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Minnesota Pollution Control Agency

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

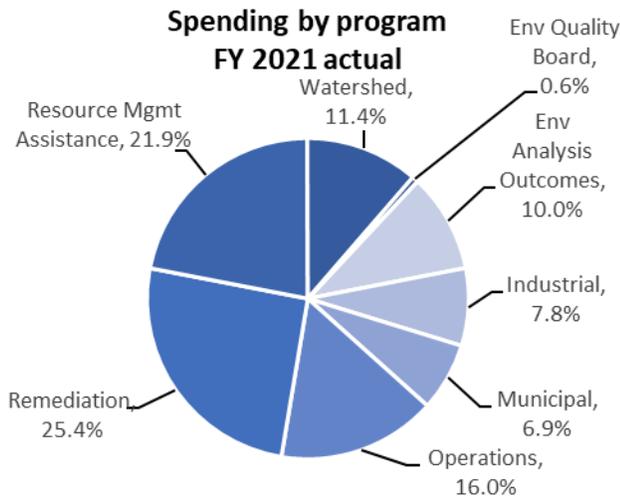
AT A GLANCE

- 890 employees in FY22: 647 in Saint Paul and 243 in six regional offices; 30 are student workers or seasonal employees.
- Protect and improve the environment and human health by issuing more than 16,700 permits that include 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 167 online e-services for over 20,000 users, with more services launching each year.
- 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.
- Recognized by Environmental Council of States and National Public Radio for transparency regarding Regulatory Flexibility website developed in response to COVID-19 pandemic.

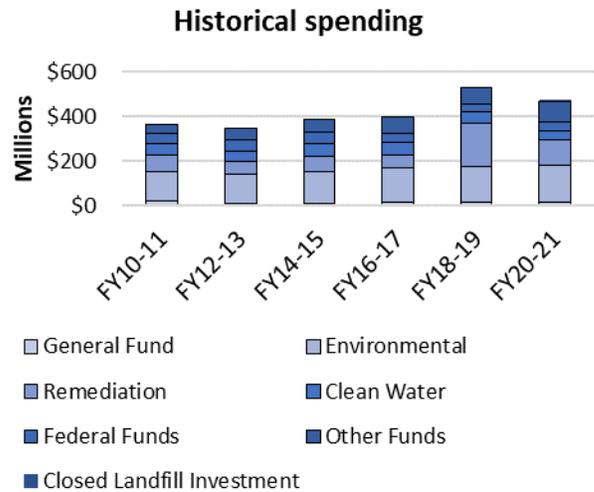
PURPOSE

The Minnesota Pollution Control Agency (MPCA) monitors environmental quality, offers technical and financial assistance, and enforces environmental regulations. MPCA finds and cleans up spills or leaks that can affect human health and the environment. The agency develops statewide policy, supports environmental education, and helps ensure pollution does not have a disproportionate impact on any group of citizens. MPCA’s mission is to protect and improve the environment and human health.

BUDGET



Source: Budget Planning and Analysis System (BPAS)



Source: Budget Planning and Analysis System (BPAS)

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

Pie Chart: Spending by division, fiscal year 2021. Provides a breakdown by percent and Division of Fiscal Year 2021 spending is explained in the following paragraph. Bar chart: Historical Spending. Provides 12-year historical spending by fund for MPCA and is further explained in the next paragraph.

The MPCA's budget is spent across seven divisions, including supporting the Environmental Quality Board. The Fiscal Year 2021 actual expenditures percentage by division is as follows: Environmental Quality Board support was 0.6 percent; the Environmental Analysis and Outcomes Division is 10%; the Industrial Division is 7.8%, the Municipal Division is 6.9%; the Operations Division was 16%; the Remediation division was 25.4 %; and the Resource Management and Assistance Division was 21.9%. The MPCA's budget is funded from multiple state government funds and federal grants. The MPCA funding from the general fund has decreased over this 12-year timeframe from 6% in FY10/11 to 3% in FY20/21. In the last biennium, MPCA expenses by fund included environmental (36%), remediation (24%), clean water (9%), and federal (9%). All other state funds make up the remaining 20%. The Clean Water Fund is a legacy fund created when voters passed a constitutional amendment in November 2008.

STRATEGIES

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 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 agency 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 the general public.
- 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 FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY24 | FY25 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 6,729 | 7,126 | 8,872 | 8,793 | 6,536 | 6,536 |
| 1200 - State Government Special Rev | 76 | 77 | 77 | 76 | 76 | 76 |
| 2000 - Restrict Misc Special Revenue | 4,885 | 4,889 | 8,539 | 6,293 | 6,076 | 6,076 |
| 2001 - Other Misc Special Revenue | 29,833 | 28,998 | 29,847 | 35,526 | 30,956 | 31,151 |
| 2050 - Environment & Natural Resources | 921 | | 2,117 | 4,021 | 33 | 33 |
| 2302 - Clean Water | 20,666 | 20,342 | 22,420 | 29,521 | | |
| 2403 - Gift | 8,579 | 5,277 | 3,009 | 18,375 | 8,000 | 8,000 |
| 2800 - Environmental | 82,159 | 86,490 | 82,825 | 95,490 | 88,964 | 88,964 |
| 2801 - Remediation | 56,403 | 58,955 | 59,086 | 101,152 | 96,553 | 161,373 |
| 2802 - Closed Landfill Investment | 1,408 | 414 | 1,956 | 4,500 | 4,500 | 4,500 |
| 3000 - Federal | 21,262 | 20,603 | 24,427 | 26,099 | 25,745 | 25,628 |
| 8200 - Clean Water Revolving | 1,588 | 1,863 | 1,829 | 2,027 | 2,027 | 2,027 |
| Total | 234,510 | 235,033 | 245,003 | 331,873 | 269,466 | 334,364 |
| Biennial Change | | | | 107,333 | | 26,954 |
| Biennial % Change | | | | 23 | | 5 |

Expenditures by Program

| | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Environmental Analysis and Outcomes Division | 23,811 | 24,191 | 28,130 | 32,635 | 18,428 | 18,308 |
| Industrial Division | 19,774 | 18,740 | 18,871 | 20,191 | 19,185 | 19,185 |
| Municipal Division | 15,397 | 16,588 | 17,076 | 21,074 | 12,968 | 12,968 |
| Operations Division | 38,761 | 38,408 | 41,220 | 49,429 | 42,638 | 42,653 |
| Remediation Division | 62,979 | 62,635 | 65,159 | 111,480 | 104,674 | 169,639 |
| Resource Management and Assistance Division | 50,557 | 52,414 | 51,375 | 68,049 | 54,083 | 53,975 |
| Watershed Division | 21,606 | 20,699 | 21,902 | 27,601 | 16,216 | 16,362 |
| Environmental Quality Board | 1,624 | 1,358 | 1,271 | 1,414 | 1,274 | 1,274 |
| Total | 234,510 | 235,033 | 245,003 | 331,873 | 269,466 | 334,364 |

Expenditures by Category

| | | | | | | |
|------------------------------|--------|--------|--------|---------|--------|---------|
| Compensation | 88,569 | 89,162 | 90,531 | 103,832 | 86,571 | 86,380 |
| Operating Expenses | 92,929 | 89,831 | 99,588 | 124,826 | 91,867 | 91,911 |
| Grants, Aids and Subsidies | 52,765 | 54,888 | 53,711 | 103,193 | 91,006 | 156,051 |
| Capital Outlay-Real Property | 55 | 122 | 1,028 | | | |

Pollution Control

Agency Expenditure Overview

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY24 | FY25 |
| Other Financial Transaction | 191 | 1,030 | 145 | 22 | 22 | 22 |
| Total | 234,510 | 235,033 | 245,003 | 331,873 | 269,466 | 334,364 |

| | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Total Agency Expenditures | 234,510 | 235,033 | 245,003 | 331,873 | 269,466 | 334,364 |
| Internal Billing Expenditures | 28,614 | 28,947 | 30,014 | 29,856 | 25,666 | 25,635 |
| Expenditures Less Internal Billing | 205,896 | 206,086 | 214,989 | 302,017 | 243,800 | 308,729 |

| | | | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <u>Full-Time Equivalents</u> | 867.35 | 839.86 | 839.70 | 954.85 | 800.81 | 798.61 |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|

Pollution Control

Agency Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY24 | FY25 |
| 1000 - General | | | | | | |
| Balance Forward In | 59 | 880 | 42 | 1,508 | | |
| Direct Appropriation | 6,815 | 6,524 | 8,339 | 7,285 | 6,536 | 6,536 |
| Transfers In | 700 | | 2,000 | | | |
| Transfers Out | | 60 | | | | |
| Cancellations | | 181 | | | | |
| Balance Forward Out | 845 | 37 | 1,509 | | | |
| Expenditures | 6,729 | 7,126 | 8,872 | 8,793 | 6,536 | 6,536 |
| Biennial Change in Expenditures | | | | 3,809 | | (4,593) |
| Biennial % Change in Expenditures | | | | 27 | | (26) |
| Full-Time Equivalents | 11.01 | 8.61 | 8.67 | 10.16 | 11.27 | 11.27 |

1200 - State Government Special Rev

| | | | | | | |
|-----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Balance Forward In | | 0 | | | | |
| Direct Appropriation | 75 | 75 | 75 | 75 | 75 | 75 |
| Open Appropriation | 1 | 2 | 2 | 1 | 1 | 1 |
| Cancellations | | 0 | | | | |
| Balance Forward Out | 0 | | 0 | | | |
| Expenditures | 76 | 77 | 77 | 76 | 76 | 76 |
| Biennial Change in Expenditures | | | | (1) | | (1) |
| Biennial % Change in Expenditures | | | | (1) | | (0) |
| Full-Time Equivalents | 0.77 | 0.67 | 0.67 | 0.58 | 0.58 | 0.58 |

2000 - Restrict Misc Special Revenue

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Balance Forward In | 774 | 1,072 | 4,273 | 315 | 9 | 7 |
| Receipts | 5,176 | 8,088 | 4,580 | 5,987 | 6,074 | 6,074 |
| Transfers In | 123 | | | | | |
| Transfers Out | 123 | | | | | |
| Balance Forward Out | 1,065 | 4,270 | 314 | 9 | 7 | 5 |
| Expenditures | 4,885 | 4,889 | 8,539 | 6,293 | 6,076 | 6,076 |
| Biennial Change in Expenditures | | | | 5,058 | | (2,680) |
| Biennial % Change in Expenditures | | | | 52 | | (18) |
| Full-Time Equivalents | 11.00 | 11.09 | 11.66 | 8.86 | 7.86 | 7.86 |

Pollution Control

Agency Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY24 | FY25 |
| 2001 - Other Misc Special Revenue | | | | | | |
| Balance Forward In | 5,430 | 5,119 | 6,374 | 7,096 | 2,328 | 1,887 |
| Receipts | 28,816 | 29,842 | 30,276 | 30,479 | 30,340 | 30,407 |
| Internal Billing Receipts | 28,579 | 28,845 | 30,014 | 29,811 | 29,693 | 29,760 |
| Transfers In | 404 | 404 | 404 | 404 | 300 | 300 |
| Transfers Out | 56 | 70 | 112 | 125 | 125 | 125 |
| Balance Forward Out | 4,761 | 6,297 | 7,095 | 2,328 | 1,887 | 1,318 |
| Expenditures | 29,833 | 28,998 | 29,847 | 35,526 | 30,956 | 31,151 |
| Biennial Change in Expenditures | | | | 6,542 | | (3,266) |
| Biennial % Change in Expenditures | | | | 11 | | (5) |
| Full-Time Equivalents | 104.99 | 100.72 | 102.77 | 125.38 | 111.38 | 111.38 |

