | 68 | 62 | | | |
| Expenditures | 1,829 | 2,034 | 2,385 | 3,205 | 2,602 | 2,602 |
| Biennial Change in Expenditures | | | | 1,728 | | (386) |
| Biennial % Change in Expenditures | | | | 45 | | (7) |
| Full-Time Equivalents | 13.27 | 14.99 | 15.29 | 16.30 | 17.30 | 17.30 |

Program: Operations Division<https://www.pca.state.mn.us/>**AT A GLANCE**

- “What’s in My Neighborhood” web application provided public access to environmental data and information on 192,980 sites in Minnesota
- Received the Governor’s Outstanding Safety Award for 2023
- Triaged 4,138 emergency notifications, and responded to 2,514 spills in fiscal year 2024
- Processed 17,116 data and information requests in the fiscal year 2023-24 biennium, an increase of 4 percent over the previous biennium
- Reduced vehicle fuel consumption 31 percent from the 2017 baseline (57,525 gallons per year to 39,901 gallons) by converting fleet of vehicles to electric or high fuel-efficient vehicles and promoting hybrid meetings
- Reduced landfilled solid waste from the 2017 baseline of 118,142 pounds per year to 33,581 pounds
- Became first state agency to be recognized by the National Weather Service as a StormReady entity as part of the Weather-Ready Nation designation.
- Reduced Agency’s greenhouse gas emissions from the 2017 baseline by 65 percent

PURPOSE AND CONTEXT

The Minnesota Pollution Control Agency (MPCA) Operations Division manages the Agency’s business services in alignment with the MPCA’s mission and values.

- It sustains the Agency’s environmental work by managing fiscal services, internal controls and risk assessment, human resources, communications, organizational improvement, project management, facilities management, data systems and online services, data analysis, document and records management, emergency readiness, and non-litigation legal support
- It promotes performance excellence by seeking new or improved ways of delivering Agency services, data, and information
- It protects the environment and enhances cost effective and sustainable business practices by reducing Agency fuel consumption, purchasing recycled and environmentally preferred products, strengthening agency-wide recycling efforts, and reducing travel through use of web conferencing technology
- It develops a thriving workforce by promoting an agency culture that values diversity, inclusion, and equity centric practices
- It protects the environment by cleaning up spills or leaks that can affect health and environment
- Promotes equity and inclusion by assisting MPCA programs in implementing environmental justice principles to ensure pollution does not have disproportionate negative impacts on any group of people

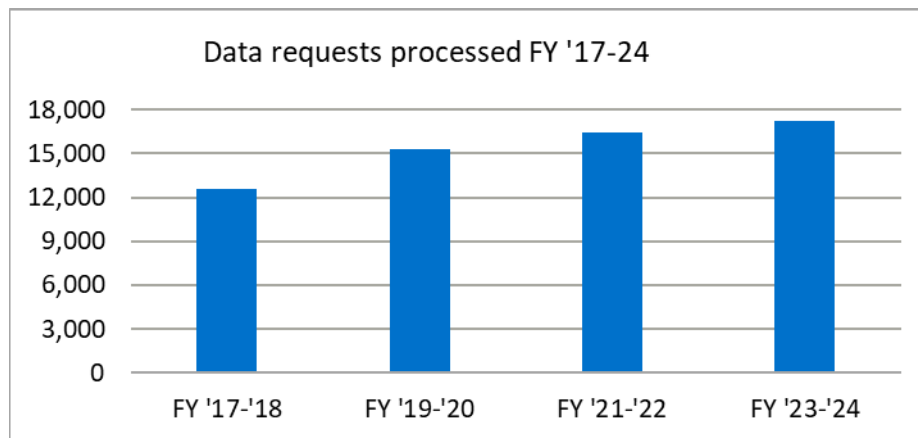
SERVICES PROVIDED

- Provides leadership and guidance on financial matters, performing accounting, budgeting, contracting, and procurement business functions
- Enhances compliance and operational efficiency by conducting annual internal control certifications, comprehensive audits, advisory services, special reviews, and risk mitigation, ensuring processes are effective and risks are properly managed
- Manages Agency data and records (paper and electronic), and ensures effective, secure, and efficient data and document management systems and tools

- Provides project management expertise to the MPCA’s portfolio of strategic project initiatives and to the Agency’s Strategic Plan
- Ensures public access to environmental information and decision-making processes through its website, social media channels, public meetings, outreach, rule hearings, video conferencing, and training events
- Provides location-specific environmental information and data via the “What’s in My Neighborhood” feature at <https://www.pca.state.mn.us/data/whats-my-neighborhood>.
- Manages human resources through workforce planning, job design and analysis, recruitment and selection, employee relations, compliance with employment law and collective bargaining agreements, employee benefits, training , and development
- Uses the Malcolm Baldrige Performance Excellence System framework to identify and prioritize organizational improvement opportunities
- Manages agency-wide services including facilities management, safety, continuity of operations planning, mobile device management, lease administration, space planning, copy and print services, security access system, and fleet management
- Enhances user-friendly electronic web-based services to create process efficiencies, improve data quality, accessibility and usability, and reduce paper transactions
- Oversees the cleanup of contaminated land, groundwater and surface water; works with railroads, pipelines, industry, and local government to improve their preparedness and response to spills; and in the event of a spill, assists local responders and oversees cleanup
- Assists the Agency in the implementation of the Equity Change Plan, Environmental Justice Framework, Affirmative Action Plan, Engagement Plan, and Climate Action Framework

RESULTS

Data Services: Data practices and information requests allow for timely property redevelopment or construction. Over half (55 percent) of requests are for petroleum, leaks, tanks and environmental review documents, and over a third (40 percent) are for solid waste, hazardous waste, and superfund documents.



Online Services: MPCA’s number of online services have steadily increased since fiscal years 2014-15. MPCA’s e-Services feature allows users to apply for permits, close out permitted sites, submit regulatory data and information for compliance requirements; and pay fees and invoices. While 172 online services have been successfully developed and implemented, approximately 250 known additional on-line services need to be developed and implemented.

| | FY 14-15 | FY 16-17 | FY 18-19 | FY 20-21 | FY 22-23 | FY 24 |
|----------------------------------|-----------|-----------|-----------|------------|------------|------------|
| Number of online services | 10 | 20 | 70 | 123 | 167 | 172 |

Communications: In fiscal year 2023, the MPCA website was visited by 1.4 million total active users, an increase of 21.4 percent from fiscal year 2022. The website saw 1.3 million new users, an increase of 18.4 percent over fiscal year 2022. The average user was engaged for 1 minute 10 seconds per visit. 12 million events were triggered on the site, an increase of 11.8 percent over fiscal year 2022. Examples of events include page views, searches, clicks, scrolls, and PDF/file downloads.

The MPCA secured a statewide footprint for the social media platform Nextdoor in fiscal year 2024, with access to more than 1.3 million Minnesota residents. This platform allows us to target organic content to specific neighborhoods. We learned that paid social is not the best way to reach small neighborhoods and that small, focused neighborhood posts work best. Some posts on Nextdoor received more than 100 comments.

References

Clean Water Legacy Act, Minnesota State Statutes, Chapter 114D. (2023).

<https://www.revisor.mn.gov/statutes/cite/114D>

Water Pollution Control; Sanitary Districts, Minnesota State Statutes, Chapter 115. (2023).

<https://www.revisor.mn.gov/statutes/cite/115>

Waste Management, Minnesota State Statutes, Chapter 115A.

(2023).<https://www.revisor.mn.gov/statutes/cite/115A>

Pollution Control Agency, Minnesota State Statutes, Chapter 116. (2023).

<https://www.revisor.mn.gov/statutes/cite/116>

Operations Division

Program Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 3,531 | 2,686 | 11,322 | 35,498 | 3,109 | 3,109 |
| 1200 - State Government Special Rev | 2 | 1 | 3 | 2 | 2 | 2 |
| 2001 - Other Misc Special Revenue | 29,029 | 31,135 | 36,613 | 47,630 | 44,514 | 44,514 |
| 2050 - Environment & Natural Resources | 2 | 51 | 371 | | | |
| 2302 - Clean Water | 35 | 30 | 52 | 41 | | |
| 2800 - Environmental | 5,538 | 6,548 | 6,988 | 11,050 | 9,454 | 9,370 |
| 2801 - Remediation | 1,909 | 2,421 | 2,517 | 2,837 | 2,649 | 2,616 |
| 3000 - Federal | 1,174 | 952 | 1,283 | 1,595 | 752 | 752 |
| Total | 41,220 | 43,825 | 59,147 | 98,653 | 60,480 | 60,363 |
| Biennial Change | | | | 72,755 | | (36,957) |
| Biennial % Change | | | | 86 | | (23) |

Expenditures by Activity

| | | | | | | |
|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Operations Division | 41,220 | 43,825 | 59,147 | 98,653 | 60,480 | 60,363 |
| Total | 41,220 | 43,825 | 59,147 | 98,653 | 60,480 | 60,363 |

Expenditures by Category

| | | | | | | |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Compensation | 17,283 | 18,923 | 22,381 | 30,465 | 28,032 | 28,032 |
| Operating Expenses | 23,873 | 24,867 | 36,678 | 68,188 | 32,448 | 32,331 |
| Grants, Aids and Subsidies | 0 | | 8 | | | |
| Capital Outlay-Real Property | | 3 | 1 | | | |
| Other Financial Transaction | 63 | 32 | 80 | | | |
| Total | 41,220 | 43,825 | 59,147 | 98,653 | 60,480 | 60,363 |

