



## Minnesota Pollution Control Agency

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800-657-3864 | 651-282-5332 TTY | [www.pca.state.mn.us](http://www.pca.state.mn.us) | Equal Opportunity Employer

October 15, 2016

The Honorable David J. Tomassoni  
Chair, Senate Environment, Economic  
Development and Agriculture Budget Division  
95 University Avenue W.  
Minnesota Senate Bldg., Room 3401  
St. Paul, MN 55155

The Honorable John Marty  
Chair, Senate Environment and Energy  
Committee  
95 University Avenue W.  
Minnesota Senate Bldg., Room 3233  
St. Paul, MN 55155

The Honorable David J. Osmek  
Ranking Minority Member  
Senate Environment and Energy Committee  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
State Office Bldg., Room 19  
St. Paul, MN 55155

The Honorable Bill Ingebrigtsen  
Ranking Minority Member  
Senate Environment, Economic Development  
and Agriculture Budget Division  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
State Office Bldg., Room 143  
St. Paul, MN 55155

The Honorable Denny McNamara  
Chair, House Environment and Natural  
Resources Policy and Finance Committee  
365 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155

The Honorable Rick Hansen  
Ranking Minority Member  
House Environment and Natural Resources  
Policy and Finance Committee  
247 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155

RE: Base Budget Report

Dear Committee Chairs and Ranking Minority Members:

We are submitting the attached report to satisfy requirements of Minnesota Laws 2015 First Special Session, Chapter 4, Article 4, Section 142.

We have structured the report as follows:

1. organized by our budget programs; Water, Air, Land, Environmental Assistance and Cross Media;
2. included as base budget the Laws of 2015 1st Special Session and Laws of 2016, with their corresponding rider language;
3. included rider language references for prior years through the 2005 session in chronological order beginning with most recent.

Committee Chairs, and Ranking Minority Members

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October 15, 2016

Excluded from this report are Clean Water Fund monies and rider language because they are biennially appropriated as one-time monies.

If you have any questions regarding this report, please feel free to contact me at 651-757-2031.

Sincerely,

A handwritten signature in black ink, appearing to read "Greta Gauthier". The signature is fluid and cursive, with a large initial "G" and a stylized "G" for the last name.

Greta Gauthier

Legislative Director

Commissioners Office

GG/JB:cbg

Enclosure

Minnesota Pollution Control Agency

**2016-2017 Base Budget with History of Rider Language**

<b>Laws 16</b>	<b>2016</b>	<b>2017</b>
General Fund	\$ -	\$ 1,918,000
Environmental	\$ -	\$ 702,000
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 2,620,000</b>

**Laws 15 1st Special Session**

General Fund	\$10,263,000	\$ 5,727,000
State Government	\$ 75,000	\$ 75,000
Environmental	\$73,480,000	\$74,548,000
Remediation	\$11,264,000	\$11,434,000
<b>TOTAL</b>	<b>\$95,082,000</b>	<b>\$91,784,000</b>

Fund	Appr #	Appropriation Name	FY2016	FY2017	TOTAL FY16-17	Rider Language	Citation
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**Water Program**

1000	R32W134	Technical Assistance Municipal Water	\$ -	\$ 437	\$ 437	\$437,000 the second year is from the general fund and \$486,000 the second year is from the environmental fund to meet the increased demand for technical assistance and review of municipal water infrastructure projects that will be generated by increased grant funding through the Public Facilities Authority. <b>This is a onetime appropriation and is available until June 30, 2019.</b>	16 189 03 002 002
1000	R32W136	Working Lands Program	\$ -	\$ 115	\$ 115	\$115,000 the second year is for the working lands program feasibility study and program plan. <b>This is a onetime appropriation and is available until June 30, 2018.</b>	16 189 03 002 002
1000	R32W105	County Feedlot Grant Program	\$ 1,959	\$ 1,959	\$ 3,918	\$1,959,000 the first year and \$1,959,000 the second year are for grants to delegated counties to administer the county feedlot program under Minnesota Statutes, section 116.0711, subdivisions 2 and 3. Money remaining after the first year is available for the second year.	151 004 03 002 002
1000	R32W131	Municipality Liaison; Economist	\$ 250	\$ 250	\$ 500	\$250,000 the first year and \$250,000 the second year are from the general fund for: (1) a municipal liaison to assist municipalities in implementing and participating in the water quality standards rulemaking process and navigating the NPDES/SDS permitting process; (2) enhanced economic analysis in the water quality standards rulemaking process, including more specific analysis and identification of cost-effective permitting; (3) development of statewide economic analyses and templates to reduce the amount of information and time required for municipalities to apply for variances from water quality standards; and (4) coordinating with the Public Facilities Authority to identify and advocate for the resources needed for municipalities to achieve permit requirements.	151 004 03 002 002
1000	R32W331	Red River Basin Water Plan	\$ 200	\$ -	\$ 200	\$200,000 the first year is for a grant to the Red River Basin Commission for development of a water quality strategic plan for the Red River of the North. <b>This is a onetime appropriation</b> and is available until June 30, 2018. The plan must include, but is not limited to, consistency in water quality goals and objectives for the Red River of the North and pollution reduction allocations for both point and nonpoint sources on the Red River of the North and for individual major watersheds tributary to the Red River of the North. The Red River Basin Commission must involve the interests of local, state, and federal government, business and industry, environmental groups, and Red River Basin landowners. The Red River Basin Commission must report progress on the plan to the house of representatives and senate committees and divisions with jurisdiction over environment policy and finance by February 15 in 2016 and 2017, and must submit the completed plan by December 31, 2017.	151 004 03 002 002
1000	R32W332	Water Quality Standards Cost Analysis	\$ 500	\$ -	\$ 500	\$500,000 the first year is for transfer to the commissioner of management and budget for a cost analysis of water quality standards as required under this act.	151 004 03 002 002