2050 - Environment & Natural Resources

| | | | | | | |
|-----------------------------------|------------|-------|--------------|--------------|-----------|-----------|
| Balance Forward In | 253 | 44 | 2,604 | 1,287 | 66 | 33 |
| Direct Appropriation | 750 | | 800 | 2,800 | 0 | 0 |
| Transfers In | | 1,200 | | | | |
| Transfers Out | | 3 | | | | |
| Cancellations | 78 | 41 | | | | |
| Balance Forward Out | 4 | 1,200 | 1,287 | 66 | 33 | |
| Expenditures | 921 | | 2,117 | 4,021 | 33 | 33 |
| Biennial Change in Expenditures | | | | 5,216 | | (6,072) |
| Biennial % Change in Expenditures | | | | | | (99) |
| Full-Time Equivalents | 3.15 | 0.13 | 0.01 | 0.75 | 0.25 | 0.25 |

2302 - Clean Water

| | | | | | | |
|----------------------|--------|--------|--------|--------|---|---|
| Balance Forward In | 2,549 | 5,789 | 9,701 | 8,338 | | |
| Direct Appropriation | 23,242 | 23,242 | 21,024 | 21,153 | 0 | 0 |
| Open Appropriation | 35 | 47 | 35 | 30 | 0 | 0 |
| Transfers In | 461 | | | | | |
| Transfers Out | 461 | | | | | |
| Cancellations | | | 0 | | | |
| Balance Forward Out | 5,159 | 8,735 | 8,339 | | | |

Pollution Control

Agency Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|----------|
| | | | | | FY24 | FY25 |
| Expenditures | 20,666 | 20,342 | 22,420 | 29,521 | | |
| Biennial Change in Expenditures | | | | 10,933 | | (51,941) |
| Biennial % Change in Expenditures | | | | 27 | | (100) |
| Full-Time Equivalents | 90.50 | 80.06 | 83.31 | 92.55 | | |

2403 - Gift

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|---------------|--------------|--------------|
| Balance Forward In | 4,432 | 7,677 | 8,693 | 9,911 | | |
| Receipts | 6,678 | 6,293 | 4,227 | 8,464 | 8,000 | 8,000 |
| Balance Forward Out | 2,531 | 8,693 | 9,911 | | | |
| Expenditures | 8,579 | 5,277 | 3,009 | 18,375 | 8,000 | 8,000 |
| Biennial Change in Expenditures | | | | 7,528 | | (5,384) |
| Biennial % Change in Expenditures | | | | 54 | | (25) |
| Full-Time Equivalents | 5.13 | 4.53 | 4.89 | 4.60 | 4.60 | 4.60 |

2800 - Environmental

| | | | | | | |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Balance Forward In | 4,222 | 8,165 | 4,213 | 10,377 | 4,169 | 4,400 |
| Direct Appropriation | 83,986 | 83,654 | 89,460 | 89,912 | 89,702 | 89,702 |
| Open Appropriation | 22,203 | 22,429 | 25,247 | 22,255 | 19,255 | 22,255 |
| Receipts | 2,974 | 3,166 | 2,906 | 2,976 | 2,976 | 2,976 |
| Transfers In | 6 | 158 | 8 | 7 | 7 | 7 |
| Transfers Out | 23,140 | 23,158 | 28,726 | 25,726 | 22,726 | 25,726 |
| Net Loan Activity | (299) | (309) | 99 | (142) | (19) | (19) |
| Cancellations | | 3,607 | 6 | | | |
| Balance Forward Out | 7,793 | 4,008 | 10,376 | 4,169 | 4,400 | 4,631 |
| Expenditures | 82,159 | 86,490 | 82,825 | 95,490 | 88,964 | 88,964 |
| Biennial Change in Expenditures | | | | 9,666 | | (387) |
| Biennial % Change in Expenditures | | | | 6 | | (0) |
| Full-Time Equivalents | 408.02 | 398.44 | 380.64 | 445.19 | 414.76 | 414.76 |

2801 - Remediation

| | | | | | | |
|----------------------|---------|---------|---------|---------|---------|---------|
| Balance Forward In | 723,640 | 729,629 | 710,673 | 692,788 | 637,863 | 578,788 |
| Direct Appropriation | 14,410 | 14,465 | 14,546 | 14,546 | 14,546 | 14,366 |
| Open Appropriation | 11,941 | 11,277 | 11,455 | 13,984 | 13,984 | 13,984 |

Pollution Control

Agency Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|----------------|
| | | | | | FY24 | FY25 |
| Receipts | 27,736 | 12,703 | 8,935 | 10,505 | 2,730 | 2,730 |
| Transfers In | 35,246 | 24,962 | 45,206 | 37,845 | 66,050 | 131,050 |
| Transfers Out | 30,994 | 19,613 | 40,533 | 30,653 | 59,832 | 124,832 |
| Cancellations | | 1,356 | | | | |
| Balance Forward Out | 728,862 | 713,113 | 692,787 | 637,863 | 578,788 | 454,713 |
| Expenditures | 56,403 | 58,955 | 59,086 | 101,152 | 96,553 | 161,373 |
| Biennial Change in Expenditures | | | | 44,880 | | 97,688 |
| Biennial % Change in Expenditures | | | | 39 | | 61 |
| Full-Time Equivalents | 96.62 | 110.18 | 92.50 | 118.59 | 104.79 | 102.79 |

2802 - Closed Landfill Investment

| | | | | | | |
|-----------------------------------|--------------|------------|--------------|--------------|--------------|--------------|
| Balance Forward In | | 428 | | | | |
| Direct Appropriation | 1,622 | | 4,500 | 4,500 | 4,500 | 4,500 |
| Cancellations | | 15 | 2,544 | | | |
| Balance Forward Out | 214 | | | | | |
| Expenditures | 1,408 | 414 | 1,956 | 4,500 | 4,500 | 4,500 |
| Biennial Change in Expenditures | | | | 4,635 | | 2,544 |
| Biennial % Change in Expenditures | | | | 255 | | 39 |
| Full-Time Equivalents | 1.00 | 0.06 | | | | |

3000 - Federal

| | | | | | | |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Balance Forward In | | 0 | 16 | | | |
| Receipts | 21,291 | 20,604 | 24,411 | 26,099 | 25,745 | 25,628 |
| Balance Forward Out | 29 | 1 | | | | |
| Expenditures | 21,262 | 20,603 | 24,427 | 26,099 | 25,745 | 25,628 |
| Biennial Change in Expenditures | | | | 8,661 | | 847 |
| Biennial % Change in Expenditures | | | | 21 | | 2 |
| Full-Time Equivalents | 123.04 | 111.16 | 141.31 | 136.94 | 134.07 | 133.87 |

8200 - Clean Water Revolving

| | | | | | | |
|--------------------|--------|--------|--------|--------|-------|-------|
| Balance Forward In | 24,671 | 18,934 | 14,863 | 14,171 | 7,651 | 2,431 |
| Receipts | 218 | 209 | 170 | 280 | 280 | 280 |
| Transfers In | 1,586 | 1,863 | 3,829 | 2,027 | 2,027 | 2,027 |

Pollution Control

Agency Financing by Fund

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|-----------------------------------|---------------|---------------|---------------|-----------------|----------------------|--------------|
| | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 |
| Transfers Out | 5,000 | | | | | |
| Net Loan Activity | (13,498) | (4,280) | (2,862) | (6,800) | (5,500) | 500 |
| Balance Forward Out | 6,389 | 14,863 | 14,171 | 7,651 | 2,431 | 3,211 |
| Expenditures | 1,588 | 1,863 | 1,829 | 2,027 | 2,027 | 2,027 |
| Biennial Change in Expenditures | | | | 405 | | 198 |
| Biennial % Change in Expenditures | | | | 12 | | 5 |
| Full-Time Equivalents | 12.12 | 14.21 | 13.27 | 11.25 | 11.25 | 11.25 |

Pollution Control

Agency Change Summary

(Dollars in Thousands)

| | FY23 | FY24 | FY25 | Biennium 2024-25 |
|---|---------------|---------------|---------------|---------------------|
| Direct | | | | |
| Fund: 1000 - General | | | | |
| FY2023 Appropriations | 7,285 | 7,285 | 7,285 | 14,570 |
| Base Adjustments | | | | |
| Current Law Base Change | | (749) | (749) | (1,498) |
| Forecast Base | 7,285 | 6,536 | 6,536 | 13,072 |
| Fund: 1200 - State Government Special Rev | | | | |
| FY2023 Appropriations | 75 | 75 | 75 | 150 |
| Forecast Base | 75 | 75 | 75 | 150 |
| Fund: 2050 - Environment & Natural Resources | | | | |
| FY2023 Appropriations | 2,800 | 2,800 | 2,800 | 5,600 |
| Base Adjustments | | | | |
| All Other One-Time Appropriations | | (2,000) | (2,000) | (4,000) |
| Current Law Base Change | | (800) | (800) | (1,600) |
| Forecast Base | 2,800 | 0 | 0 | 0 |
| Fund: 2302 - Clean Water | | | | |
| FY2023 Appropriations | 21,153 | 21,153 | 21,153 | 42,306 |
| Base Adjustments | | | | |
| One-Time Legacy Fund Appropriations | | (21,153) | (21,153) | (42,306) |
| Forecast Base | 21,153 | 0 | 0 | 0 |
| Fund: 2800 - Environmental | | | | |
| FY2023 Appropriations | 89,912 | 89,912 | 89,912 | 179,824 |
| Base Adjustments | | | | |
| Current Law Base Change | | (210) | (210) | (420) |
| Forecast Base | 89,912 | 89,702 | 89,702 | 179,404 |
| Fund: 2801 - Remediation | | | | |
| FY2023 Appropriations | 14,546 | 14,546 | 14,546 | 29,092 |
| Base Adjustments | | | | |
| Current Law Base Change | | | (180) | (180) |
| Forecast Base | 14,546 | 14,546 | 14,366 | 28,912 |
| Fund: 2802 - Closed Landfill Investment | | | | |
| FY2023 Appropriations | 4,500 | 4,500 | 4,500 | 9,000 |
| Forecast Base | 4,500 | 4,500 | 4,500 | 9,000 |

Pollution Control

Agency Change Summary

(Dollars in Thousands)

| | FY23 | FY24 | FY25 | Biennium 2024-25 |
|---|--------|---------|--------|---------------------|
| Open | | | | |
| Fund: 1200 - State Government Special Rev | | | | |
| FY2023 Appropriations | 1 | 1 | 1 | 2 |
| Forecast Base | 1 | 1 | 1 | 2 |
| Fund: 2302 - Clean Water | | | | |
| FY2023 Appropriations | 30 | 30 | 30 | 60 |
| Base Adjustments | | | | |
| One-Time Legacy Fund Appropriations | | (30) | (30) | (60) |
| Forecast Base | 30 | 0 | 0 | 0 |
| Fund: 2800 - Environmental | | | | |
| FY2023 Appropriations | 22,255 | 22,255 | 22,255 | 44,510 |
| Base Adjustments | | | | |
| Current Law Base Change | | (3,000) | | (3,000) |
| Forecast Base | 22,255 | 19,255 | 22,255 | 41,510 |
| Fund: 2801 - Remediation | | | | |
| FY2023 Appropriations | 13,984 | 13,984 | 13,984 | 27,968 |
| Forecast Base | 13,984 | 13,984 | 13,984 | 27,968 |
| Dedicated | | | | |
| Fund: 2000 - Restrict Misc Special Revenue | | | | |
| Planned Spending | 6,293 | 6,076 | 6,076 | 12,152 |
| Forecast Base | 6,293 | 6,076 | 6,076 | 12,152 |
| Fund: 2001 - Other Misc Special Revenue | | | | |
| Planned Spending | 35,526 | 30,956 | 31,151 | 62,107 |
| Forecast Base | 35,526 | 30,956 | 31,151 | 62,107 |
| Fund: 2403 - Gift | | | | |
| Planned Spending | 18,375 | 8,000 | 8,000 | 16,000 |
| Forecast Base | 18,375 | 8,000 | 8,000 | 16,000 |
| Fund: 2800 - Environmental | | | | |
| Planned Spending | 7 | 7 | 7 | 14 |
| Forecast Base | 7 | 7 | 7 | 14 |
| Fund: 2801 - Remediation | | | | |