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Agency Expenditures | 41,220 | 43,825 | 59,147 | 98,653 | 60,480 | 60,363 |
| Internal Billing Expenditures | 2,220 | 3,039 | 7,432 | 7,312 | 3,061 | 3,061 |
| Expenditures Less Internal Billing | 39,000 | 40,787 | 51,715 | 91,341 | 57,419 | 57,302 |

Full-Time Equivalents

| | | | | | | |
|--|--------|--------|--------|--------|--------|--------|
| | 154.24 | 169.97 | 186.50 | 277.85 | 263.70 | 263.70 |
|--|--------|--------|--------|--------|--------|--------|

Operations Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|-----------------------------------|--------|--------|--------|----------|---------------|-------|
| | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |
| 1000 - General | | | | | | |
| Balance Forward In | | 1,365 | 1,211 | 10,639 | 3,109 | 3,109 |
| Direct Appropriation | 2,531 | 2,532 | 20,750 | 24,859 | | |
| Transfers In | 2,000 | | | | | |
| Balance Forward Out | 1,000 | 1,211 | 10,639 | | | |
| Expenditures | 3,531 | 2,686 | 11,322 | 35,498 | 3,109 | 3,109 |
| Biennial Change in Expenditures | | | | 40,603 | (40,602) | |
| Biennial % Change in Expenditures | | | | 653 | (87) | |
| Full-Time Equivalents | | | 0.98 | 14.00 | | |

1200 - State Government Special Rev

| | | | | | | |
|-----------------------------------|----------|----------|----------|----------|----------|----------|
| Open Appropriation | 2 | 1 | 3 | 2 | 2 | 2 |
| Expenditures | 2 | 1 | 3 | 2 | 2 | 2 |
| Biennial Change in Expenditures | | | | 2 | | (1) |
| Biennial % Change in Expenditures | | | | 57 | | (12) |

2001 - Other Misc Special Revenue

| | | | | | | |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Balance Forward In | 5,464 | 6,874 | 7,979 | 15,818 | 15,963 | 11,354 |
| Receipts | 30,197 | 32,143 | 44,092 | 47,435 | 39,410 | 40,392 |
| Internal Billing Receipts | 30,014 | 32,038 | 43,978 | 46,806 | 38,781 | 39,763 |
| Transfers In | 104 | 104 | 560 | 560 | 560 | 560 |
| Transfers Out | 112 | 125 | 200 | 220 | 65 | 65 |
| Balance Forward Out | 6,625 | 7,860 | 15,818 | 15,963 | 11,354 | 7,727 |
| Expenditures | 29,029 | 31,135 | 36,613 | 47,630 | 44,514 | 44,514 |
| Biennial Change in Expenditures | | | | 24,079 | | 4,785 |
| Biennial % Change in Expenditures | | | | 40 | | 6 |
| Full-Time Equivalents | 100.41 | 109.64 | 121.36 | 170.30 | 174.50 | 174.50 |

2050 - Environment & Natural Resources

| | | | | | | |
|----------------------|----------|-----------|------------|--|--|--|
| Balance Forward In | | 798 | 748 | | | |
| Direct Appropriation | 800 | | | | | |
| Cancellations | | | 377 | | | |
| Balance Forward Out | 798 | 748 | | | | |
| Expenditures | 2 | 51 | 371 | | | |

Operations Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|-------|
| | | | | | FY26 | FY27 |
| Biennial Change in Expenditures | | | | 318 | | (371) |
| Biennial % Change in Expenditures | | | | 607 | | |
| Full-Time Equivalents | 0.01 | 0.18 | 0.14 | | | |

2302 - Clean Water

| | | | | | | |
|-----------------------------------|-----------|-----------|-----------|-----------|---|-------|
| Open Appropriation | 35 | 30 | 52 | 41 | 0 | 0 |
| Expenditures | 35 | 30 | 52 | 41 | | |
| Biennial Change in Expenditures | | | | 28 | | (93) |
| Biennial % Change in Expenditures | | | | 44 | | (100) |

2800 - Environmental

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|---------------|--------------|--------------|
| Balance Forward In | | 498 | 0 | 1,680 | | |
| Direct Appropriation | 30,778 | 25,102 | 32,291 | 33,038 | 33,038 | 33,038 |
| Open Appropriation | 247 | 255 | 365 | 324 | 408 | 324 |
| Transfers In | 8 | 2,696 | 2,751 | 2,875 | 2,819 | 2,819 |
| Transfers Out | 25,000 | 22,000 | 24,000 | 24,000 | 24,000 | 24,000 |
| Cancellations | | 3 | 2,740 | 2,867 | 2,811 | 2,811 |
| Balance Forward Out | 494 | | 1,679 | | | |
| Expenditures | 5,538 | 6,548 | 6,988 | 11,050 | 9,454 | 9,370 |
| Biennial Change in Expenditures | | | | 5,951 | | 786 |
| Biennial % Change in Expenditures | | | | 49 | | 4 |
| Full-Time Equivalents | 35.71 | 38.75 | 40.50 | 64.70 | 64.00 | 64.00 |

2801 - Remediation

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Balance Forward In | | 258 | | 221 | | |
| Direct Appropriation | 2,081 | 2,081 | 2,617 | 2,491 | 2,491 | 2,491 |
| Open Appropriation | 86 | 84 | 122 | 125 | 158 | 125 |
| Cancellations | | 1 | | | | |
| Balance Forward Out | 258 | | 222 | | | |
| Expenditures | 1,909 | 2,421 | 2,517 | 2,837 | 2,649 | 2,616 |
| Biennial Change in Expenditures | | | | 1,023 | | (89) |
| Biennial % Change in Expenditures | | | | 24 | | (2) |
| Full-Time Equivalents | 11.18 | 14.65 | 14.77 | 17.60 | 17.45 | 17.45 |

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|--|--------|--------|--------|----------|---------------|------|
| | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |

3000 - Federal

| | | | | | | |
|-----------------------------------|--------------|------------|--------------|--------------|------------|------------|
| Receipts | 1,174 | 952 | 1,283 | 1,595 | 752 | 752 |
| Expenditures | 1,174 | 952 | 1,283 | 1,595 | 752 | 752 |
| Biennial Change in Expenditures | | | | 751 | | (1,374) |
| Biennial % Change in Expenditures | | | | 35 | | (48) |
| Full-Time Equivalents | 6.93 | 6.75 | 8.75 | 11.25 | 7.75 | 7.75 |

Program: Remediation<https://www.pca.state.mn.us>**AT A GLANCE**

- Approximately 151,000 acres of contaminated land cleaned up and returned to productive use since 2003
- Maintenance of 112 closed landfills
- Assess approximately 330 superfund and 900 petroleum leak sites per year.

PURPOSE AND CONTEXT

The Remediation Division protects the environment and public health by managing risks at contaminated sites through site assessment, site cleanup, ongoing operation, and maintenance of protection systems, and restoring contaminated land to productive use. This aligns with the Governor's One Minnesota Plan by addressing Minnesota's Environment and Healthy Minnesotans.

We work with a large and diverse group of public and private entities, including property owners and developers, counties and cities, industry consultants, state and federal partners, Tribal nations, and residents.

SERVICES PROVIDED

We work with public and private partners to ensure the proper management and cleanup of contaminated sites, which include petroleum tank leak sites, site assessment and superfund sites, brownfield sites, and closed landfills. Cleaning up contaminated land and groundwater, while costly and time consuming, is the core activity of this Division.

Our services fall into three categories: assessment of risk, cleanup of contaminated land and/or groundwater, and long-term maintenance of implemented remedies and/or installed protection systems.

Assessment of risk

- Identify and investigate environmental releases of hazardous substances and petroleum to determine extent, magnitude, and risk to public health and the environment
- Provide technical support to hazardous waste enforcement, permitting, and corrective action efforts
- Identify risk to proposed property developments on contaminated sites and work with developers to mitigate risk
- Assist other agencies with assessment of natural resource damages

Cleanup

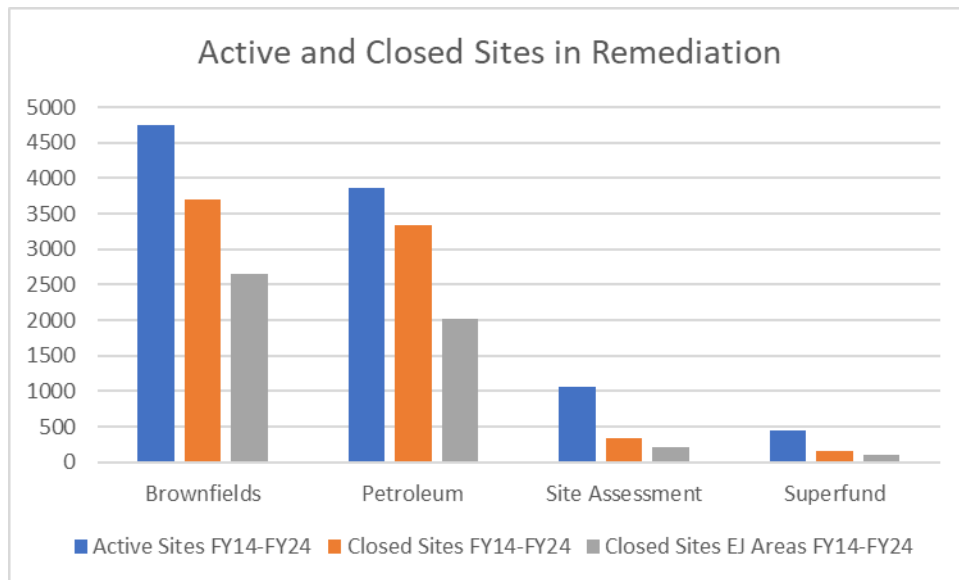
- Oversee land cleanup at contaminated sites and recover costs from responsible parties
- Conduct cleanups and design and install protection systems at state-funded superfund and petroleum sites
- Help developers return contaminated sites to productive use

Long-term maintenance

- Monitor and manage operation and maintenance activities at 112 closed landfills
- Work with local units of government on land use restrictions near sites
- Manage and treat individual properties for drinking water or vapor concerns related to contaminated sites

RESULTS

The MPCA cleans up and puts abandoned, idled, or underused industrial and commercial properties back into productive use. This benefits a community by addressing public health threats, increasing the tax base, and creating jobs. The chart below displays the number of active sites by program, the number of sites closed by program, and a subset of the closed sites that are within an area of environmental justice concern.