Minnesota Pollution Control Agency  
2016-2017 Base Budget with History of Rider Language

Fund	Appr #	Appropriation Name	FY2016	FY2017	TOTAL FY16-17	Rider Language	Citation
1000	R32W103	Water Program Operations			\$ -	\$1,378,000 the first year and \$1,378,000 the second year are for water program operations.	111 002 01 003 002
2800	R32W135	Tech Assistance Municipal Water	\$ -	\$ 486	\$ 486	\$437,000 the second year is from the general fund and \$486,000 the second year is from the environmental fund to meet the increased demand for technical assistance and review of municipal water infrastructure projects that will be generated by increased grant funding through the Public Facilities Authority. <b>This is a onetime appropriation and is available until June 30, 2019.</b>	16 189 03 002 002
2800	R32W106	SSTS Activities	\$ 673	\$ 683	\$ 1,356	\$673,000 the first year and \$683,000 the second year are from the environmental fund for subsurface sewage treatment system (SSTS) program administration and community technical assistance and education, including grants and technical assistance to communities for water quality protection. Of this amount, \$129,000 each year is for assistance to counties through grants for SSTS program administration. A county receiving a grant from this appropriation shall submit the results achieved with the grant to the commissioner as part of its annual SSTS report. Any unexpended balance in the first year does not cancel but is available in the second year.	151 004 03 002 002
2800	R32W109	SSTS Activities	\$ 753	\$ 765	\$ 1,518	\$753,000 the first year and \$765,000 the second year are from the environmental fund to address the need for continued increased activity in the areas of new technology review, technical assistance for local governments, and enforcement under Minnesota Statutes, sections 115.55 to 115.58, and to complete the requirements of Laws 2003, chapter 128, article 1, section 165.	151 004 03 002 002
2800	R32W321	Wastewater Lab QA/QC	\$ 107	\$ 109	\$ 216	\$107,000 the first year and \$109,000 the second year are from the environmental fund for registration of wastewater laboratories.	151 004 03 002 002
2800	R32W324	Environmental Health Risks	\$ 913	\$ 913	\$ 1,826	\$913,000 the first year and \$913,000 the second year are from the environmental fund to continue perfluorochemical biomonitoring in eastern metropolitan communities, as recommended by the Environmental Health Tracking and Biomonitoring Advisory Panel, and address other environmental health risks, including air quality. The communities must include Hmong and other immigrant farming communities. Of this amount, up to \$677,000 the first year and \$677,000 the second year are for transfer to the Department of Health.	151 004 03 002 002
2800	R32W110	Community Technical Assistance			\$ -	\$289,000 the first year and \$289,000 the second year are from the environmental fund for community technical assistance and education, including grants and technical assistance to communities for local and basinwide water quality protection.	111 002 01 003 002
1000	W01	Water Program Operations			\$ -	\$1,250,000 the first year and \$1,250,000 the second year are for assessment and monitoring of lakes, rivers, and streams.	09 037 01 03 002