Pollution Control

Agency Change Summary

(Dollars in Thousands)

| | FY23 | FY24 | FY25 | Biennium 2024-25 |
|---|--------|--------|---------|---------------------|
| Planned Spending | 71,005 | 68,280 | 133,280 | 201,560 |
| Forecast Base | 71,005 | 68,280 | 133,280 | 201,560 |
| Fund: 3000 - Federal | | | | |
| Planned Spending | 26,099 | 25,745 | 25,628 | 51,373 |
| Forecast Base | 26,099 | 25,745 | 25,628 | 51,373 |
| Fund: 8200 - Clean Water Revolving | | | | |
| Planned Spending | 2,027 | 2,027 | 2,027 | 4,054 |
| Forecast Base | 2,027 | 2,027 | 2,027 | 4,054 |
| Revenue Change Summary | | | | |
| Dedicated | | | | |
| Fund: 2000 - Restrict Misc Special Revenue | | | | |
| Forecast Revenues | 5,987 | 6,074 | 6,074 | 12,148 |
| Fund: 2001 - Other Misc Special Revenue | | | | |
| Forecast Revenues | 30,479 | 30,340 | 30,407 | 60,747 |
| Fund: 2403 - Gift | | | | |
| Forecast Revenues | 8,464 | 8,000 | 8,000 | 16,000 |
| Fund: 2800 - Environmental | | | | |
| Forecast Revenues | 2,976 | 2,976 | 2,976 | 5,952 |
| Fund: 2801 - Remediation | | | | |
| Forecast Revenues | 10,505 | 2,730 | 2,730 | 5,460 |
| Fund: 3000 - Federal | | | | |
| Forecast Revenues | 26,099 | 25,745 | 25,628 | 51,373 |
| Fund: 8200 - Clean Water Revolving | | | | |
| Forecast Revenues | 280 | 280 | 280 | 560 |
| Non-Dedicated | | | | |
| Fund: 1000 - General | | | | |
| Forecast Revenues | 6 | 6 | 6 | 12 |

Pollution Control

Agency Change Summary

(Dollars in Thousands)

| | FY23 | FY24 | FY25 | Biennium 2024-25 |
|--|--------|--------|--------|---------------------|
| Fund: 1200 - State Government Special Rev | | | | |
| Forecast Revenues | 60 | 60 | 60 | 120 |
| Fund: 2350 - Petroleum Tank Release Cleanup | | | | |
| Forecast Revenues | 3 | 3 | 3 | 6 |
| Fund: 2800 - Environmental | | | | |
| Forecast Revenues | 28,784 | 28,784 | 28,784 | 57,568 |
| Fund: 2801 - Remediation | | | | |
| Forecast Revenues | 1,141 | 1,141 | 1,141 | 2,282 |
| Fund: 2802 - Closed Landfill Investment | | | | |
| Forecast Revenues | 2,504 | 2,504 | 2,504 | 5,008 |

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 resources to local water management organizations for lake and stream monitoring.
- Partner with hundreds of volunteers to monitor lake and stream clarity.
- Provide air quality forecasts for the state and five tribes to inform public of unhealthy air quality days.
- Estimate and track pollutant emissions to air and discharges to water.

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); 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 other state agencies with energy and transportation projects.

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 modeling, focusing on areas of concern for environmental justice.
- Provides technical assistance and quality assurance at five locations operated by tribal governments, five federal PM2.5 speciation sites, one national multi-pollutant monitoring site (NCore), one ozone precursor measurements site (PAMS), and nine National Atmospheric Deposition Program (NADP) 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 risk from facilities for permitting, compliance and enforcement, and environmental review.
- Estimates and analyzes 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.

Water Monitoring and Assessment

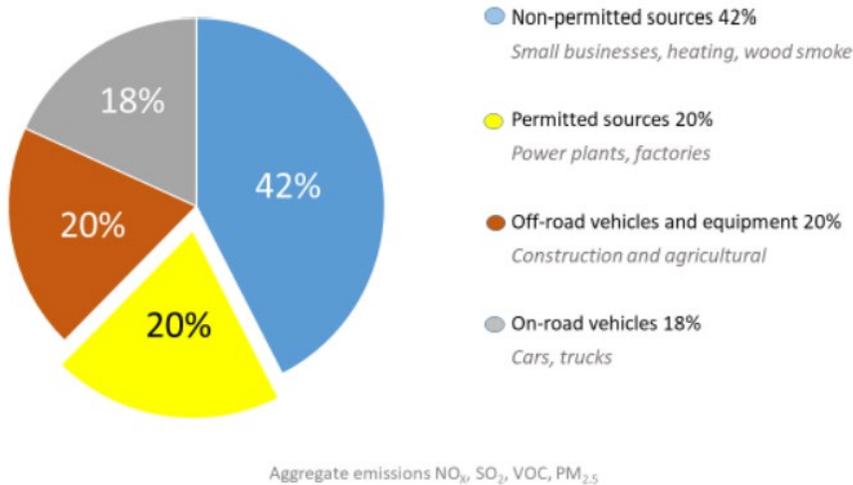
- Develops water quality standards and uses other tools to protect human health and aquatic life.
- Monitors lakes, streams and rivers, wetlands, and groundwater to identify water quality trends.
- Gathers and reviews data to understand water condition and identify causes of stress on a water body.
- Tracks 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 MEASURE

AIR EMISSIONS FROM DIFFERENT TYPES OF SOURCES

Air emissions are the quantity of air pollutants that are released from an air pollution source.

- On-road vehicles (cars, trucks): 18%
- Non-permitted sources (small businesses, heating, wood smoke): 42%
- Off-road vehicles (construction and agricultural): 20%
- Permitted sources (power plants, factories): 20%



Aggregate emissions: Nitrogen oxides (NO_x), sulfur dioxide (SO₂), volatile organic compounds (VOC), particulate matter (PM_{2.5})

SURFACE WATER PROTECTION AND RESTORATION

During the last 10 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.

In general, 60% of state lakes and streams meet water quality standards; however, there are wide variations in condition by watershed. As of January 2020, all 80 watersheds have been monitored and assessed. As this work continues into a second monitoring cycle across the state, the focus will be on measuring progress and, where needed, incorporating monitoring to understand new pollutants of concern.

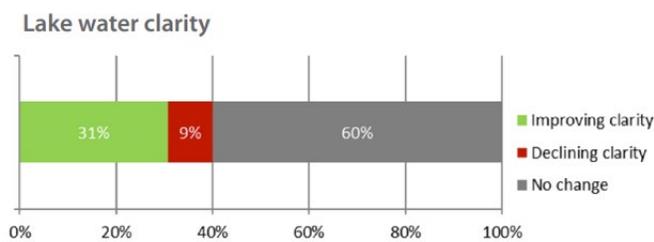
GREENHOUSE GAS EMISSIONS IN MINNESOTA

The EAO Division estimates the greenhouse gas emissions from all sources in Minnesota to track progress against the Next Generation Energy 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, 2023, that will contain the most up-to-date estimates for greenhouse gas emissions.

PERCENT OF LAKES GETTING CLEARER

Clarity is improving or holding steady in 90% of lakes. While water clarity, in general, is poorer in southern Minnesota, increasing and decreasing lake clarity trends are almost evenly scattered through north and south-central Minnesota. Hundreds of volunteers help the MPCA measure water clarity to detect signs of degradation to a lake.



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 FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY24 | FY25 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 197 | 182 | 976 | 539 | 224 | 224 |
| 2000 - Restrict Misc Special Revenue | 170 | 213 | 284 | 304 | 214 | 214 |
| 2001 - Other Misc Special Revenue | 20 | 20 | 371 | 468 | 20 | 20 |
| 2050 - Environment & Natural Resources | 264 | | 1,135 | 269 | | |
| 2302 - Clean Water | 8,576 | 7,514 | 9,314 | 11,442 | | |
| 2800 - Environmental | 11,137 | 12,269 | 11,058 | 14,505 | 12,694 | 12,694 |
| 2801 - Remediation | 155 | 140 | 178 | 223 | 201 | 201 |
| 3000 - Federal | 3,293 | 3,853 | 4,814 | 4,885 | 5,075 | 4,955 |
| Total | 23,811 | 24,191 | 28,130 | 32,635 | 18,428 | 18,308 |
| Biennial Change | | | | 12,763 | | (24,029) |
| Biennial % Change | | | | 27 | | (40) |

| | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| <u>Expenditures by Activity</u> | | | | | | |
| Environmental Analysis and Outcomes Division | 23,811 | 24,191 | 28,130 | 32,635 | 18,428 | 18,308 |
| Total | 23,811 | 24,191 | 28,130 | 32,635 | 18,428 | 18,308 |

| | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | 14,522 | 14,427 | 14,788 | 16,890 | 11,963 | 11,963 |
| Operating Expenses | 9,089 | 8,846 | 13,051 | 15,745 | 6,465 | 6,345 |
| Grants, Aids and Subsidies | 150 | 152 | 200 | | | |
| Capital Outlay-Real Property | 8 | 66 | 61 | | | |
| Other Financial Transaction | 41 | 700 | 30 | | | |
| Total | 23,811 | 24,191 | 28,130 | 32,635 | 18,428 | 18,308 |

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Agency Expenditures | 23,811 | 24,191 | 28,130 | 32,635 | 18,428 | 18,308 |
| Internal Billing Expenditures | 5,906 | 6,216 | 6,373 | 6,154 | 4,181 | 4,181 |
| Expenditures Less Internal Billing | 17,905 | 17,975 | 21,758 | 26,481 | 14,247 | 14,127 |

| | | | | | | |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <u>Full-Time Equivalent</u> | 144.71 | 135.84 | 141.94 | 177.39 | 115.18 | 115.18 |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|

Environmental Analysis and Outcomes Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|------------|
| | | | | | FY24 | FY25 |
| 1000 - General | | | | | | |
| Balance Forward In | | 8 | | 315 | | |
| Direct Appropriation | 205 | 205 | 1,292 | 224 | 224 | 224 |
| Cancellations | | 32 | | | | |
| Balance Forward Out | 8 | | 316 | | | |
| Expenditures | 197 | 182 | 976 | 539 | 224 | 224 |
| Biennial Change in Expenditures | | | | 1,137 | | (1,067) |
| Biennial % Change in Expenditures | | | | 300 | | (70) |
| Full-Time Equivalents | 1.71 | 1.54 | 1.63 | 1.53 | 1.62 | 1.62 |

2000 - Restrict Misc Special Revenue

| | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|
| Balance Forward In | 227 | 301 | 335 | 90 | | |
| Receipts | 238 | 245 | 38 | 214 | 214 | 214 |
| Balance Forward Out | 295 | 333 | 90 | | | |
| Expenditures | 170 | 213 | 284 | 304 | 214 | 214 |
| Biennial Change in Expenditures | | | | 205 | | (160) |
| Biennial % Change in Expenditures | | | | 54 | | (27) |
| Full-Time Equivalents | 1.42 | 1.51 | 2.22 | 1.34 | 1.34 | 1.34 |

2001 - Other Misc Special Revenue

| | | | | | | |
|-----------------------------------|-----------|-----------|------------|------------|-----------|-----------|
| Balance Forward In | | | 800 | 448 | | |
| Receipts | 20 | 820 | 20 | 20 | 20 | 20 |
| Balance Forward Out | | 800 | 448 | | | |
| Expenditures | 20 | 20 | 371 | 468 | 20 | 20 |
| Biennial Change in Expenditures | | | | 800 | | (799) |
| Biennial % Change in Expenditures | | | | 2,052 | | (95) |

2050 - Environment & Natural Resources

| | | | | | | |
|---------------------------------|------------|--|--------------|------------|--|---------|
| Balance Forward In | 92 | | 1,404 | 269 | | |
| Direct Appropriation | 250 | | | | | |
| Cancellations | 78 | | | | | |
| Balance Forward Out | | | 269 | | | |
| Expenditures | 264 | | 1,135 | 269 | | |
| Biennial Change in Expenditures | | | | 1,140 | | (1,404) |