At sites where contamination is in the process of being assessed or where contamination remains due to technical limitations/feasibility of cleaning it all up, the remediation programs ensure human health, and the environment are protected by implementing a number of different protections/controls.

Minnesota Statutes, Chapters 114D (<https://www.revisor.mn.gov/statutes/cite/114D>), 115 (<https://www.revisor.mn.gov/statutes/cite/115>), 115A (<https://www.revisor.mn.gov/statutes/cite/115A>), 115C (<https://www.revisor.mn.gov/statutes/2019/cite/115C>), 116 (<https://www.revisor.mn.gov/statutes/2019/cite/116>) and 116B (<https://www.revisor.mn.gov/statutes/2019/cite/116B>) provide the agency with its main authorities to provide regulatory, monitoring, and assistance services.

Remediation Division

Program Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | | | 7,388 | 19,892 | | |
| 2000 - Restrict Misc Special Revenue | 855 | 659 | 432 | 999 | 730 | 730 |
| 2001 - Other Misc Special Revenue | 75 | 16 | | 23 | | |
| 2050 - Environment & Natural Resources | | 25 | 925 | 1,359 | | |
| 2302 - Clean Water | 452 | 759 | 557 | 2,131 | | |
| 2800 - Environmental | 455 | 557 | 477 | 758 | 628 | 628 |
| 2801 - Remediation | 55,782 | 74,312 | 106,930 | 178,268 | 145,086 | 145,086 |
| 2802 - Closed Landfill Investment | 1,956 | 2,525 | 3,722 | 4,500 | | |
| 3000 - Federal | 5,584 | 3,953 | 8,212 | 7,194 | 6,035 | 6,035 |
| Total | 65,159 | 82,806 | 128,644 | 215,124 | 152,479 | 152,479 |
| Biennial Change | | | | 195,804 | | (38,810) |
| Biennial % Change | | | | 132 | | (11) |

Expenditures by Activity

| | | | | | | |
|----------------------|---------------|---------------|----------------|----------------|----------------|----------------|
| Remediation Division | 65,159 | 82,806 | 128,644 | 215,124 | 152,479 | 152,479 |
| Total | 65,159 | 82,806 | 128,644 | 215,124 | 152,479 | 152,479 |

Expenditures by Category

| | | | | | | |
|------------------------------|---------------|---------------|----------------|----------------|----------------|----------------|
| Compensation | 11,925 | 12,367 | 13,409 | 16,778 | 15,091 | 15,091 |
| Operating Expenses | 31,145 | 37,517 | 42,082 | 198,087 | 137,129 | 137,129 |
| Grants, Aids and Subsidies | 21,116 | 31,874 | 73,055 | 259 | 259 | 259 |
| Capital Outlay-Real Property | 964 | 1,030 | 81 | | | |
| Other Financial Transaction | 9 | 19 | 18 | | | |
| Total | 65,159 | 82,806 | 128,644 | 215,124 | 152,479 | 152,479 |

| | | | | | | |
|---|---------------|---------------|----------------|----------------|----------------|----------------|
| Total Agency Expenditures | 65,159 | 82,806 | 128,644 | 215,124 | 152,479 | 152,479 |
| Internal Billing Expenditures | 4,184 | 4,469 | 5,149 | 5,624 | 5,036 | 5,036 |
| Expenditures Less Internal Billing | 60,975 | 78,337 | 123,495 | 209,500 | 147,443 | 147,443 |

Full-Time Equivalents

| | | | | | | |
|--|--------|--------|--------|--------|--------|--------|
| | 109.30 | 114.42 | 111.51 | 144.74 | 139.74 | 139.74 |
|--|--------|--------|--------|--------|--------|--------|

Remediation Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|----------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Balance Forward In | | | | 19,752 | | |
| Direct Appropriation | | | 27,140 | 140 | 0 | 0 |
| Balance Forward Out | | | 19,752 | | | |
| Expenditures | | | 7,388 | 19,892 | | |
| Biennial Change in Expenditures | | | | 27,280 | | (27,280) |
| Biennial % Change in Expenditures | | | | | | (100) |

2000 - Restrict Misc Special Revenue

| | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|
| Balance Forward In | 326 | 107 | 142 | 269 | | |
| Receipts | 635 | 695 | 560 | 730 | 730 | 730 |
| Balance Forward Out | 107 | 142 | 270 | | | |
| Expenditures | 855 | 659 | 432 | 999 | 730 | 730 |
| Biennial Change in Expenditures | | | | (83) | | 29 |
| Biennial % Change in Expenditures | | | | (5) | | 2 |
| Full-Time Equivalents | 6.18 | 4.37 | 3.85 | 4.35 | 3.85 | 3.85 |

2001 - Other Misc Special Revenue

| | | | | | | |
|-----------------------------------|-----------|-----------|----|-----------|--|------|
| Balance Forward In | 53 | 35 | 23 | 23 | | |
| Receipts | 40 | | | | | |
| Balance Forward Out | 18 | 20 | 23 | | | |
| Expenditures | 75 | 16 | | 23 | | |
| Biennial Change in Expenditures | | | | (67) | | (23) |
| Biennial % Change in Expenditures | | | | (75) | | |

2050 - Environment & Natural Resources

| | | | | | | |
|-----------------------------------|--|-----------|------------|--------------|--|---------|
| Balance Forward In | | | 775 | 1,359 | | |
| Direct Appropriation | | 800 | 1,508 | | | |
| Balance Forward Out | | 775 | 1,359 | | | |
| Expenditures | | 25 | 925 | 1,359 | | |
| Biennial Change in Expenditures | | | | 2,259 | | (2,284) |
| Biennial % Change in Expenditures | | | | | | (100) |
| Full-Time Equivalents | | 0.27 | 0.98 | 1.00 | | |

Remediation Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|--|--------|--------|--------|----------|---------------|------|
| | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |

2302 - Clean Water

| | | | | | | |
|-----------------------------------|------------|------------|------------|--------------|---|---------|
| Balance Forward In | 885 | 1,183 | 1,188 | 1,381 | | |
| Direct Appropriation | 750 | 750 | 750 | 750 | 0 | 0 |
| Balance Forward Out | 1,183 | 1,174 | 1,380 | | | |
| Expenditures | 452 | 759 | 557 | 2,131 | | |
| Biennial Change in Expenditures | | | | 1,477 | | (2,688) |
| Biennial % Change in Expenditures | | | | 122 | | (100) |
| Full-Time Equivalents | 0.85 | 0.94 | 1.58 | 2.00 | | |

2800 - Environmental

| | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|
| Balance Forward In | | 53 | | 130 | | |
| Direct Appropriation | 508 | 508 | 607 | 628 | 628 | 628 |
| Cancellations | | 4 | | | | |
| Balance Forward Out | 53 | | 130 | | | |
| Expenditures | 455 | 557 | 477 | 758 | 628 | 628 |
| Biennial Change in Expenditures | | | | 223 | | 21 |
| Biennial % Change in Expenditures | | | | 22 | | 2 |
| Full-Time Equivalents | 3.26 | 2.84 | 2.44 | 3.10 | 1.10 | 1.10 |

2801 - Remediation

| | | | | | | |
|-----------------------------------|---------------|---------------|----------------|----------------|----------------|----------------|
| Balance Forward In | 710,318 | 687,069 | 56,634 | 33,776 | | |
| Direct Appropriation | 11,029 | 11,029 | 14,711 | 15,394 | 15,394 | 15,394 |
| Open Appropriation | 11,369 | 11,364 | 12,498 | 14,800 | 14,800 | 14,800 |
| Receipts | 8,935 | 11,987 | 23,117 | 105,514 | 106,108 | 106,108 |
| Transfers In | 45,206 | 51,111 | 62,586 | 112,341 | 112,359 | 112,359 |
| Transfers Out | 40,533 | 643,196 | 28,839 | 103,557 | 103,575 | 103,575 |
| Cancellations | | 1 | | | | |
| Balance Forward Out | 692,133 | 55,050 | 33,776 | | | |
| Expenditures | 55,782 | 74,312 | 106,930 | 178,268 | 145,086 | 145,086 |
| Biennial Change in Expenditures | | | | 155,104 | | 4,974 |
| Biennial % Change in Expenditures | | | | 119 | | 2 |
| Full-Time Equivalents | 71.32 | 87.52 | 75.41 | 104.52 | 110.29 | 110.29 |