Air Program		\$15,640,000		\$16,087,000			
2800	R32A101	Air Monitoring	\$ 202	\$ 204	\$ 406	\$202,000 the first year and \$204,000 the second year are from the environmental fund for a monitoring program under Minnesota Statutes, section 116.454.	151 004 03 002 003
2800	R32A102	Ambient Air Monitoring	\$ 340	\$ 346	\$ 686	\$340,000 the first year and \$346,000 the second year are from the environmental fund for monitoring ambient air for hazardous pollutants.	151 004 03 002 003
2800	R32A104	Small Business Loans	\$ 150	\$ 150	\$ 300	Up to \$150,000 the first year and \$150,000 the second year may be transferred from the environmental fund to the small business environmental improvement loan account established in Minnesota Statutes, section 116.993.	151 004 03 002 003
2800	R32A119	Improve Air Quality	\$ 690	\$ 691	\$ 1,381	\$691,000 the first year and \$693,000 the second year are from the environmental fund for emission reduction activities and grants to small businesses and other nonpoint emission reduction efforts. Of this amount, \$100,000 the first year and \$100,000 the second year is to continue work with Clean Air Minnesota, and the commissioner may enter into an agreement with Environmental Initiative to support this effort. Any unexpended balance in the first year does not cancel but is available in the second year.	151 004 03 002 003



Minnesota Pollution Control Agency

**2016-2017 Base Budget with History of Rider Language**

Fund	Appr #	Appropriation Name	FY2016	FY2017	TOTAL FY16-17	Rider Language	Citation
2800	R32A101	Air Monitoring	\$ -	\$ -	\$ -	\$700,000 the first year and \$700,000 the second year are from the environmental fund for an air emissions database, including monitoring greenhouse gas emissions.	09 037 01 03 002

Land Program			\$21,663,000	\$18,584,000			
1000	R32L170	Waste Disposal Engineering Landfill	\$ -	\$ 650	\$ 650	\$650,000 the second year is to design remedial actions and prepare bids for the Waste Disposal Engineering Landfill in the city of Andover in accordance with the closed landfill program under Minnesota Statutes, sections 115B.39 to 115B.42. <b>This is a onetime appropriation.</b>	16 189 03 002 004
1000	R32L171	St Louis River Remedial Action	\$ -	\$ 216	\$ 216	\$216,000 the second year is from the general fund and \$216,000 the second year is from the environmental fund to manage contaminated sediment projects at multiple sites identified in the St. Louis River remedial action plan to restore water quality in the St. Louis River area of concern. <b>This amount is added to the base for fiscal years 2018, 2019, and 2020 only.</b>	16 189 03 002 003
1000	R32L164	Mountain Iron Wastewater Cleanup	\$ 868	\$ -	\$ 868	\$868,000 the first year is from the general fund for a grant to the city of Mountain Iron for remediation of the abandoned wastewater treatment pond of the former Nichols Township. <b>This is a onetime appropriation that is available until June 30, 2019.</b> This appropriation is effective December 1, 2015.	151 004 03 002 004
1000	R32L165	City of Paynesville grant	\$ 2,500	\$ -	\$ 2,500	Up to \$2,500,000 the first year is from the general fund to the commissioner for a grant to the city of Paynesville to add a treatment process to a water treatment plant for removal of volatile organic compounds. <b>This is a onetime appropriation.</b> This appropriation is effective December 1, 2015.	151 004 03 002 004
2800	R32L172	St Louis River Remedial Action	\$ -	\$ 216	\$ 216	\$216,000 the second year is from the general fund and \$216,000 the second year is from the environmental fund to manage contaminated sediment projects at multiple sites identified in the St. Louis River remedial action plan to restore water quality in the St. Louis River area of concern. <b>This amount is added to the base for fiscal years 2018, 2019, and 2020 only.</b>	16 189 03 002 003
2801	R32L107	Petroleum Remediation Administration	\$ 4,279	\$ 4,343	\$ 8,622	\$4,279,000 the first year and \$4,343,000 the second year are from the remediation fund for purposes of the leaking underground storage tank program to investigate, clean up, and prevent future releases from underground petroleum storage tanks, and to the petroleum remediation program for purposes of vapor assessment and remediation. These same annual amounts are transferred from the petroleum tank fund to the remediation fund.	151 004 03 002 004
2801	R32L115	Health Assessment and Monitoring	\$ 252	\$ 252	\$ 504	\$252,000 the first year and \$252,000 the second year are from the remediation fund for transfer to the commissioner of health for private water supply monitoring and health assessment costs in areas contaminated by unpermitted mixed municipal solid waste disposal facilities and drinking water advisories and public information activities for areas contaminated by hazardous releases.	151 004 03 002 004



Minnesota Pollution Control Agency  
2016-2017 Base Budget with History of Rider Language