**Environmental Analysis and Outcomes
Division**

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|-------|
| | | | | | FY24 | FY25 |
| Biennial % Change in Expenditures | | | | | | (100) |

2302 - Clean Water

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|---------------|---|----------|
| Balance Forward In | 1,024 | 2,013 | 4,025 | 3,076 | | |
| Direct Appropriation | 9,332 | 9,332 | 8,366 | 8,366 | 0 | 0 |
| Balance Forward Out | 1,781 | 3,831 | 3,077 | | | |
| Expenditures | 8,576 | 7,514 | 9,314 | 11,442 | | |
| Biennial Change in Expenditures | | | | 4,666 | | (20,756) |
| Biennial % Change in Expenditures | | | | 29 | | (100) |
| Full-Time Equivalents | 44.38 | 37.35 | 38.48 | 51.68 | | |

2800 - Environmental

| | | | | | | |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Balance Forward In | | 794 | | 1,601 | | |
| Direct Appropriation | 12,871 | 12,902 | 13,469 | 13,715 | 13,505 | 13,505 |
| Transfers Out | 946 | 811 | 811 | 811 | 811 | 811 |
| Cancellations | | 616 | | | | |
| Balance Forward Out | 788 | | 1,600 | | | |
| Expenditures | 11,137 | 12,269 | 11,058 | 14,505 | 12,694 | 12,694 |
| Biennial Change in Expenditures | | | | 2,157 | | (175) |
| Biennial % Change in Expenditures | | | | 9 | | (1) |
| Full-Time Equivalents | 75.10 | 73.00 | 67.04 | 80.71 | 76.57 | 76.57 |

2801 - Remediation

| | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|
| Balance Forward In | | 46 | | 22 | | |
| Direct Appropriation | 201 | 201 | 201 | 201 | 201 | 201 |
| Cancellations | | 108 | | | | |
| Balance Forward Out | 46 | | 23 | | | |
| Expenditures | 155 | 140 | 178 | 223 | 201 | 201 |
| Biennial Change in Expenditures | | | | 107 | | 1 |
| Biennial % Change in Expenditures | | | | 36 | | 0 |
| Full-Time Equivalents | 0.77 | 0.60 | 1.16 | 1.17 | 1.17 | 1.17 |

3000 - Federal

Environmental Analysis and Outcomes Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY24 | FY25 |
| Receipts | 3,293 | 3,854 | 4,814 | 4,885 | 5,075 | 4,955 |
| Balance Forward Out | | 1 | | | | |
| Expenditures | 3,293 | 3,853 | 4,814 | 4,885 | 5,075 | 4,955 |
| Biennial Change in Expenditures | | | | 2,552 | | 331 |
| Biennial % Change in Expenditures | | | | 36 | | 3 |
| Full-Time Equivalents | 21.33 | 21.84 | 31.41 | 40.96 | 34.48 | 34.48 |

Program: Industrial Division

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

AT A GLANCE

Provide regulatory services (permitting, technical assistance, training, compliance determination, enforcement, licensing, and certification) for:

- 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. We implement a set of core regulatory programs that ensure Minnesota's outdoor air is healthy for all to breathe, and its 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. We provide compliance assistance to pollution sources and respond to citizen complaints. Our efforts support human health and the environment and contribute to strong economies in Minnesota communities. The Industrial Division administers regulatory programs in support of the MPCA's environmental justice policy to avoid disproportionate impacts of pollution on any group of people.

The 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 results in a significant reduction in emissions from these sources and contributes to the attainment of ambient air quality standards in the state.

The 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 varied group of private businesses; industry consultants; local, state, and federal partners; environmental groups, and residents.

SERVICES PROVIDED

The services the division provides fall into three 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.

RESULTS

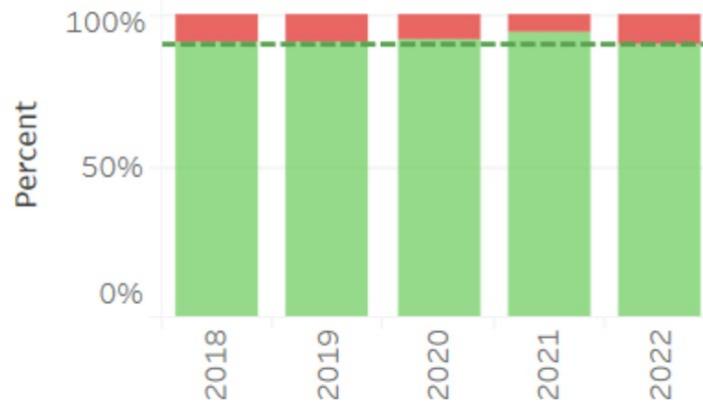
The MPCA has worked hard to speed up the permitting process without compromising the environment. We meet our 90-day and 150-day permitting timeliness goals 97% of the time for priority permits, which are construction-focused and have the most bearing on job growth. This means that 7 land permits and 2,465 water permits were issued in less than 90 days of a completed application being received and only 8 water permits issued after 90 days. For non-priority permits, 47 air permits, 10 land permits and 131 permits were issued in less than 90 days.

Tier 1 timeliness

| Priority | Medium | issued <= 90 | issued > 90 | pending <= 90 | pending > 90 | Total |
|--------------|---------------|--------------|-------------|---------------|--------------|--------------|
| priority | Land Permits | 7 | | | | 7 |
| | Water Permits | 2,465 | 8 | 45 | 6 | 2,524 |
| non-priority | Air Permits | 47 | 4 | 3 | | 54 |
| | Land Permits | 10 | 2 | 6 | 10 | 28 |
| | Water Permits | 131 | | | | 131 |
| Total | | 2,660 | 14 | 54 | 16 | 2,744 |

Issuing permits is only part of what the MPCA does to protect our environment. We also provide assistance; conduct inspections, and enforce standards to improve compliance. In FY22, 90% of inspections had no major non-compliance, which is consistent with compliance rates since FY2018.

Inspection compliance



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 FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|--------------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY24 | FY25 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 700 | 9 | | | | |
| 2000 - Restrict Misc Special Revenue | 394 | 140 | 10 | 17 | 17 | 17 |
| 2001 - Other Misc Special Revenue | 336 | 330 | 353 | 301 | 300 | 300 |
| 2800 - Environmental | 14,130 | 14,333 | 14,000 | 15,882 | 14,955 | 14,955 |
| 2801 - Remediation | 1,001 | 996 | 923 | 1,079 | 1,001 | 1,001 |
| 3000 - Federal | 3,213 | 2,934 | 3,585 | 2,912 | 2,912 | 2,912 |
| Total | 19,774 | 18,740 | 18,871 | 20,191 | 19,185 | 19,185 |
| Biennial Change | | | | 547 | | (692) |
| Biennial % Change | | | | 1 | | (2) |

Expenditures by Activity

| | | | | | | |
|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Industrial Division | 19,774 | 18,740 | 18,871 | 20,191 | 19,185 | 19,185 |
| Total | 19,774 | 18,740 | 18,871 | 20,191 | 19,185 | 19,185 |

Expenditures by Category

| | | | | | | |
|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Compensation | 13,430 | 13,299 | 13,190 | 14,354 | 13,543 | 13,543 |
| Operating Expenses | 6,344 | 5,441 | 5,680 | 5,837 | 5,642 | 5,642 |
| Total | 19,774 | 18,740 | 18,871 | 20,191 | 19,185 | 19,185 |

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Agency Expenditures | 19,774 | 18,740 | 18,871 | 20,191 | 19,185 | 19,185 |
| Internal Billing Expenditures | 4,665 | 4,658 | 4,846 | 4,841 | 4,841 | 4,841 |
| Expenditures Less Internal Billing | 15,109 | 14,082 | 14,025 | 15,350 | 14,344 | 14,344 |

Full-Time Equivalent

| | | | | | | |
|--|--------|--------|--------|--------|--------|--------|
| | 139.23 | 132.20 | 126.58 | 134.21 | 126.20 | 126.20 |
|--|--------|--------|--------|--------|--------|--------|

Industrial Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base FY24 FY25 | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------------------|---|
| 1000 - General | | | | | | |
| Balance Forward In | | 9 | | | | |
| Transfers In | 700 | | | | | |
| Expenditures | 700 | 9 | | | | |
| Biennial Change in Expenditures | | | | (709) | | 0 |
| Biennial % Change in Expenditures | | | | (100) | | |

2000 - Restrict Misc Special Revenue

| | | | | | | |
|-----------------------------------|------------|------------|-----------|-----------|-----------|-----------|
| Balance Forward In | 107 | 163 | 7 | 11 | 9 | 7 |
| Receipts | 449 | (16) | 13 | 15 | 15 | 15 |
| Balance Forward Out | 163 | 7 | 11 | 9 | 7 | 5 |
| Expenditures | 394 | 140 | 10 | 17 | 17 | 17 |
| Biennial Change in Expenditures | | | | (507) | | 7 |
| Biennial % Change in Expenditures | | | | (95) | | 27 |
| Full-Time Equivalents | 2.61 | 1.07 | 0.08 | 0.10 | 0.10 | 0.10 |

2001 - Other Misc Special Revenue

| | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|
| Balance Forward In | 84 | 83 | 53 | 1 | | |
| Receipts | 35 | | | | | |
| Transfers In | 300 | 300 | 300 | 300 | 300 | 300 |
| Balance Forward Out | 83 | 53 | 1 | | | |
| Expenditures | 336 | 330 | 353 | 301 | 300 | 300 |
| Biennial Change in Expenditures | | | | (12) | | (54) |
| Biennial % Change in Expenditures | | | | (2) | | (8) |
| Full-Time Equivalents | 1.97 | 2.04 | 2.24 | 2.00 | 2.00 | 2.00 |

2800 - Environmental

| | | | | | | |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Balance Forward In | 0 | 233 | | 927 | | |
| Direct Appropriation | 14,472 | 14,605 | 15,048 | 15,076 | 15,076 | 15,076 |
| Transfers Out | 121 | 121 | 121 | 121 | 121 | 121 |
| Cancellations | | 384 | | | | |
| Balance Forward Out | 221 | | 927 | | | |
| Expenditures | 14,130 | 14,333 | 14,000 | 15,882 | 14,955 | 14,955 |
| Biennial Change in Expenditures | | | | 1,419 | | 28 |

Industrial Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|-------|
| | | | | | FY24 | FY25 |
| Biennial % Change in Expenditures | | | | 5 | | 0 |
| Full-Time Equivalents | 99.05 | 96.17 | 90.30 | 103.05 | 96.30 | 96.30 |

2801 - Remediation

| | | | | | | |
|-----------------------------------|--------------|------------|------------|--------------|--------------|--------------|
| Balance Forward In | | | | 78 | | |
| Direct Appropriation | 1,001 | 1,001 | 1,001 | 1,001 | 1,001 | 1,001 |
| Cancellations | | 5 | | | | |
| Balance Forward Out | | | 78 | | | |
| Expenditures | 1,001 | 996 | 923 | 1,079 | 1,001 | 1,001 |
| Biennial Change in Expenditures | | | | 5 | | 0 |
| Biennial % Change in Expenditures | | | | 0 | | (0) |
| Full-Time Equivalents | 7.96 | 7.80 | 6.50 | 8.40 | 7.20 | 7.20 |

3000 - Federal

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Receipts | 3,213 | 2,934 | 3,585 | 2,912 | 2,912 | 2,912 |
| Expenditures | 3,213 | 2,934 | 3,585 | 2,912 | 2,912 | 2,912 |
| Biennial Change in Expenditures | | | | 351 | | (673) |
| Biennial % Change in Expenditures | | | | 6 | | (10) |
| Full-Time Equivalents | 27.64 | 25.12 | 27.46 | 20.66 | 20.60 | 20.60 |

Program: Municipal Division

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

AT A GLANCE

- 137 municipal wastewater permits issued in FY22.
- 3,107 construction stormwater permits issued during FY22.
- 249 municipalities operated under municipal stormwater permit coverage in FY22.
- 57 sub-surface sewage treatment systems compliance and enforcement actions taken in FY22.
- 170 construction stormwater compliance and enforcement actions taken in FY22.
- 10 municipal stormwater compliance and enforcement actions taken in FY22.
- 140 municipal wastewater compliance and enforcement actions taken in FY22.
- 131 grants totaling \$2.8 million awarded to local partners for SSTS grants in FY22.