Remediation Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|--|--------|--------|--------|----------|---------------|------|
| | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |

2802 - Closed Landfill Investment

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|---|---------|
| Direct Appropriation | 4,500 | 4,500 | 4,500 | 4,500 | 0 | 0 |
| Cancellations | 2,544 | 1,975 | 778 | | | |
| Expenditures | 1,956 | 2,525 | 3,722 | 4,500 | | |
| Biennial Change in Expenditures | | | | 3,741 | | (8,222) |
| Biennial % Change in Expenditures | | | | 84 | | (100) |

3000 - Federal

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Balance Forward In | | | 11 | | | |
| Receipts | 5,584 | 3,953 | 8,200 | 7,194 | 6,035 | 6,035 |
| Expenditures | 5,584 | 3,953 | 8,212 | 7,194 | 6,035 | 6,035 |
| Biennial Change in Expenditures | | | | 5,869 | | (3,336) |
| Biennial % Change in Expenditures | | | | 62 | | (22) |
| Full-Time Equivalents | 27.69 | 18.48 | 27.25 | 29.77 | 24.50 | 24.50 |

Program: Resource Management and Assistance Division<https://www.pca.state.mn.us>**AT A GLANCE**

- Millions of dollars in grants and loans each biennium to promote environmentally innovative projects that reduce, reuse, and recycle waste and prevent pollution
- Enables Minnesota companies to save money, prevent pollution, prevent waste, recover resources, and conserve water through its Small Business Assistance Program, funding the Minnesota Technical Assistance Program (MnTAP), and providing other business technical assistance
- Historically, every \$1 granted to MnTAP results in \$3 of annual savings to businesses
- More than 250,000 people annually visit MPCA's EcoExperience exhibit at the Minnesota State Fair gaining knowledge to take action to protect and enhance Minnesota's environment

PURPOSE AND CONTEXT

The Division supports the agency's land, water, and air regulatory and assistance programs. The Division promotes prevention and sustainability and provides financial assistance. Many of the programs are designed to have a "cross-media" impact that benefits land, air, and water. The land program protects the environment and public health by permitting solid and hazardous waste facilities and large tank sites, along with supporting a sustainable materials management framework. The water activities include review of projects proposed for federal permits or licenses to protect state water quality, and work with a diverse group of public and private entities and citizens to reduce the impacts products or production activities have on water. The Non-Point Air Program works with many partners to improve air quality. Nearly 75 percent of air pollution is released from sources not traditionally regulated by the MPCA, such as cars, trucks, construction equipment, and some commercial operations.

SERVICES PROVIDED

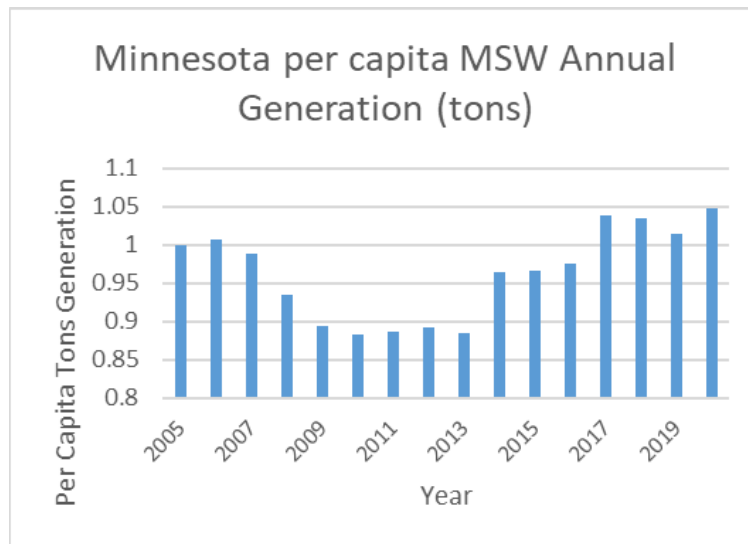
In order to accomplish its purpose, the Resource Management and Assistance Division:

- Conducts environmental review to reduce potentially negative impacts from proposed projects
- Writes administrative and technical rules with engagement from stakeholders
- Works collaboratively with communities in Environmental Justice Areas to reduce environmental impacts
- Manages Section 401 water quality certifications to ensure that federally permitted/licensed projects do not violate state water quality standards
- Oversees product stewardship programs by encouraging manufacturers, retailers, and consumers to treat products as resources rather than waste as well as changing how they think about the products they make, buy, and use
- Works with local government to develop effective solid waste management plans and provides financial assistance to counties for sustainable materials and waste management efforts
- Conducts solid waste, hazardous waste, and above ground storage tank permitting, inspections, and enforcement
- Collaborates with local governments on solid waste planning
- Oversees disposal of debris from natural disasters and other incidents
- Provides communities and businesses with technical and financial assistance with regulatory compliance, pollution and waste prevention, air quality improvements, and sustainability efforts
- Provides grants to reduce diesel emissions from trucks, buses, boats, and other engines and equipment

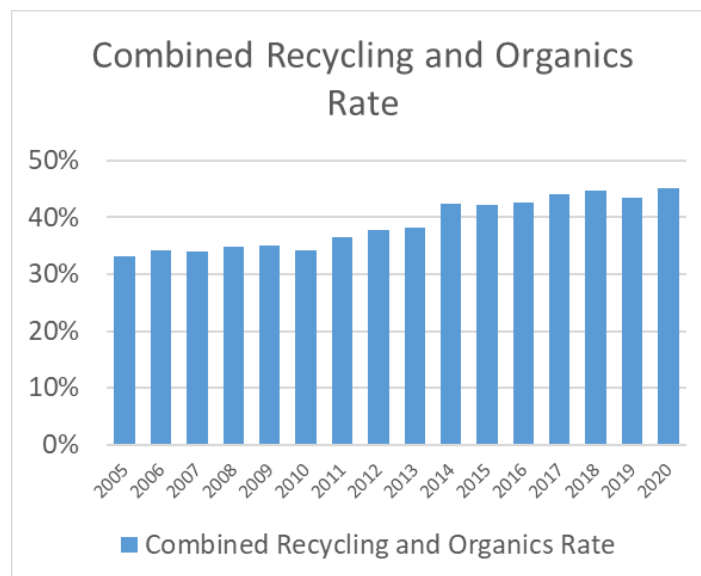
- Administers the Volkswagen Settlement funds to help clean up air pollution and invest in cleaner transportation that includes expanding the state’s electric vehicle charging station network
- Partners with other organizations to host the Eco Experience at the Minnesota State Fair
- Assists communities through GreenStep Cities and Minnesota GreenCorps programs
- Works with businesses to develop alternative products that are free of toxic chemicals
- Collaborates with other state agencies to increase procurement of environmentally preferable products and services

RESULTS

MPCA annually collects data to track progress on solid waste management. Source reduction and recycling are the preferred methods for managing solid waste. As seen below, per capita generation decreased during the 2008 recession but has since increased and surpassed pre-2008 levels.

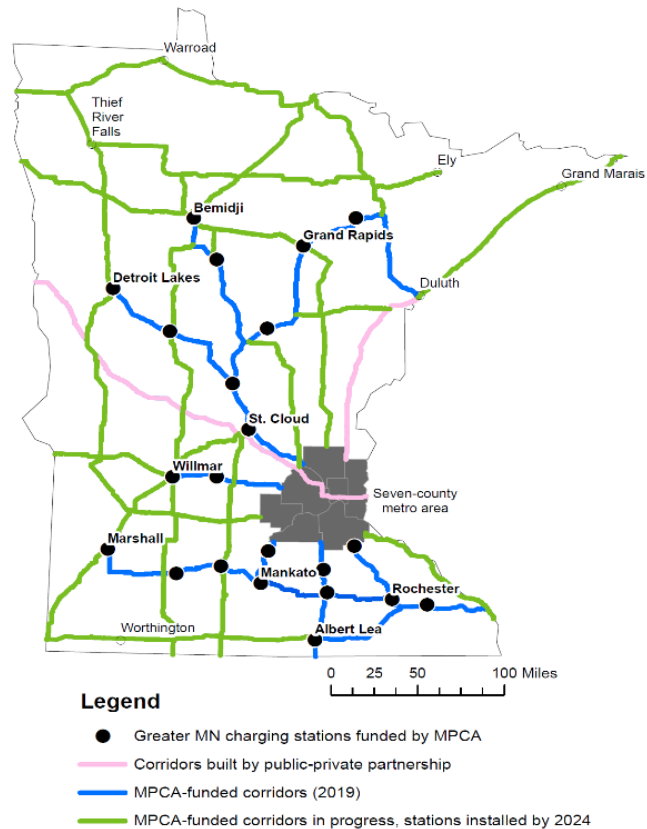


Recycling rates have increased since 2005. In 2022, approximately 2 million tons of material was recycled, 2.2 million landfilled, 1 million used for energy, and 850 thousand composted as organics. More detailed information regarding solid waste management can be found here: Recycling in Minnesota: The SCORE Report (<https://www.pca.state.mn.us/air-water-land-climate/understanding-solid-waste>).



The MPCA designed and expanded the statewide electric vehicle charging network with 15 percent of Minnesota's \$47M Volkswagen Settlement fund. This has provided electric vehicle charging infrastructure along high use corridors to increase access for rural Minnesota.