Fund	Appr #	Appropriation Name	FY2016	FY2017	TOTAL FY16-17	Rider Language	Citation
<b>Environmental Assistance and Cross Me</b>			<b>\$31,391,000</b>	<b>\$31,032,000</b>			
1000	R32C122	Environmental Quality Board Program Ops	\$ 315	\$ 319	\$ 634	\$315,000 the first year and \$319,000 the second year are from the general fund and \$192,000 the first year and \$192,000 the second year are from the environmental fund for Environmental Quality Board operations and support.	151 004 03 002 005
1000	R32C140	Silica Sand Technical Assistance	\$ 502	\$ 503	\$ 1,005	\$502,000 the first year and \$503,000 the second year are from the general fund for the Environmental Quality Board to lead an interagency team to provide technical assistance regarding the mining, processing, and transporting of silica sand. Of this amount, up to \$75,000 each year may be transferred to the commissioner of natural resources to review the implementation of the rules adopted by the commissioner pursuant to Laws 2013, chapter 114, article 4, section 105, paragraph (b), pertaining to the reclamation of silica sand mines, to ensure that local government reclamation programs are implemented in a manner consistent with the rules.	151 004 03 002 005
1000	R32C149	Recycling Containers in Capital Complex	\$ 50	\$ 50	\$ 100	\$50,000 the first year and \$50,000 the second year are to acquire and co-locate waste and recycling receptacles, in cooperation with the commissioner of administration, at the State Office Building. Any remaining funds may be used for these purposes at other facilities within the Capitol complex. <b>This is a onetime appropriation.</b>	151 004 03 002 005
1000	R32C150	New Recycling, Composting Program	\$ 1,000	\$ 1,000	\$ 2,000	\$1,000,000 the first year and \$1,000,000 the second year are for competitive recycling grants under Minnesota Statutes, section 115A.565. This appropriation is available until June 30, 2018.	151 004 03 002 005
1000	R32C152	EQB Environmental Review Streamline	\$ 500	\$ -	\$ 500	\$500,000 the first year from the general fund is a onetime appropriation to the Environmental Quality Board for activities to streamline the environmental review process.	151 004 03 002 005
1000	R32C159	SCORE Grants	\$ -	\$ 500	\$ 500	\$500,000 the second year is for SCORE block grants to counties. This amount is in addition to the amounts appropriated in Laws 2015, First Special Session chapter 4, article 3, section 2, subdivision 5. <b>This is a onetime appropriation.</b>	16 189 03 002 004
2800	R32C105	SCORE Grants	\$ 17,250	\$ 17,250	\$ 34,500	\$17,250,000 the first year and \$17,250,000 the second year are from the environmental fund for SCORE block grants to counties.	151 004 03 002 005
2800	R32C106	Environmental Loans & Grants	\$ 119	\$ 119	\$ 238	\$119,000 the first year and \$119,000 the second year are from the environmental fund for environmental assistance grants or loans under Minnesota Statutes, section 115A.0716. Any unencumbered grant and loan balances in the first year do not cancel but are available for grants and loans in the second year.	151 004 03 002 005
2800	R32C111	Children's Toxic Chemicals	\$ 90	\$ 90	\$ 180	\$90,000 the first year and \$90,000 the second year are from the environmental fund for duties related to harmful chemicals in products under Minnesota Statutes, sections 116.9401 to 116.9407. Of this amount, \$57,000 each year is transferred to the commissioner of health.	151 004 03 002 005
2800	R32C121	Feedlot Revised Permit Effort	\$ 203	\$ 207	\$ 410	\$203,000 the first year and \$207,000 the second year are from the environmental fund for the costs of implementing general operating permits for feedlots over 1,000 animal units.	151 004 03 002 005
2800	R32C133	Environmental Quality Board Program Operations	\$ 192	\$ 192	\$ 384	\$315,000 the first year and \$319,000 the second year are from the general fund and \$192,000 the first year and \$192,000 the second year are from the environmental fund for Environmental Quality Board operations and support.	151 004 03 002 005
2800	R32C134	Sanitary District Formation	\$ 50	\$ 50	\$ 100	\$50,000 the first year and \$50,000 the second year are from the environmental fund for transfer to the Office of Administrative Hearings to establish sanitary districts.	151 004 03 002 005
2800	R32C151	Data and Business Support Services	\$ 450	\$ 450	\$ 900	\$450,000 the first year and \$450,000 the second year are from the environmental fund to develop and maintain systems to support permitting and regulatory business processes and agency data. This is a onetime appropriation.	151 004 03 002 005
2800	R32C104	Electronic Waste	\$ -	\$ -	\$ -	\$315,000 the first year and \$315,000 the second year are from the environmental fund for the electronic waste program under Minnesota Statutes, sections 115A.1310 to 115A.1330	13 114 03 003 005