PURPOSE AND CONTEXT

The Municipal Division works to ensure that Minnesota has clean water to support aquatic life, drinking water, healthy communities, and a strong economy. Components of the program include:

- Reducing and preventing water pollution from wastewater, stormwater, and sub-surface sewage treatment systems (SSTS).
- Working cooperatively with stakeholders to implement activities that protect Minnesota waters.
- 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 that 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
- Implements the biosolids land application program
- Assists in flood and spill response
- Inspects, assists, and enforces wastewater, stormwater, and SSTS
- Educates, licenses, and certifies wastewater and SSTS professionals
- Addresses imminent health threats from septic systems, particularly for low-income households
- Provides grants and contracts for water quality improvement projects
- Conducts technical reviews for the Public Facilities Authority funding program

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 MPCA continues to implement the Nutrient Reduction Strategy by adding nitrogen monitoring to the remaining permits, reviewing the influent and effluent data, and will begin working with permittees on nitrogen management options.

The Municipal Division has been reducing the number of expired wastewater permits. By issuing 137 permits in FY22, the division met an internal goal of reducing the overall permit backlog from 37% to 25% expired, and a subset of those permits, the majors, from 50% expired to 37% expired.

Municipal Stormwater

Since 2015, cities have used best management practices (BMPs) to help to achieve reductions in pollutants. Cities and other regulated stormwater permittees have installed over 4,000 BMPs, including practices such as street sweeping, infrastructure retrofits, ordinances and education and outreach.

According to data as of 2020, these stormwater practices have prevented over 26,284 pounds of phosphorus from entering our lakes, rivers and streams.

Sub-Surface Sewage Treatment System (SSTS)

Overall, SSTS in Minnesota are becoming increasingly compliant year-over-year. The estimated percentage of compliant SSTS, out of total SSTS in Minnesota, increased from 66% in 2007 to 83% in 2021. More specifically, compliance rates increased rapidly from 66% in 2007 to 80% in 2013 followed by a period where estimated compliance rates remained steady around 80%. In 2021 Minnesota saw a slight increase to 83% estimated compliance statewide.

Over this same period, from 2007 to 2021, the estimated number of SSTS which are Failing to Protect Groundwater has decreased from 23% in 2007 to 13 % in 2021. Similarly, the number of SSTS considered Imminent Threats to Public Health and Safety has decreased from 11% in 2007 to 4% in 2021.

Minnesota Statutes, Chapters, [115 \(https://www.revisor.mn.gov/statutes/?id=115\)](https://www.revisor.mn.gov/statutes/?id=115), [115A \(https://www.revisor.mn.gov/statutes/?id=115A\)](https://www.revisor.mn.gov/statutes/?id=115A), and [116 \(https://www.revisor.mn.gov/statutes/?id=116\)](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 FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY24 | FY25 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 147 | 147 | 153 | 214 | 190 | 190 |
| 1200 - State Government Special Rev | | | 75 | 75 | 75 | 75 |
| 2000 - Restrict Misc Special Revenue | 260 | 353 | 363 | 658 | 559 | 559 |
| 2050 - Environment & Natural Resources | 499 | | 500 | 2,134 | 33 | 33 |
| 2302 - Clean Water | 4,453 | 5,583 | 4,594 | 5,340 | | |
| 2800 - Environmental | 7,486 | 7,727 | 8,295 | 9,359 | 8,867 | 8,867 |
| 3000 - Federal | 962 | 916 | 1,268 | 1,267 | 1,217 | 1,217 |
| 8200 - Clean Water Revolving | 1,588 | 1,863 | 1,829 | 2,027 | 2,027 | 2,027 |
| Total | 15,397 | 16,588 | 17,076 | 21,074 | 12,968 | 12,968 |
| Biennial Change | | | | 6,165 | | (12,214) |
| Biennial % Change | | | | 19 | | (32) |

Expenditures by Activity

| | | | | | | |
|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Municipal Division | 15,397 | 16,588 | 17,076 | 21,074 | 12,968 | 12,968 |
| Total | 15,397 | 16,588 | 17,076 | 21,074 | 12,968 | 12,968 |

Expenditures by Category

| | | | | | | |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Compensation | 8,272 | 8,860 | 9,488 | 10,794 | 9,242 | 9,242 |
| Operating Expenses | 6,824 | 6,548 | 6,819 | 9,430 | 3,626 | 3,626 |
| Grants, Aids and Subsidies | 300 | 1,180 | 770 | 850 | 100 | 100 |
| Capital Outlay-Real Property | | 1 | | | | |
| Total | 15,397 | 16,588 | 17,076 | 21,074 | 12,968 | 12,968 |

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Agency Expenditures | 15,397 | 16,588 | 17,076 | 21,074 | 12,968 | 12,968 |
| Internal Billing Expenditures | 2,897 | 2,934 | 3,271 | 3,236 | 2,903 | 2,903 |
| Expenditures Less Internal Billing | 12,500 | 13,654 | 13,805 | 17,838 | 10,065 | 10,065 |

Full-Time Equivalent

| | | | | | | |
|--|-------|-------|-------|--------|-------|-------|
| | 84.93 | 86.87 | 91.87 | 100.03 | 87.29 | 87.29 |
|--|-------|-------|-------|--------|-------|-------|

Municipal Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|------------|
| | | | | | FY24 | FY25 |
| 1000 - General | | | | | | |
| Balance Forward In | | 17 | | 24 | | |
| Direct Appropriation | 164 | 164 | 177 | 190 | 190 | 190 |
| Transfers Out | | 30 | | | | |
| Cancellations | | 3 | | | | |
| Balance Forward Out | 17 | | 24 | | | |
| Expenditures | 147 | 147 | 153 | 214 | 190 | 190 |
| Biennial Change in Expenditures | | | | 72 | | 13 |
| Biennial % Change in Expenditures | | | | 25 | | 4 |
| Full-Time Equivalents | 0.92 | 0.79 | 0.80 | 1.00 | 0.80 | 0.80 |

1200 - State Government Special Rev

| | | | | | | |
|-----------------------------------|--|--|-----------|-----------|-----------|-----------|
| Direct Appropriation | | | 75 | 75 | 75 | 75 |
| Balance Forward Out | | | 0 | | | |
| Expenditures | | | 75 | 75 | 75 | 75 |
| Biennial Change in Expenditures | | | | 150 | | 0 |
| Biennial % Change in Expenditures | | | | | | 0 |
| Full-Time Equivalents | | | 0.63 | 0.58 | 0.58 | 0.58 |

2000 - Restrict Misc Special Revenue

| | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|
| Balance Forward In | | 207 | 136 | 99 | | |
| Receipts | 344 | 281 | 326 | 559 | 559 | 559 |
| Transfers In | 123 | | | | | |
| Balance Forward Out | 207 | 135 | 99 | | | |
| Expenditures | 260 | 353 | 363 | 658 | 559 | 559 |
| Biennial Change in Expenditures | | | | 408 | | 97 |
| Biennial % Change in Expenditures | | | | 67 | | 10 |
| Full-Time Equivalents | 1.67 | 1.87 | 2.04 | 2.35 | 2.35 | 2.35 |

2050 - Environment & Natural Resources

| | | | | | | |
|----------------------|-----|-----|-----|-------|----|----|
| Balance Forward In | 3 | 44 | 700 | 200 | 66 | 33 |
| Direct Appropriation | 500 | | | 2,000 | 0 | 0 |
| Transfers In | | 700 | | | | |
| Transfers Out | | 3 | | | | |

Municipal Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|-----------|
| | | | | | FY24 | FY25 |
| Cancellations | | 41 | | | | |
| Balance Forward Out | 4 | 700 | 200 | 66 | 33 | |
| Expenditures | 499 | | 500 | 2,134 | 33 | 33 |
| Biennial Change in Expenditures | | | | 2,135 | | (2,568) |
| Biennial % Change in Expenditures | | | | | | (97) |
| Full-Time Equivalents | | | | 0.25 | 0.25 | 0.25 |

2302 - Clean Water

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|---|---------|
| Balance Forward In | 39 | 839 | 510 | 628 | | |
| Direct Appropriation | 5,250 | 5,250 | 4,712 | 4,712 | 0 | 0 |
| Cancellations | | | 0 | | | |
| Balance Forward Out | 836 | 506 | 628 | | | |
| Expenditures | 4,453 | 5,583 | 4,594 | 5,340 | | |
| Biennial Change in Expenditures | | | | (102) | | (9,934) |
| Biennial % Change in Expenditures | | | | (1) | | (100) |
| Full-Time Equivalents | 8.00 | 7.96 | 7.92 | 8.15 | | |

2800 - Environmental

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Balance Forward In | | 532 | | 492 | | |
| Direct Appropriation | 8,068 | 7,695 | 8,837 | 8,917 | 8,917 | 8,917 |
| Transfers Out | 50 | 50 | 50 | 50 | 50 | 50 |
| Cancellations | | 450 | | | | |
| Balance Forward Out | 532 | | 492 | | | |
| Expenditures | 7,486 | 7,727 | 8,295 | 9,359 | 8,867 | 8,867 |
| Biennial Change in Expenditures | | | | 2,441 | | 80 |
| Biennial % Change in Expenditures | | | | 16 | | 0 |
| Full-Time Equivalents | 55.74 | 55.75 | 58.51 | 69.80 | 65.86 | 65.86 |

3000 - Federal

| | | | | | | |
|-----------------------------------|------------|------------|--------------|--------------|--------------|--------------|
| Receipts | 962 | 916 | 1,268 | 1,267 | 1,217 | 1,217 |
| Expenditures | 962 | 916 | 1,268 | 1,267 | 1,217 | 1,217 |
| Biennial Change in Expenditures | | | | 657 | | (101) |
| Biennial % Change in Expenditures | | | | 35 | | (4) |

Municipal Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY24 | FY25 |
| Full-Time Equivalents | 6.48 | 6.29 | 8.70 | 6.65 | 6.20 | 6.20 |

8200 - Clean Water Revolving

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Balance Forward In | 2 | | | | | |
| Transfers In | 1,586 | 1,863 | 1,829 | 2,027 | 2,027 | 2,027 |
| Expenditures | 1,588 | 1,863 | 1,829 | 2,027 | 2,027 | 2,027 |
| Biennial Change in Expenditures | | | | 405 | | 198 |
| Biennial % Change in Expenditures | | | | 12 | | 5 |
| Full-Time Equivalents | 12.12 | 14.21 | 13.27 | 11.25 | 11.25 | 11.25 |

Program: Operations Division

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

AT A GLANCE

- “What’s in My Neighborhood” web application provides public access to environmental data and information on 187,434 sites in Minnesota.
- More than 2.1 million visits to the MPCA website with 5.1 million-page views in FY22.
- Processed 16,414 data and information requests in the FY21-22 biennium, an increase of 7 percent over the previous biennium.
- 167 total online services currently available.
- Over 20,000 online users have submitted over 212,000 permit-related transactions since FY15.
- First Minnesota government agency to achieve the prestigious Malcolm Baldrige Quality Award in recognition of performance excellence.
- Governor’s Outstanding Safety Award for both FY21 and FY22.
- One of the top state agencies for employee engagement and continuous improvement.
- Triaged approximately 4,200 emergency notifications and responded to about 2,500 spills in FY22.

PURPOSE AND CONTEXT

The 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, 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 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 advances an agency culture that values diversity, inclusion, and equity-centric practices.
- It cleans up spills or leaks that can affect health and environment.

SERVICES PROVIDED

- Provides leadership and guidance on financial matters and performs accounting, budgeting, contracting, internal controls, and procurement business functions.
- Manages agency data and records (paper and electronic), and ensures effective, secure, and efficient data and document management systems and tools.
- Manages data applications to streamline agency processes and to innovate on new methods to interact with the public, regulated parties, and partners.
- 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.
- Assesses environmental risk and 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. In the event of a spill, assists local responders and oversees cleanup.