Electric vehicle fast charging stations and corridors



M.S. Chapters), 115 (<https://www.revisor.mn.gov/statutes/?id=115>), 115A (<https://www.revisor.mn.gov/statutes/?id=115A>) and 116 (<https://www.revisor.mn.gov/statutes/?id=116>).

Resource Management and Assistance Division

Program Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 1,308 | 1,268 | 19,187 | 34,130 | 370 | 370 |
| 2000 - Restrict Misc Special Revenue | 7,028 | 3,517 | 1,112 | 1,517 | 1,058 | 1,058 |
| 2001 - Other Misc Special Revenue | 20 | 4 | | 250 | | |
| 2050 - Environment & Natural Resources | 480 | | 20 | 254 | | |
| 2302 - Clean Water | 341 | 542 | 152 | 2,195 | | |
| 2403 - Gift | 3,009 | 3,921 | 17,129 | 20,267 | 16,280 | 16,280 |
| 2800 - Environmental | 36,444 | 40,361 | 39,088 | 53,188 | 47,460 | 47,551 |
| 2801 - Remediation | 62 | 46 | 20 | | | |
| 3000 - Federal | 2,683 | 1,961 | 3,142 | 19,616 | 34,087 | 25,355 |
| Total | 51,375 | 51,619 | 79,849 | 131,417 | 99,255 | 90,614 |
| Biennial Change | | | | 108,273 | | (21,397) |
| Biennial % Change | | | | 105 | | (10) |

Expenditures by Activity

| | | | | | | |
|---|---------------|---------------|---------------|----------------|---------------|---------------|
| Resource Management and Assistance Division | 51,375 | 51,619 | 79,849 | 131,417 | 99,255 | 90,614 |
| Total | 51,375 | 51,619 | 79,849 | 131,417 | 99,255 | 90,614 |

Expenditures by Category

| | | | | | | |
|------------------------------|---------------|---------------|---------------|----------------|---------------|---------------|
| Compensation | 11,954 | 12,738 | 13,153 | 18,317 | 16,912 | 16,880 |
| Operating Expenses | 11,791 | 8,642 | 8,411 | 34,090 | 30,525 | 24,650 |
| Grants, Aids and Subsidies | 27,612 | 30,237 | 58,280 | 73,662 | 45,576 | 45,671 |
| Capital Outlay-Real Property | | 0 | | | | |
| Other Financial Transaction | 17 | 1 | 6 | 5,348 | 6,242 | 3,413 |
| Total | 51,375 | 51,619 | 79,849 | 131,417 | 99,255 | 90,614 |

| | | | | | | |
|---|---------------|---------------|---------------|----------------|---------------|---------------|
| Total Agency Expenditures | 51,375 | 51,619 | 79,849 | 131,417 | 99,255 | 90,614 |
| Internal Billing Expenditures | 4,517 | 4,829 | 6,886 | 6,641 | 6,032 | 6,022 |
| Expenditures Less Internal Billing | 46,858 | 46,790 | 72,964 | 124,776 | 93,223 | 84,592 |

Full-Time Equivalents

| | | | | | |
|---------------|---------------|---------------|---------------|---------------|---------------|
| 102.34 | 105.97 | 100.34 | 166.02 | 137.14 | 136.52 |
|---------------|---------------|---------------|---------------|---------------|---------------|

Resource Management and Assistance Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|-----------------------------------|--------|--------|--------|----------|---------------|----------|
| | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |
| 1000 - General | | | | | | |
| Balance Forward In | 42 | 57 | 0 | 19,417 | | |
| Direct Appropriation | 1,299 | 1,299 | 38,604 | 14,713 | 370 | 370 |
| Cancellations | | 88 | | | | |
| Balance Forward Out | 33 | | 19,417 | | | |
| Expenditures | 1,308 | 1,268 | 19,187 | 34,130 | 370 | 370 |
| Biennial Change in Expenditures | | | | 50,742 | | (52,577) |
| Biennial % Change in Expenditures | | | | 1,971 | | (99) |
| Full-Time Equivalents | 0.12 | 0.83 | 0.30 | 28.40 | 0.50 | 0.50 |

1200 - State Government Special Rev

| | | | | | | |
|-----------------------|------|--|--|--|--|--|
| Full-Time Equivalents | 0.04 | | | | | |
|-----------------------|------|--|--|--|--|--|

2000 - Restrict Misc Special Revenue

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Balance Forward In | 3,469 | 8 | 17 | 14 | | |
| Receipts | 3,567 | 3,526 | 1,110 | 1,503 | 1,058 | 1,058 |
| Transfers Out | | 0 | | | | |
| Balance Forward Out | 8 | 17 | 14 | | | |
| Expenditures | 7,028 | 3,517 | 1,112 | 1,517 | 1,058 | 1,058 |
| Biennial Change in Expenditures | | | | (7,915) | | (513) |
| Biennial % Change in Expenditures | | | | (75) | | (20) |
| Full-Time Equivalents | 1.14 | 0.35 | 0.40 | 0.06 | 0.06 | 0.06 |

2001 - Other Misc Special Revenue

| | | | | | | |
|-----------------------------------|-----------|----------|-----|------------|--|-------|
| Balance Forward In | 4 | 4 | | 250 | | |
| Receipts | 20 | 0 | | | | |
| Transfers In | | | 250 | | | |
| Balance Forward Out | 4 | | 250 | | | |
| Expenditures | 20 | 4 | | 250 | | |
| Biennial Change in Expenditures | | | | 226 | | (250) |
| Biennial % Change in Expenditures | | | | 953 | | |
| Full-Time Equivalents | 0.12 | | | | | |

Resource Management and Assistance Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|---------------|-------|
| | | | | | FY26 | FY27 |
| 2050 - Environment & Natural Resources | | | | | | |
| Balance Forward In | 500 | 20 | 20 | | | |
| Direct Appropriation | | | | 254 | 0 | 0 |
| Cancellations | | | 0 | | | |
| Balance Forward Out | 20 | 20 | | | | |
| Expenditures | 480 | | 20 | 254 | | |
| Biennial Change in Expenditures | | | | (206) | | (274) |
| Biennial % Change in Expenditures | | | | | | (100) |

2302 - Clean Water

| | | | | | | |
|-----------------------------------|------------|------------|------------|--------------|---|---------|
| Balance Forward In | 222 | 323 | 46 | 545 | | |
| Direct Appropriation | 260 | 260 | 650 | 1,650 | 0 | 0 |
| Balance Forward Out | 141 | 41 | 545 | | | |
| Expenditures | 341 | 542 | 152 | 2,195 | | |
| Biennial Change in Expenditures | | | | 1,464 | | (2,347) |
| Biennial % Change in Expenditures | | | | 166 | | (100) |
| Full-Time Equivalents | 0.73 | 1.04 | 1.00 | 1.00 | | |

2403 - Gift

| | | | | | | |
|-----------------------------------|--------------|--------------|---------------|---------------|---------------|---------------|
| Balance Forward In | 8,693 | 9,911 | 13,601 | 3,987 | | |
| Receipts | 4,227 | 7,611 | 7,514 | 16,280 | 16,280 | 16,280 |
| Balance Forward Out | 9,911 | 13,601 | 3,987 | | | |
| Expenditures | 3,009 | 3,921 | 17,129 | 20,267 | 16,280 | 16,280 |
| Biennial Change in Expenditures | | | | 30,466 | | (4,836) |
| Biennial % Change in Expenditures | | | | 440 | | (13) |
| Full-Time Equivalents | 4.89 | 4.85 | 4.19 | 4.00 | 4.00 | 4.00 |

2800 - Environmental

| | | | | | | |
|----------------------|--------|--------|--------|--------|--------|--------|
| Balance Forward In | 4,071 | 6,693 | 4,920 | 12,899 | 8,529 | 8,779 |
| Direct Appropriation | 38,252 | 38,287 | 43,536 | 45,969 | 44,333 | 44,333 |
| Receipts | 2,906 | 3,085 | 6,849 | 6,777 | 6,868 | 6,965 |
| Transfers Out | 2,744 | 2,714 | 3,158 | 3,441 | 3,385 | 3,385 |
| Net Loan Activity | 99 | 115 | (159) | (487) | (106) | (6) |
| Cancellations | | 184 | | | | |

Resource Management and Assistance Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| Balance Forward Out | 6,139 | 4,921 | 12,900 | 8,529 | 8,779 | 9,135 |
| Expenditures | 36,444 | 40,361 | 39,088 | 53,188 | 47,460 | 47,551 |
| Biennial Change in Expenditures | | | | 15,470 | | 2,735 |
| Biennial % Change in Expenditures | | | | 20 | | 3 |
| Full-Time Equivalents | 78.27 | 86.45 | 81.55 | 112.52 | 112.52 | 112.52 |

2801 - Remediation

| | | | | | | |
|-----------------------------------|-----------|-----------|-----------|------|--|------|
| Balance Forward In | 355 | 295 | 255 | | | |
| Cancellations | | | 235 | | | |
| Balance Forward Out | 293 | 249 | | | | |
| Expenditures | 62 | 46 | 20 | | | |
| Biennial Change in Expenditures | | | | (88) | | (20) |
| Biennial % Change in Expenditures | | | | (82) | | |

3000 - Federal

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|---------------|---------------|---------------|
| Balance Forward In | | | | 39 | | |
| Receipts | 2,683 | 1,961 | 3,181 | 19,577 | 34,087 | 25,355 |
| Balance Forward Out | | | 39 | | | |
| Expenditures | 2,683 | 1,961 | 3,142 | 19,616 | 34,087 | 25,355 |
| Biennial Change in Expenditures | | | | 18,114 | | 36,684 |
| Biennial % Change in Expenditures | | | | 390 | | 161 |
| Full-Time Equivalents | 17.03 | 12.45 | 12.90 | 20.04 | 20.06 | 19.44 |