RESULTS

Data Services: Data practices and information requests allow for timely property redevelopment or construction. Over half (55%) of requests are for petroleum, leaks, tanks, and environmental review documents, and over a third (40%) are for solid waste, hazardous waste, and superfund documents. The data requests have increased from Fiscal Year 2019 through Fiscal Year 2022 from about 8000 to 8300 requests per year.

Communication: On average in FY22, the MPCA website was visited by more than 144,000 unique visitors each month, an increase of 24% from FY21. The average user views 1.9 pages per visit. In total, there were 5.1 million page views on the agency website in FY22, compared to 4.2 million page views during FY21 (an increase of 22%).

The MPCA maintains a robust presence on its social media channels — Instagram, LinkedIn, Facebook, Twitter, and YouTube. In the past 12 months, the MPCA gained more than 2,300 new followers. The agency’s engagement rate on its social media channels began leveling off in FY22. The engagement rates were: Instagram — 12%, LinkedIn — 6%, Facebook — 6%, Twitter — 3%. The engagement rates for the MPCA’s Instagram, LinkedIn, Facebook, and Twitter channels range from two to 81 times higher than the industry average. The agency used a new social media platform — Nextdoor — to send hyper-targeted messaging to nearly a million Minnesotans in the Twin Cities seven-county metro area.

Online Services: The MPCA’s number of online services have steadily increased since FY15. The agency’s e-Services allow users to apply for permits, close out permitted sites, submit regulatory data and information for compliance requirements, submit volunteer monitoring results, request property review service, apply and maintain licenses, submit report data, and pay fees and invoices. While 167 online services have been developed and implemented, about 250 more online services still need to be developed and implemented in addition to new methods to receive and collect data. Existing systems need to be upgraded and maintained to meet current technology standards.

Table: Number of online services. Shows the increase from Fiscal year 2014 of 10 service to expected 167 by the end of Fiscal Year 2023, and explained above.

| | FY14-15 | FY16-17 | FY18-19 | FY20-21 | FY22-23 |
|---------------------------|---------|---------|---------|---------|---------|
| Number of online services | 10 | 20 | 70 | 123 | 167 |

M.S. Chapters 114D (<https://www.revisor.mn.gov/statutes/?id=114D>), 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>).

Operations Division

Program Expenditure Overview

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY24 | FY25 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 2,490 | 2,490 | 3,531 | 3,532 | 2,532 | 2,532 |
| 1200 - State Government Special Rev | 1 | 2 | 2 | 1 | 1 | 1 |
| 2001 - Other Misc Special Revenue | 29,337 | 28,520 | 29,029 | 34,704 | 30,626 | 30,821 |
| 2050 - Environment & Natural Resources | | | 2 | 798 | | |
| 2302 - Clean Water | 96 | 47 | 35 | 30 | | |
| 2800 - Environmental | 5,015 | 5,298 | 5,538 | 6,548 | 6,053 | 6,053 |
| 2801 - Remediation | 884 | 908 | 1,909 | 2,423 | 2,165 | 1,985 |
| 3000 - Federal | 937 | 1,143 | 1,174 | 1,393 | 1,261 | 1,261 |
| Total | 38,761 | 38,408 | 41,220 | 49,429 | 42,638 | 42,653 |
| Biennial Change | | | | 13,479 | | (5,358) |
| Biennial % Change | | | | 17 | | (6) |

Expenditures by Activity

| | | | | | | |
|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Operations Division | 38,761 | 38,408 | 41,220 | 49,429 | 42,638 | 42,653 |
| Total | 38,761 | 38,408 | 41,220 | 49,429 | 42,638 | 42,653 |

Expenditures by Category

| | | | | | | |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Compensation | 15,932 | 16,018 | 17,283 | 21,392 | 17,903 | 17,748 |
| Operating Expenses | 22,806 | 22,071 | 23,873 | 28,028 | 24,726 | 24,896 |
| Grants, Aids and Subsidies | | | 0 | | | |
| Capital Outlay-Real Property | 1 | | | | | |
| Other Financial Transaction | 23 | 320 | 63 | 9 | 9 | 9 |
| Total | 38,761 | 38,408 | 41,220 | 49,429 | 42,638 | 42,653 |

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Agency Expenditures | 38,761 | 38,408 | 41,220 | 49,429 | 42,638 | 42,653 |
| Internal Billing Expenditures | 1,646 | 1,705 | 2,220 | 2,344 | 2,344 | 2,319 |
| Expenditures Less Internal Billing | 37,115 | 36,703 | 39,000 | 47,085 | 40,294 | 40,334 |

Full-Time Equivalent

| | | | | | | |
|--|--------|--------|--------|--------|--------|--------|
| | 149.35 | 146.44 | 154.24 | 188.90 | 171.52 | 169.52 |
|--|--------|--------|--------|--------|--------|--------|

Operations Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY24 | FY25 |
| 1000 - General | | | | | | |
| Balance Forward In | | | | 1,000 | | |
| Direct Appropriation | 2,490 | 2,490 | 2,531 | 2,532 | 2,532 | 2,532 |
| Transfers In | | | 2,000 | | | |
| Balance Forward Out | | | 1,000 | | | |
| Expenditures | 2,490 | 2,490 | 3,531 | 3,532 | 2,532 | 2,532 |
| Biennial Change in Expenditures | | | | 2,083 | | (1,999) |
| Biennial % Change in Expenditures | | | | 42 | | (28) |

1200 - State Government Special Rev

| | | | | | | |
|-----------------------------------|----------|----------|----------|----------|----------|----------|
| Open Appropriation | 1 | 2 | 2 | 1 | 1 | 1 |
| Expenditures | 1 | 2 | 2 | 1 | 1 | 1 |
| Biennial Change in Expenditures | | | | (1) | | (1) |
| Biennial % Change in Expenditures | | | | (22) | | (22) |

2001 - Other Misc Special Revenue

| | | | | | | |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Balance Forward In | 5,323 | 4,960 | 5,464 | 6,625 | 2,328 | 1,887 |
| Receipts | 28,627 | 28,937 | 30,197 | 30,428 | 30,310 | 30,377 |
| Internal Billing Receipts | 28,579 | 28,845 | 30,014 | 29,811 | 29,693 | 29,760 |
| Transfers In | 104 | 104 | 104 | 104 | | |
| Transfers Out | 56 | 70 | 112 | 125 | 125 | 125 |
| Balance Forward Out | 4,661 | 5,410 | 6,625 | 2,328 | 1,887 | 1,318 |
| Expenditures | 29,337 | 28,520 | 29,029 | 34,704 | 30,626 | 30,821 |
| Biennial Change in Expenditures | | | | 5,875 | | (2,286) |
| Biennial % Change in Expenditures | | | | 10 | | (4) |
| Full-Time Equivalents | 102.98 | 98.52 | 100.41 | 123.38 | 109.38 | 109.38 |

2050 - Environment & Natural Resources

| | | | | | | |
|-----------------------------------|--|--|----------|------------|--|-------|
| Balance Forward In | | | | 798 | | |
| Direct Appropriation | | | 800 | | | |
| Balance Forward Out | | | 798 | | | |
| Expenditures | | | 2 | 798 | | |
| Biennial Change in Expenditures | | | | 800 | | (800) |
| Biennial % Change in Expenditures | | | | | | (100) |

Operations Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY24 | FY25 |
| Full-Time Equivalents | | | 0.01 | 0.50 | | |

2302 - Clean Water

| | | | | | | |
|-----------------------------------|-----------|-----------|-----------|-----------|---|-------|
| Balance Forward In | 62 | | | | | |
| Open Appropriation | 35 | 47 | 35 | 30 | 0 | 0 |
| Expenditures | 96 | 47 | 35 | 30 | | |
| Biennial Change in Expenditures | | | | (78) | | (65) |
| Biennial % Change in Expenditures | | | | (55) | | (100) |
| Full-Time Equivalents | 1.22 | 0.07 | | | | |

2800 - Environmental

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Balance Forward In | | 203 | | 495 | | |
| Direct Appropriation | 5,008 | 5,019 | 5,778 | 5,791 | 5,791 | 5,791 |
| Open Appropriation | 22,203 | 22,429 | 25,247 | 22,255 | 19,255 | 22,255 |
| Transfers In | 6 | 8 | 8 | 7 | 7 | 7 |
| Transfers Out | 22,000 | 22,150 | 25,000 | 22,000 | 19,000 | 22,000 |
| Cancellations | | 211 | | | | |
| Balance Forward Out | 201 | | 494 | | | |
| Expenditures | 5,015 | 5,298 | 5,538 | 6,548 | 6,053 | 6,053 |
| Biennial Change in Expenditures | | | | 1,773 | | 20 |
| Biennial % Change in Expenditures | | | | 17 | | 0 |
| Full-Time Equivalents | 31.79 | 33.25 | 35.71 | 40.67 | 39.54 | 39.54 |

2801 - Remediation

| | | | | | | |
|-----------------------------------|------------|------------|--------------|--------------|--------------|--------------|
| Balance Forward In | | 7 | | 258 | | |
| Direct Appropriation | 828 | 828 | 2,081 | 2,081 | 2,081 | 1,901 |
| Open Appropriation | 63 | 88 | 86 | 84 | 84 | 84 |
| Cancellations | | 16 | | | | |
| Balance Forward Out | 7 | | 258 | | | |
| Expenditures | 884 | 908 | 1,909 | 2,423 | 2,165 | 1,985 |
| Biennial Change in Expenditures | | | | 2,540 | | (182) |
| Biennial % Change in Expenditures | | | | 142 | | (4) |
| Full-Time Equivalents | 6.19 | 6.27 | 11.18 | 15.80 | 14.30 | 12.30 |

Operations Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY24 | FY25 |
| 3000 - Federal | | | | | | |
| Balance Forward In | | 0 | | | | |
| Receipts | 937 | 1,143 | 1,174 | 1,393 | 1,261 | 1,261 |
| Balance Forward Out | | 0 | | | | |
| Expenditures | 937 | 1,143 | 1,174 | 1,393 | 1,261 | 1,261 |
| Biennial Change in Expenditures | | | | 487 | | (45) |
| Biennial % Change in Expenditures | | | | 23 | | (2) |
| Full-Time Equivalents | 7.17 | 8.33 | 6.93 | 8.55 | 8.30 | 8.30 |

Program: Remediation Division

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

AT A GLANCE

- Assess over 3,100 sites per year for risk to public health and the environment.
- Approximately 102,000 acres of contaminated land cleaned up and returned to productive use since 2003.
- Maintenance of 111 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 restoration of contaminated land to productive use.

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, and residents.

SERVICES PROVIDED

We work with public and private partners to protect Minnesota's environment, public health, and quality of life through the proper management and cleanup of contaminated sites, which include petroleum tank leak sites, superfund 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 Natural Resource Damage Assessment.

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.

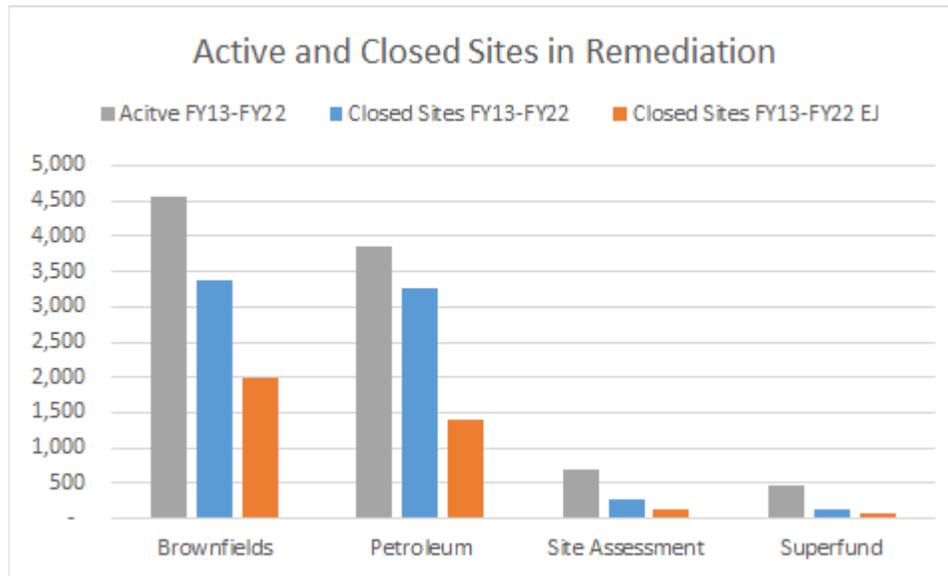
Long-term maintenance

- Monitor and manage operation and maintenance activities at 111 closed landfills and 330 superfund sites.
- Work with local units of government on land use restrictions near 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 describes our demand for managing remediation sites in the brownfields, petroleum, site assessment and superfund programs. We track the number sites closed and the number that were closed within environmental justice areas. Over the past decade, we have closed over 6,000 sites; of those over half were in an environmental justice area.



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 FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY24 | FY25 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 216 | | | | | |
| 2000 - Restrict Misc Special Revenue | 584 | 725 | 855 | 742 | 635 | 635 |
| 2001 - Other Misc Special Revenue | 141 | 76 | 75 | 39 | | |
| 2050 - Environment & Natural Resources | 158 | | | 800 | | |
| 2302 - Clean Water | 653 | 468 | 452 | 1,933 | | |
| 2800 - Environmental | 782 | 1,100 | 455 | 561 | 508 | 508 |
| 2801 - Remediation | 53,924 | 56,573 | 55,782 | 96,898 | 92,952 | 157,952 |
| 2802 - Closed Landfill Investment | 1,408 | 414 | 1,956 | 4,500 | 4,500 | 4,500 |
| 3000 - Federal | 5,116 | 3,278 | 5,584 | 6,007 | 6,079 | 6,044 |
| Total | 62,979 | 62,635 | 65,159 | 111,480 | 104,674 | 169,639 |
| Biennial Change | | | | 51,025 | | 97,674 |
| Biennial % Change | | | | 41 | | 55 |

Expenditures by Activity

| | | | | | | |
|----------------------|---------------|---------------|---------------|----------------|----------------|----------------|
| Remediation Division | 62,979 | 62,635 | 65,159 | 111,480 | 104,674 | 169,639 |
| Total | 62,979 | 62,635 | 65,159 | 111,480 | 104,674 | 169,639 |

Expenditures by Category

| | | | | | | |
|------------------------------|---------------|---------------|---------------|----------------|----------------|----------------|
| Compensation | 12,668 | 13,269 | 11,925 | 14,211 | 13,212 | 13,181 |
| Operating Expenses | 32,341 | 32,120 | 31,145 | 45,014 | 37,636 | 37,632 |
| Grants, Aids and Subsidies | 17,924 | 17,191 | 21,116 | 52,255 | 53,826 | 118,826 |
| Capital Outlay-Real Property | 46 | 45 | 964 | | | |
| Other Financial Transaction | | 9 | 9 | | | |
| Total | 62,979 | 62,635 | 65,159 | 111,480 | 104,674 | 169,639 |

| | | | | | | |
|---|---------------|---------------|---------------|----------------|----------------|----------------|
| Total Agency Expenditures | 62,979 | 62,635 | 65,159 | 111,480 | 104,674 | 169,639 |
| Internal Billing Expenditures | 4,376 | 4,097 | 4,184 | 4,118 | 3,946 | 3,942 |
| Expenditures Less Internal Billing | 58,603 | 58,537 | 60,975 | 107,362 | 100,728 | 165,697 |

Full-Time Equivalent

| | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | 121.40 | 123.81 | 109.30 | 124.78 | 116.63 | 116.48 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|

Remediation Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY24 | FY25 |
| 1000 - General | | | | | | |
| Balance Forward In | 0 | 0 | | | | |
| Direct Appropriation | 216 | | | | | |
| Cancellations | | 0 | | | | |
| Expenditures | 216 | | | | | |
| Biennial Change in Expenditures | | | | (216) | | 0 |
| Biennial % Change in Expenditures | | | | | | |
| Full-Time Equivalents | 1.34 | 0.07 | | | | |

2000 - Restrict Misc Special Revenue

| | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|
| Balance Forward In | 309 | 385 | 326 | 107 | | |
| Receipts | 659 | 666 | 635 | 635 | 635 | 635 |
| Balance Forward Out | 385 | 326 | 107 | | | |
| Expenditures | 584 | 725 | 855 | 742 | 635 | 635 |
| Biennial Change in Expenditures | | | | 289 | | (327) |
| Biennial % Change in Expenditures | | | | 22 | | (20) |
| Full-Time Equivalents | 3.84 | 6.03 | 6.18 | 4.35 | 3.35 | 3.35 |

2001 - Other Misc Special Revenue

| | | | | | | |
|-----------------------------------|------------|-----------|-----------|-----------|--|-------|
| Balance Forward In | 22 | 76 | 53 | 18 | | |
| Receipts | 135 | 30 | 40 | 21 | | |
| Balance Forward Out | 16 | 30 | 18 | | | |
| Expenditures | 141 | 76 | 75 | 39 | | |
| Biennial Change in Expenditures | | | | (103) | | (114) |
| Biennial % Change in Expenditures | | | | (47) | | (100) |
| Full-Time Equivalents | 0.04 | | | | | |

2050 - Environment & Natural Resources

| | | | | | | |
|-----------------------------------|------------|--|--|------------|---|-------|
| Balance Forward In | 158 | | | | | |
| Direct Appropriation | | | | 800 | 0 | 0 |
| Cancellations | 0 | | | | | |
| Expenditures | 158 | | | 800 | | |
| Biennial Change in Expenditures | | | | 642 | | (800) |
| Biennial % Change in Expenditures | | | | | | |

Remediation Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY24 | FY25 |
| Full-Time Equivalents | 3.15 | 0.13 | | | | |

2302 - Clean Water

| | | | | | | |
|-----------------------------------|------------|------------|------------|--------------|---|---------|
| Balance Forward In | | 599 | 885 | 1,183 | | |
| Direct Appropriation | 750 | 750 | 750 | 750 | 0 | 0 |
| Transfers In | 461 | | | | | |
| Balance Forward Out | 558 | 880 | 1,183 | | | |
| Expenditures | 653 | 468 | 452 | 1,933 | | |
| Biennial Change in Expenditures | | | | 1,264 | | (2,385) |
| Biennial % Change in Expenditures | | | | 113 | | (100) |
| Full-Time Equivalents | 0.81 | 0.72 | 0.85 | 0.80 | | |

2800 - Environmental

| | | | | | | |
|-----------------------------------|------------|--------------|------------|------------|------------|------------|
| Balance Forward In | | 50 | | 53 | | |
| Direct Appropriation | 832 | 1,099 | 508 | 508 | 508 | 508 |
| Cancellations | | 49 | | | | |
| Balance Forward Out | 50 | | 53 | | | |
| Expenditures | 782 | 1,100 | 455 | 561 | 508 | 508 |
| Biennial Change in Expenditures | | | | (866) | | 0 |
| Biennial % Change in Expenditures | | | | (46) | | (0) |
| Full-Time Equivalents | 5.00 | 6.95 | 3.26 | 3.10 | 2.90 | 2.90 |

2801 - Remediation

| | | | | | | |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Balance Forward In | 723,640 | 729,373 | 710,318 | 692,135 | 637,863 | 578,788 |
| Direct Appropriation | 11,846 | 11,846 | 11,029 | 11,029 | 11,029 | 11,029 |
| Open Appropriation | 11,878 | 11,188 | 11,369 | 13,900 | 13,900 | 13,900 |
| Receipts | 27,736 | 12,703 | 8,935 | 10,505 | 2,730 | 2,730 |
| Transfers In | 35,246 | 24,962 | 45,206 | 37,845 | 66,050 | 131,050 |
| Transfers Out | 30,994 | 19,613 | 40,533 | 30,653 | 59,832 | 124,832 |
| Cancellations | | 1,129 | | | | |
| Balance Forward Out | 728,715 | 712,758 | 692,133 | 637,863 | 578,788 | 454,713 |
| Expenditures | 53,924 | 56,573 | 55,782 | 96,898 | 92,952 | 157,952 |
| Biennial Change in Expenditures | | | | 42,183 | | 98,224 |

Remediation Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|-------|
| | | | | | FY24 | FY25 |
| Biennial % Change in Expenditures | | | | 38 | | 64 |
| Full-Time Equivalents | 78.88 | 93.01 | 71.32 | 90.47 | 79.37 | 79.37 |

2802 - Closed Landfill Investment

| | | | | | | |
|-----------------------------------|--------------|------------|--------------|--------------|--------------|--------------|
| Balance Forward In | | 428 | | | | |
| Direct Appropriation | 1,622 | | 4,500 | 4,500 | 4,500 | 4,500 |
| Cancellations | | 15 | 2,544 | | | |
| Balance Forward Out | 214 | | | | | |
| Expenditures | 1,408 | 414 | 1,956 | 4,500 | 4,500 | 4,500 |
| Biennial Change in Expenditures | | | | 4,635 | | 2,544 |
| Biennial % Change in Expenditures | | | | 255 | | 39 |
| Full-Time Equivalents | 1.00 | 0.06 | | | | |

3000 - Federal

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Receipts | 5,145 | 3,278 | 5,584 | 6,007 | 6,079 | 6,044 |
| Balance Forward Out | 29 | | | | | |
| Expenditures | 5,116 | 3,278 | 5,584 | 6,007 | 6,079 | 6,044 |
| Biennial Change in Expenditures | | | | 3,196 | | 532 |
| Biennial % Change in Expenditures | | | | 38 | | 5 |
| Full-Time Equivalents | 27.34 | 16.84 | 27.69 | 26.06 | 31.01 | 30.86 |

Program: Resource Management and Assistance Division

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

AT A GLANCE

- Over 35 million dollars are distributed to local units of government each biennium to advance waste reduction, reuse, recycling, and composting, across Minnesota. Since the first year of the funding Minnesotans have responded by increasing overall reduction and recycling rates from less than 10% to nearly 50% of all the waste we generate. That means less disposal at landfills and more recovery of materials for secondary manufacturing and Minnesota jobs. The Agency is now focusing on further reducing the impacts of food and organic materials through food rescue and organic composting.
- Enables Minnesota companies to save money, prevent pollution, prevent waste, recover resources, and conserve water through its Small Business Environmental 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 Eco Experience exhibit at the Minnesota State Fair.