Program: Watershed DivisionFeedlots: <https://www.pca.state.mn.us/business-with-us/feedlots>Watershed: <https://www.pca.state.mn.us/business-with-us/watershed-information>**AT A GLANCE**

- Update watershed restoration and protection science and strategies with local water resource managers for Minnesota's 80 major watersheds to ensure most efficient implementation actions are taken
- In partnership with 50 counties, register or permit, assist, and inspect the state's approximately 17,500 feedlot operations that are required to be registered or permitted; approximately 1,100 of these feedlots are permitted by MPCA, and there are about 3,600 additional registered sites for which the MPCA has direct regulatory responsibility
- The Clean Water Partnership Loan Program awarded \$7.2 million in low interest loans to ten local government units (cities, counties, watershed districts) for water quality improvement projects in the fiscal year 2022-23 biennium
- Clean Water Act Section 319 federal funding provides \$2.9 million per year to local partners to implement waterbody restoration and protection actions in 35 prioritized watersheds

PURPOSE AND CONTEXT

- Our Watershed Division mission is to provide science, assistance, and oversight to protect and restore Minnesota's waters, supporting the MPCA mission to protect human health and the environment
- Our vision is that Minnesota's waters and watersheds continuously become healthier
- We value partnership, science, efficiency, fairness, honesty, and strategic thinking and action

The Watershed Division works with local partners to ensure that Minnesota has clean water to support aquatic life, healthy communities, and a strong economy. Our key partners and constituents are local governments and the livestock industry.

- Watershed Restoration and Protection Strategy reports (WRAPS) help inform local water planning and implementation, as well as state permitting activity. WRAPS help ensure efficient use of funding to reduce and prevent water pollution.
- Minnesota's vibrant animal agriculture industry provides significant economic benefits to the state, and properly managed manure contributes to soil health and farm profitability. The Division permits approximately 1,000 larger operations to ensure their feedlots and manure application do not harm the state's waters. The 50 delegated county feedlot programs register and work with approximately 12,600 smaller livestock operations to meet these same goals.
- The Clean Water Partnership Loan Program provides about \$3.5 million per year to local governments for projects focused on restoring and protecting waters, with most of the funding used to address failing or noncompliant septic systems. Federal Clean Water Act Section 319 Small Watershed Focus Program grants provide about \$2.9 million per year for watershed restoration and protection and leverages almost \$2.5 million per year in state and local match. The Section 319 grant funds are used to implement US EPA-approved nine key element plans to reduce nonpoint source pollution loading in small watersheds.

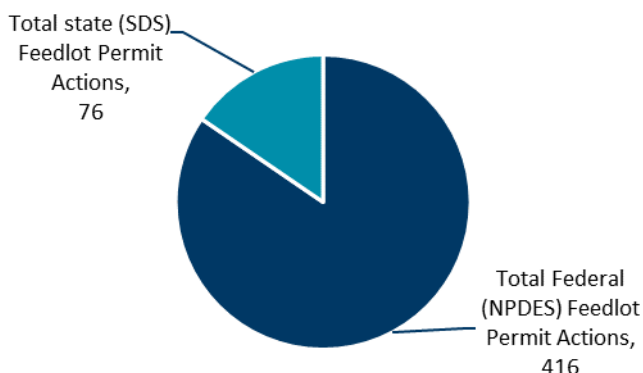
SERVICES PROVIDED

The Watershed Division conducts activities to ensure that the state's lakes, rivers, streams, and groundwater are clean, healthy, and sustainable. These activities include:

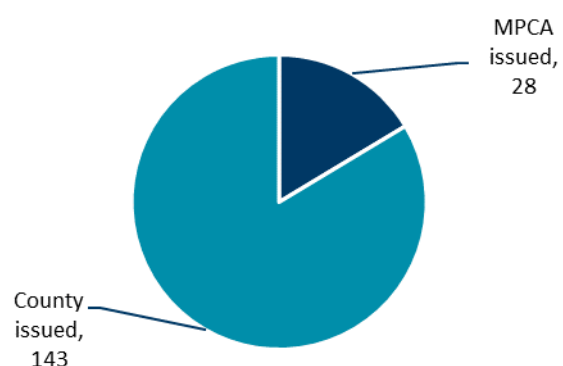
- Investigating the causes and sources of water pollution problems, including identification of stressors of aquatic life, stream sampling, and providing training on monitoring for local partners.
- Developing and using comprehensive watershed computer models to fill in data gaps and to run scenarios of options for addressing pollution issues.
- Providing local government partners funding and technical assistance to collaboratively update WRAPS reports for all 80 of the state's watersheds. These reports are a blueprint for local water resource managers to use in their local water plans, and the last initial reports were completed across the state in 2023. We are in the process of updating the earliest developed WRAPS (called WRAPS Updates), as appropriate based on local government partner needs for information on items like effectiveness of implementation efforts and further understanding of causes of water pollution. Six watershed's updates are completed with dozens more underway.
- Working with tribal, neighboring state, and international partners on transboundary waters to develop and achieve shared water quality objectives and goals.
- Tracking progress of watershed activities in achieving water quality goals, while ensuring all Minnesotans benefit from equal levels of environmental protection and have opportunities to participate in decisions that may affect their environment or health (i.e., the principle of environmental justice).
- Updating the statewide Nutrient Reduction Strategy, primarily using federal funds, to address the effects of excess nutrients in our waters and as far away as Lake Winnipeg and the "dead zone" in the Gulf of Mexico.
- Facilitating and overseeing grant, contract, and loan awards of state and federal funds to local partners for water quality projects, including Clean Water Fund WRAPS development, Clean Water Partnership Loans, and federal Clean Water Act Section 319 implementation grant projects.
- Issuing feedlot permits, overseeing delegated county feedlot programs, providing compliance assistance, conducting feedlot inspections, and as necessary taking enforcement actions. The Feedlot Program continues to use a risk-based inspection approach; developed and implemented in coordination with the U.S. Environmental Protection Agency over almost the last decade.

RESULTS

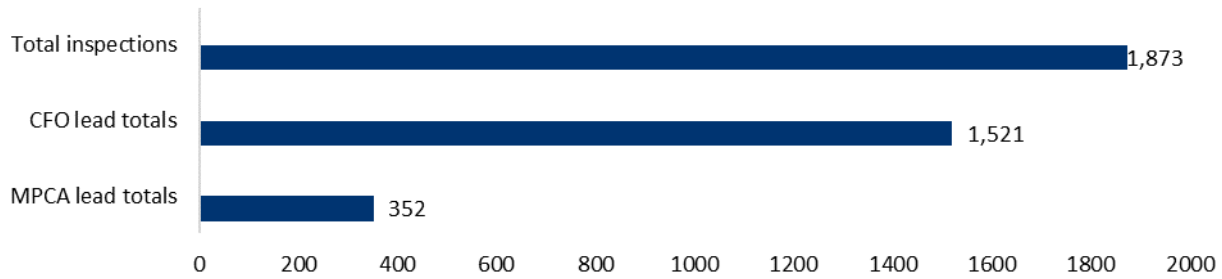
**FEEDLOT OPERATING PERMIT ACTIONS,
2023**



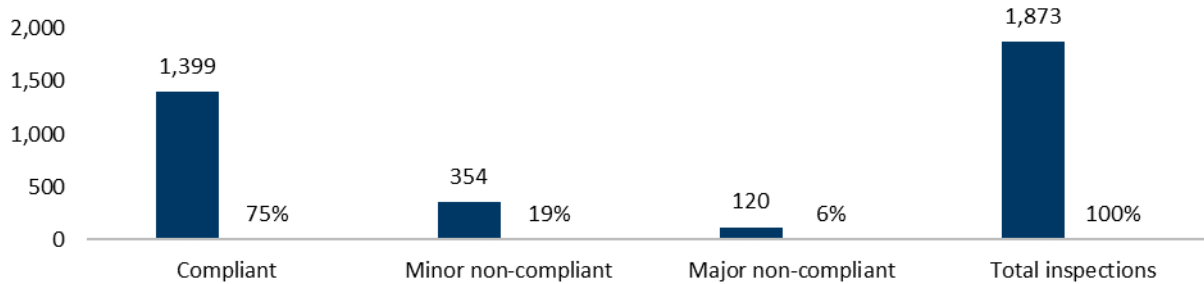
**FEEDLOT CONSTRUCTION PERMITS
ISSUED, 2023**



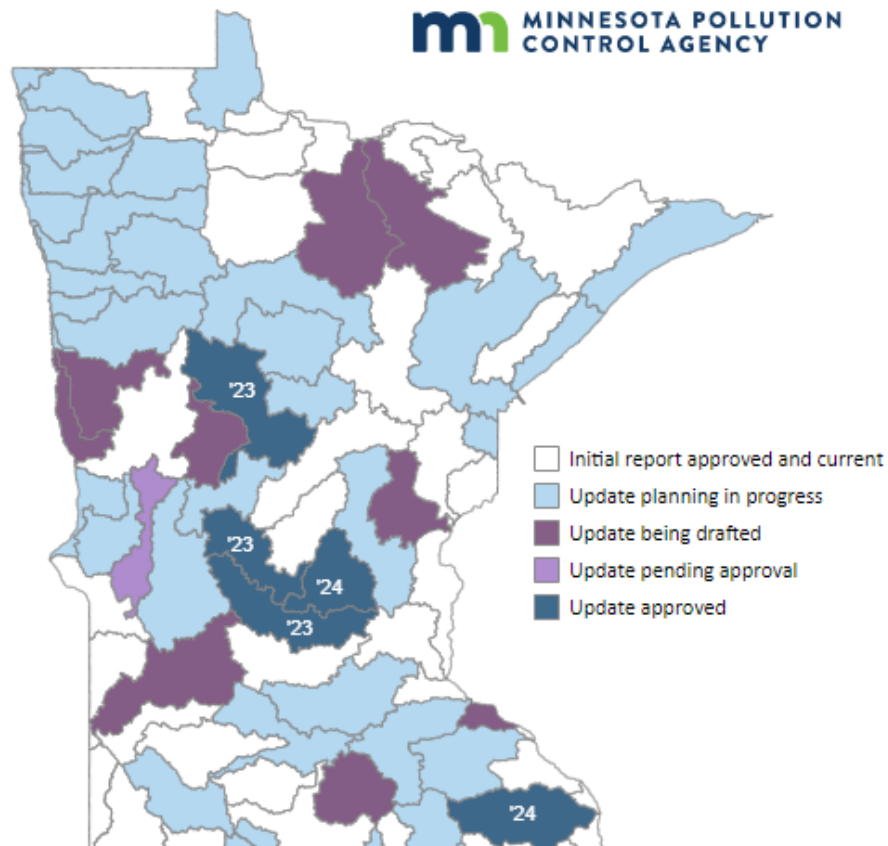
INSPECTIONS BY MPCA OR COUNTY FEEDLOT OFFICERS (CFOs), 2023



TOTAL OVERALL COMPLIANCE RATING OF INSPECTIONS BY MPCA OR CFOS, 2023



WATER RESTORATION AND PROTECTION STRATEGY REPORT UPDATES STATUS, AUGUST 2024



Minnesota Statutes, Chapters, 115 (<https://www.revisor.mn.gov/statutes/?id=115>), 115A (<https://www.revisor.mn.gov/statutes/?id=115A>) and 116 (<https://www.revisor.mn.gov/statutes/?id=116>) provide the agency with its main authorities to provide regulatory, monitoring and assistance services. Minnesota Statutes Chapter 114D (<https://www.revisor.mn.gov/statutes/cite/114D>) provides the authority for WRAPS and related work.

Watershed Division

Program Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|------------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 1,959 | 1,970 | 3,171 | 3,835 | 2,959 | 2,959 |
| 2302 - Clean Water | 7,684 | 7,618 | 8,112 | 8,270 | | |
| 2800 - Environmental | 6,708 | 8,092 | 7,293 | 8,173 | 7,982 | 7,982 |
| 2801 - Remediation | 231 | 236 | 347 | 410 | 384 | 384 |
| 3000 - Federal | 5,320 | 5,130 | 9,174 | 7,949 | 7,964 | 7,964 |
| Total | 21,902 | 23,046 | 28,097 | 28,637 | 19,289 | 19,289 |
| Biennial Change | | | | 11,786 | | (18,156) |
| Biennial % Change | | | | 26 | | (32) |

Expenditures by Activity

| | | | | | | |
|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Watershed Division | 21,902 | 23,046 | 28,097 | 28,637 | 19,289 | 19,289 |
| Total | 21,902 | 23,046 | 28,097 | 28,637 | 19,289 | 19,289 |

Expenditures by Category

| | | | | | | |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Compensation | 11,097 | 11,997 | 12,087 | 13,056 | 8,427 | 8,427 |
| Operating Expenses | 6,763 | 6,120 | 7,174 | 8,807 | 4,170 | 4,170 |
| Grants, Aids and Subsidies | 4,013 | 4,926 | 8,763 | 6,774 | 6,692 | 6,692 |
| Capital Outlay-Real Property | 3 | 4 | 63 | | | |
| Other Financial Transaction | 26 | 0 | 11 | | | |
| Total | 21,902 | 23,046 | 28,097 | 28,637 | 19,289 | 19,289 |

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Agency Expenditures | 21,902 | 23,046 | 28,097 | 28,637 | 19,289 | 19,289 |
| Internal Billing Expenditures | 4,293 | 4,286 | 4,304 | 4,580 | 2,906 | 2,906 |
| Expenditures Less Internal Billing | 17,608 | 18,760 | 23,793 | 24,057 | 16,383 | 16,383 |

Full-Time Equivalents

| | | | | | | |
|--|--------|--------|--------|--------|-------|-------|
| | 106.27 | 116.11 | 105.30 | 114.45 | 76.55 | 76.55 |
|--|--------|--------|--------|--------|-------|-------|

Watershed Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|-----------------------------------|--------|--------|--------|----------|---------------|---------|
| | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |
| 1000 - General | | | | | | |
| Balance Forward In | | 66 | | 332 | | |
| Direct Appropriation | 1,959 | 1,959 | 3,503 | 3,503 | 2,959 | 2,959 |
| Cancellations | | 55 | | | | |
| Balance Forward Out | 0 | | 332 | | | |
| Expenditures | 1,959 | 1,970 | 3,171 | 3,835 | 2,959 | 2,959 |
| Biennial Change in Expenditures | | | | 3,077 | | (1,088) |
| Biennial % Change in Expenditures | | | | 78 | | (16) |
| Full-Time Equivalents | | | 1.21 | 2.00 | | |

2302 - Clean Water

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|---|----------|
| Balance Forward In | 4,059 | 3,536 | 3,008 | 1,582 | | |
| Direct Appropriation | 6,936 | 7,065 | 6,687 | 6,688 | 0 | 0 |
| Cancellations | | 150 | | | | |
| Balance Forward Out | 3,311 | 2,834 | 1,583 | | | |
| Expenditures | 7,684 | 7,618 | 8,112 | 8,270 | | |
| Biennial Change in Expenditures | | | | 1,080 | | (16,382) |
| Biennial % Change in Expenditures | | | | 7 | | (100) |
| Full-Time Equivalents | 35.33 | 38.08 | 34.70 | 35.90 | | |

2800 - Environmental

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Balance Forward In | | 667 | | 191 | | |
| Direct Appropriation | 7,375 | 7,425 | 7,484 | 7,982 | 7,982 | 7,982 |
| Cancellations | | 1 | | | | |
| Balance Forward Out | 667 | | 191 | | | |
| Expenditures | 6,708 | 8,092 | 7,293 | 8,173 | 7,982 | 7,982 |
| Biennial Change in Expenditures | | | | 667 | | 498 |
| Biennial % Change in Expenditures | | | | 5 | | 3 |
| Full-Time Equivalents | 46.51 | 56.89 | 48.06 | 52.10 | 52.10 | 52.10 |

2801 - Remediation

| | | | | | | |
|----------------------|-----|-----|-----|-----|-----|-----|
| Balance Forward In | | 3 | | 26 | | |
| Direct Appropriation | 234 | 234 | 373 | 384 | 384 | 384 |
| Cancellations | | 0 | | | | |

Watershed Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|------------|
| | | | | | FY26 | FY27 |
| Balance Forward Out | 3 | | 26 | | | |
| Expenditures | 231 | 236 | 347 | 410 | 384 | 384 |
| Biennial Change in Expenditures | | | | 289 | | 11 |
| Biennial % Change in Expenditures | | | | 62 | | 1 |
| Full-Time Equivalents | 2.34 | 2.70 | 3.48 | 3.60 | 3.60 | 3.60 |

3000 - Federal

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Balance Forward In | 16 | | | | | |
| Receipts | 5,304 | 5,130 | 9,174 | 7,949 | 7,964 | 7,964 |
| Expenditures | 5,320 | 5,130 | 9,174 | 7,949 | 7,964 | 7,964 |
| Biennial Change in Expenditures | | | | 6,673 | | (1,195) |
| Biennial % Change in Expenditures | | | | 64 | | (7) |
| Full-Time Equivalents | 22.09 | 18.44 | 17.85 | 20.85 | 20.85 | 20.85 |

8200 - Clean Water Revolving

| | | | | | | |
|---------------------|---------|---------|---------|---------|---------|-------|
| Balance Forward In | 14,863 | 14,171 | 11,785 | 8,728 | 5,806 | 2,806 |
| Receipts | 170 | 138 | 101 | 78 | 78 | 78 |
| Transfers In | 2,000 | | | | | |
| Net Loan Activity | (2,862) | (2,524) | (3,158) | (3,000) | (3,078) | (884) |
| Balance Forward Out | 14,171 | 11,785 | 8,728 | 5,806 | 2,806 | 2,000 |

Program: Environmental Quality Board<https://www.eqb.state.mn.us/>**AT A GLANCE**

- Board made up of public members appointed by the Governor from each of Minnesota's eight Congressional Districts and the heads of nine state agencies
- Oversight of the Environmental Review Program per the Minnesota Environmental Policy Act (1973), including support to local governments through technical assistance
- Convenes monthly public meetings to provide a forum for the public and state leaders to collaborate on environmental policy
- Supports informed decision-making that protects and enhances Minnesota's environmental quality
- Leads interagency coordination on cross-cutting environmental issues
- Convenes Environmental Congress, advisory panels, and other public events and processes to provide avenues for meaningful public engagement

PURPOSE AND CONTEXT

The Minnesota Environmental Quality Board (EQB) is a forum for leadership and coordination on environmental issues. The Board's mission is to support informed decision-making that protects and enhances Minnesota's environmental quality. This is accomplished by fostering meaningful conversations, supporting collaborative policy and program development, and ensuring effective environmental review of potentially impactful projects.

The EQB supports the State's One Minnesota Plan *Environment, Safe and Thriving Communities, Housing, Workforce, and Equity and Inclusion* priorities. The Board's unique contribution is the ability to bring multiple agencies and the public together to advance interdisciplinary discussions on complex environmental issues.

EQB strategically works to:

- Foster meaningful conversations around environmental issues
- Support innovative state policy and program development on priority and emerging environmental issues
- Maintain and improve Minnesota's environmental review program
- Move towards achieving environmental quality without disproportionate impacts

SERVICES PROVIDED**Meaningful Conversations and Engagement**

- Regularly bring Minnesotans together around environmental issues and provide a forum for public dialogue with agency leaders
- Hold Board meetings to share information and foster public participation in decision making
- Distribute relevant scientific, economic, and policy documents that inform the public about environmental issues and the state's connected programs, outcomes, and opportunities
- Convene and participate in work groups to ensure partner and community input informs state policies

Cross-Agency Policy and Program Development

- Facilitate interagency coordination that aligns agency programs to support the state's policy goals for public health and environmental protection
- Provide written reports to the governor, legislature, and state and local agencies on priority environmental issues, including policy considerations and economic analyses
- Produce reports on key environmental issues of interest to the public, such as the Environment and Energy Report Card, the State Water Plan, and annual reports on pollinator protection activities
- Lead and facilitate interagency working groups to respond to complex environmental issues with broad cross-sector impacts
- Environmental Review
- Oversee and administer Minnesota's state-level environmental review program
- Provide technical assistance to project proposers, government units, and the public through guidance documents, online resources, technical presentations, and one-on-one assistance
- Collect and evaluate data to monitor statewide environmental review activities and measure the effectiveness of the program, report on results and trends, and use data to identify program improvements
- Continuously evaluate and improve program effectiveness for all parties through training and education, updated program guidance and tools, and administrative rule revisions

RESULTS

EQB-Wide

- Presented statewide metrics and information that assess the condition of Minnesota's environment through the 2024 Environment and Energy Report Card (<https://www.eqb.state.mn.us/sites/eqb/files/2024%20Minnesota%20Environment%20and%20Energy%20Report%20Card.pdf>)
- Led the Interagency Pollinator Protection Team (IPPT) in developing the 2023 Pollinator Action Framework (https://www.eqb.state.mn.us/sites/eqb/files/2023%20Minnesota%20State%20Agency%20Pollinator%20Annual%20Report_MN%20Pollinator%20Action%20Framework_Final.pdf), a set of recommended actions to achieve healthy and diverse pollinator populations (as directed by Executive Order 19-28)
- Worked with agencies to implement new requirements for reporting of fish kills and fish kill investigations in the EQB Monitor (as required by Laws of Minnesota 2023, Chapter 60)
- Established a Tribal Coordination and Consultation policy
- Updated the organizational Strategic Plan to guide decision making for the next five years

Environmental Review Program

EQB staff regularly track and report on environmental review data. The following table provides a summary of 2023 calendar year data. More complete data is available in the Minnesota Environmental Review Performance Report 2022-2023 (<https://www.eqb.state.mn.us/sites/eqb/files/ERIS%20Mar%202024%20Packet%20-%20FINAL.pdf>), on page 58 of the linked document. In FY25, EQB plans to launch a data dashboard to make performance information more accessible.

| Measure name | Measure type | Measure data source | Most recent data (2023) |
|--|--------------|---|--|
| Environmental Review Process Types - Environmental Assessment Worksheet (EAW) - Environmental Impact Statement (EIS) - Alternative Urban Areawide Review (AUAR) | Quantity | <i>EQB Monitor</i> published notices | 53 EAWs 14 petitions 6 AUARs 2 EISs |
| Mandatory Categories (project type) | Quantity | <i>EQB Monitor</i> published notices | Projects in 16 different mandatory categories 82% of reviews completed by local governments |
| Comment letters | Quantity | <i>EQB Monitor</i> published notices | Average of 11 letters per project |
| Time to complete environmental review (from complete submittal to final decision) | Quality | <i>EQB Monitor</i> published notices | EAW: 97 days EIS: 720 days AUAR: 210 days |
| Technical assistance support provided by EQB | Quantity | Internal tracking | 284 requests (in 2022) |
| Environmental review provided usable information | Results | <i>EQB Monitor</i> submittal service | 89% - yes, provided usable information 83% - process identified mitigation measures |
| Public participation | Results | <i>EQB Monitor</i> submittal service | 77% - yes, provided additional public participation |

- Implemented online EQB Monitor submittal service coupled with a searchable environmental review projects map (<https://pca-gis02.pca.state.mn.us/EQB/>) and database (<https://webapp.pca.state.mn.us/eqb-search/search>) that increased staff efficiency and public access to active and historic environmental review documents
- In collaboration with co-authoring agencies, and as required by statute (Minn. Stat. 116D.04), completing the 2024 Mandatory Category Report (<https://www.eqb.state.mn.us/environmental-review/mandatory-categories-environmental-review>)
- Implemented a continuous improvement process, including establishing criteria to evaluate program effectiveness against the key objectives in Minn. R. 4410.0300. Received and evaluated over 200 comments with improvement suggestions and worked with MNTEC to compile a list of tribally-recommended environmental review improvements
- Provided support to businesses through participation with the Minnesota Business First Stop Program and established dedicated support for Minnesota's energy transition communities

M.S. 116C (<https://www.revisor.mn.gov/statutes/cite/116c>) and 116D (<https://www.revisor.mn.gov/statutes/cite/116d>) provide the legal authority for the Environmental Quality Board's operations and initiatives.

Environmental Quality Board

Program Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|------------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 945 | 942 | 1,527 | 1,740 | 1,276 | 1,276 |
| 2001 - Other Misc Special Revenue | | | | 38 | | |
| 2800 - Environmental | 326 | 183 | 216 | 231 | 226 | 226 |
| Total | 1,271 | 1,125 | 1,742 | 2,009 | 1,502 | 1,502 |
| Biennial Change | | | | 1,355 | | (747) |
| Biennial % Change | | | | 57 | | (20) |

Expenditures by Activity

| | | | | | | |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Environmental Quality Board | 1,271 | 1,125 | 1,742 | 2,009 | 1,502 | 1,502 |
| Total | 1,271 | 1,125 | 1,742 | 2,009 | 1,502 | 1,502 |

Expenditures by Category

| | | | | | | |
|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Compensation | 806 | 667 | 816 | 1,126 | 1,023 | 1,023 |
| Operating Expenses | 465 | 458 | 926 | 883 | 479 | 479 |
| Total | 1,271 | 1,125 | 1,742 | 2,009 | 1,502 | 1,502 |

| | | | | | | |
|---|------------|------------|--------------|--------------|--------------|--------------|
| Total Agency Expenditures | 1,271 | 1,125 | 1,742 | 2,009 | 1,502 | 1,502 |
| Internal Billing Expenditures | 311 | 311 | 511 | 400 | 366 | 366 |
| Expenditures Less Internal Billing | 960 | 814 | 1,231 | 1,609 | 1,136 | 1,136 |

Full-Time Equivalents

| | | | | | | |
|--|------|------|------|-------|-------|-------|
| | 7.16 | 6.25 | 6.82 | 10.66 | 10.00 | 10.00 |
|--|------|------|------|-------|-------|-------|

Environmental Quality Board

Program Financing by Fund

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|-----------------------------------|--------|--------|--------|----------|---------------|-------|
| | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |
| 1000 - General | | | | | | |
| Balance Forward In | | 136 | | 327 | 1,276 | 1,276 |
| Direct Appropriation | 1,081 | 1,081 | 1,854 | 1,413 | | |
| Cancellations | | 275 | | | | |
| Balance Forward Out | 136 | | 327 | | | |
| Expenditures | 945 | 942 | 1,527 | 1,740 | 1,276 | 1,276 |
| Biennial Change in Expenditures | | | | 1,379 | | (715) |
| Biennial % Change in Expenditures | | | | 73 | | (22) |
| Full-Time Equivalents | 6.12 | 5.20 | 5.67 | 9.51 | 8.85 | 8.85 |

2001 - Other Misc Special Revenue

| | | | | | | |
|-----------------------------------|--|--|----|-----------|--|------|
| Balance Forward In | | | | 38 | | |
| Transfers In | | | 38 | | | |
| Balance Forward Out | | | 38 | | | |
| Expenditures | | | | 38 | | |
| Biennial Change in Expenditures | | | | 38 | | (38) |
| Biennial % Change in Expenditures | | | | | | |

2800 - Environmental

| | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|
| Balance Forward In | 143 | 4 | | 5 | | |
| Direct Appropriation | 193 | 193 | 221 | 226 | 226 | 226 |
| Cancellations | 6 | 13 | | | | |
| Balance Forward Out | 4 | | 5 | | | |
| Expenditures | 326 | 183 | 216 | 231 | 226 | 226 |
| Biennial Change in Expenditures | | | | (62) | | 5 |
| Biennial % Change in Expenditures | | | | (12) | | 1 |
| Full-Time Equivalents | 1.04 | 1.05 | 1.15 | 1.15 | 1.15 | 1.15 |