PURPOSE AND CONTEXT

The Resource Management and Assistance Division supports the agency's land, water, and air regulatory and assistance programs, 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 residents 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% 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

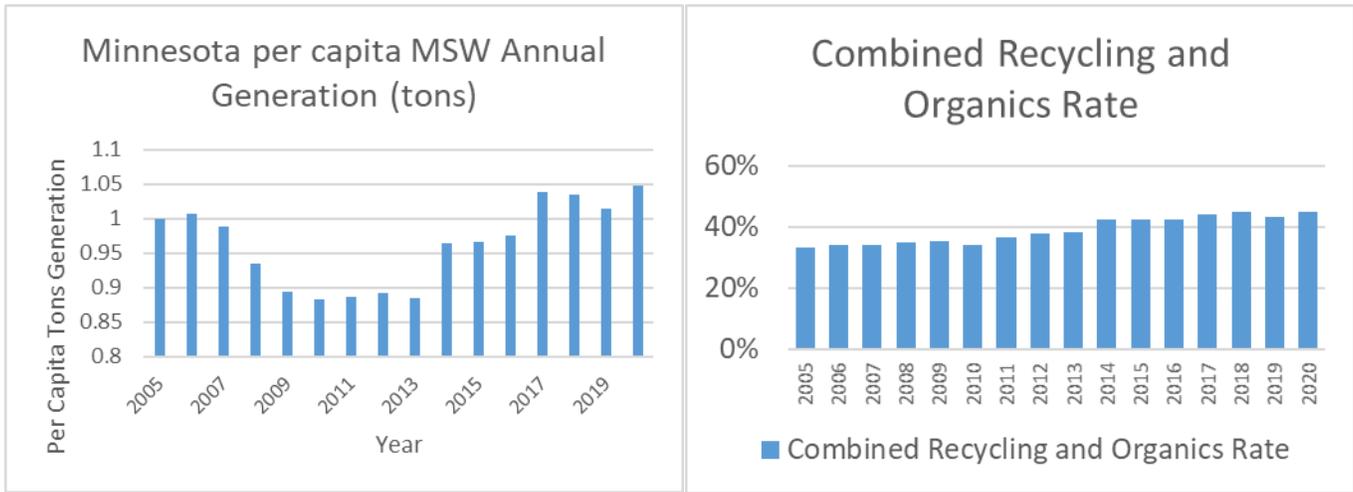
To accomplish its purpose, the Resource Management and Assistance Division:

- 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 areas of environmental justice concern to reduce disproportionate environmental impacts.
- Manages Section 401 water quality certifications to ensure that federally permitted/licensed projects do not violate state water quality standards.
- 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.
- Oversees disposal of debris from natural disasters and other incidents.
- Provides communities and businesses 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.
- 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, particularly children’s products.
- Collaborates with other state agencies to increase procurement of environmentally preferable products and services.

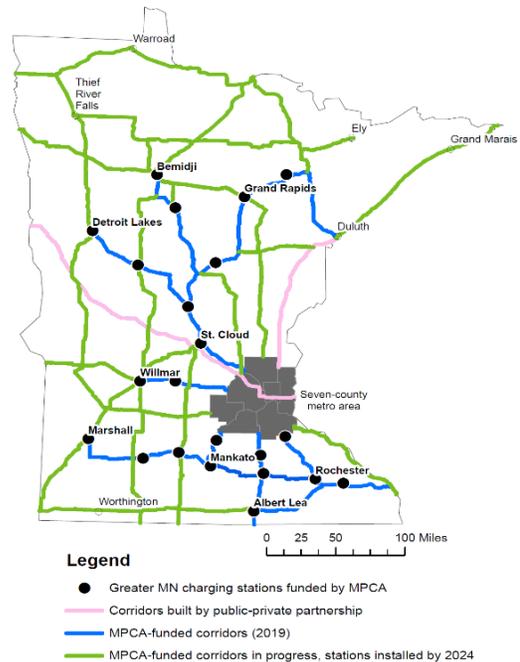
RESULTS

The 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 of mixed solid waste (MSW) decreased during the 2008 recession; but has increased and surpassed pre-2008 levels since. The change was from 0.91 ton per person in 2008 to over 1.05 ton per person in 2020. Recycling rates have increased since 2005 but have stagnated for the past five years. In 2020, approximately 2 million tons of material were recycled, 2.2 million landfilled, 1 million used for energy, and 720,000 pounds composted as organics. More detailed information regarding solid waste management can be found here: [Recycling in Minnesota: The SCORE Report](#)



PCA designed and expanded the statewide electric vehicle charging network with 15% of Minnesota’s \$47 million 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 114D (<https://www.revisor.mn.gov/statutes/?id=114D>),
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 FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY24 | FY25 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | | 1,288 | 1,308 | 1,332 | 550 | 550 |
| 1200 - State Government Special Rev | 75 | 75 | | | | |
| 2000 - Restrict Misc Special Revenue | 3,478 | 3,459 | 7,028 | 4,572 | 4,651 | 4,651 |
| 2001 - Other Misc Special Revenue | | 52 | 20 | 14 | 10 | 10 |
| 2050 - Environment & Natural Resources | | | 480 | 20 | | |
| 2302 - Clean Water | 98 | 424 | 341 | 401 | | |
| 2403 - Gift | 8,579 | 5,277 | 3,009 | 18,375 | 8,000 | 8,000 |
| 2800 - Environmental | 36,133 | 39,155 | 36,444 | 40,346 | 38,269 | 38,269 |
| 2801 - Remediation | | | 62 | 293 | | |
| 3000 - Federal | 2,195 | 2,684 | 2,683 | 2,696 | 2,603 | 2,495 |
| Total | 50,557 | 52,414 | 51,375 | 68,049 | 54,083 | 53,975 |
| Biennial Change | | | | 16,453 | | (11,366) |
| Biennial % Change | | | | 16 | | (10) |

Expenditures by Activity

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Resource Management and Assistance Division | 50,557 | 52,414 | 51,375 | 68,049 | 54,083 | 53,975 |
| Total | 50,557 | 52,414 | 51,375 | 68,049 | 54,083 | 53,975 |

Expenditures by Category

| | | | | | | |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Compensation | 12,086 | 12,459 | 11,954 | 13,463 | 12,465 | 12,460 |
| Operating Expenses | 8,240 | 8,609 | 11,791 | 10,552 | 10,162 | 10,160 |
| Grants, Aids and Subsidies | 30,212 | 31,346 | 27,612 | 44,021 | 31,443 | 31,342 |
| Other Financial Transaction | 19 | | 17 | 13 | 13 | 13 |
| Total | 50,557 | 52,414 | 51,375 | 68,049 | 54,083 | 53,975 |

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Agency Expenditures | 50,557 | 52,414 | 51,375 | 68,049 | 54,083 | 53,975 |
| Internal Billing Expenditures | 4,451 | 4,667 | 4,517 | 4,541 | 4,484 | 4,482 |
| Expenditures Less Internal Billing | 46,106 | 47,747 | 46,858 | 63,508 | 49,599 | 49,493 |

Full-Time Equivalent

| | | | | | | |
|--|---------------|---------------|---------------|---------------|--------------|--------------|
| | 108.92 | 108.37 | 102.34 | 111.37 | 99.52 | 99.47 |
|--|---------------|---------------|---------------|---------------|--------------|--------------|

Resource Management and Assistance Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base FY24 FY25 | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------------------|------------|
| 1000 - General | | | | | | |
| Balance Forward In | | 708 | 42 | 33 | | |
| Direct Appropriation | 700 | 625 | 1,299 | 1,299 | 550 | 550 |
| Cancellations | | 8 | | | | |
| Balance Forward Out | 700 | 37 | 33 | | | |
| Expenditures | | 1,288 | 1,308 | 1,332 | 550 | 550 |
| Biennial Change in Expenditures | | | | 1,352 | | (1,540) |
| Biennial % Change in Expenditures | | | | | | (58) |
| Full-Time Equivalents | | | 0.12 | 1.00 | 1.00 | 1.00 |

1200 - State Government Special Rev

| | | | | | | |
|-----------------------------------|-----------|-----------|------|-------|--|---|
| Balance Forward In | | 0 | | | | |
| Direct Appropriation | 75 | 75 | | | | |
| Cancellations | | 0 | | | | |
| Balance Forward Out | 0 | | | | | |
| Expenditures | 75 | 75 | | | | |
| Biennial Change in Expenditures | | | | (150) | | 0 |
| Biennial % Change in Expenditures | | | | (100) | | |
| Full-Time Equivalents | 0.77 | 0.67 | 0.04 | | | |

2000 - Restrict Misc Special Revenue

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Balance Forward In | 130 | 16 | 3,469 | 8 | | |
| Receipts | 3,486 | 6,912 | 3,567 | 4,564 | 4,651 | 4,651 |
| Transfers Out | 123 | | | | | |
| Balance Forward Out | 16 | 3,469 | 8 | | | |
| Expenditures | 3,478 | 3,459 | 7,028 | 4,572 | 4,651 | 4,651 |
| Biennial Change in Expenditures | | | | 4,664 | | (2,298) |
| Biennial % Change in Expenditures | | | | 67 | | (20) |
| Full-Time Equivalents | 1.46 | 0.61 | 1.14 | 0.72 | 0.72 | 0.72 |

2001 - Other Misc Special Revenue

| | | | | | | |
|---------------------|--|----|----|----|----|----|
| Balance Forward In | | | 4 | 4 | | |
| Receipts | | 56 | 20 | 10 | 10 | 10 |
| Balance Forward Out | | 4 | 4 | | | |

**Resource Management and Assistance
Division**

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY24 | FY25 |
| Expenditures | | 52 | 20 | 14 | 10 | 10 |
| Biennial Change in Expenditures | | | | (18) | | (14) |
| Biennial % Change in Expenditures | | | | | | (41) |
| Full-Time Equivalents | | 0.16 | 0.12 | | | |

2050 - Environment & Natural Resources

| | | | | | | |
|-----------------------------------|--|-----|------------|-----------|--|-------|
| Balance Forward In | | | 500 | 20 | | |
| Transfers In | | 500 | | | | |
| Balance Forward Out | | 500 | 20 | | | |
| Expenditures | | | 480 | 20 | | |
| Biennial Change in Expenditures | | | | 500 | | (500) |
| Biennial % Change in Expenditures | | | | | | (100) |

2302 - Clean Water

| | | | | | | |
|-----------------------------------|-----------|------------|------------|------------|---|-------|
| Balance Forward In | 25 | 176 | 222 | 141 | | |
| Direct Appropriation | 250 | 250 | 260 | 260 | 0 | 0 |
| Balance Forward Out | 176 | 2 | 141 | | | |
| Expenditures | 98 | 424 | 341 | 401 | | |
| Biennial Change in Expenditures | | | | 220 | | (742) |
| Biennial % Change in Expenditures | | | | 42 | | (100) |
| Full-Time Equivalents | 0.67 | 1.00 | 0.73 | 1.00 | | |

2403 - Gift

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|---------------|--------------|--------------|
| Balance Forward In | 4,432 | 7,677 | 8,693 | 9,911 | | |
| Receipts | 6,678 | 6,293 | 4,227 | 8,464 | 8,000 | 8,000 |
| Balance Forward Out | 2,531 | 8,693 | 9,911 | | | |
| Expenditures | 8,579 | 5,277 | 3,009 | 18,375 | 8,000 | 8,000 |
| Biennial Change in Expenditures | | | | 7,528 | | (5,384) |
| Biennial % Change in Expenditures | | | | 54 | | (25) |
| Full-Time Equivalents | 5.13 | 4.53 | 4.89 | 4.60 | 4.60 | 4.60 |

2800 - Environmental

| | | | | | | |
|--------------------|-------|-------|-------|-------|-------|-------|
| Balance Forward In | 4,222 | 5,835 | 4,071 | 6,138 | 4,169 | 4,400 |
|--------------------|-------|-------|-------|-------|-------|-------|

Resource Management and Assistance Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY24 | FY25 |
| Direct Appropriation | 34,900 | 34,999 | 38,252 | 38,287 | 38,287 | 38,287 |
| Receipts | 2,974 | 3,166 | 2,906 | 2,976 | 2,976 | 2,976 |
| Transfers In | | 150 | | | | |
| Transfers Out | 23 | 26 | 2,744 | 2,744 | 2,744 | 2,744 |
| Net Loan Activity | (299) | (309) | 99 | (142) | (19) | (19) |
| Cancellations | | 795 | | | | |
| Balance Forward Out | 5,641 | 3,866 | 6,139 | 4,169 | 4,400 | 4,631 |
| Expenditures | 36,133 | 39,155 | 36,444 | 40,346 | 38,269 | 38,269 |
| Biennial Change in Expenditures | | | | 1,503 | | (252) |
| Biennial % Change in Expenditures | | | | 2 | | (0) |
| Full-Time Equivalents | 89.03 | 86.70 | 78.27 | 89.84 | 80.24 | 80.24 |

2801 - Remediation

| | | | | | | |
|-----------------------------------|--|-----|-----------|------------|--|-------|
| Balance Forward In | | | 355 | 293 | | |
| Direct Appropriation | | 355 | | | | |
| Balance Forward Out | | 355 | 293 | | | |
| Expenditures | | | 62 | 293 | | |
| Biennial Change in Expenditures | | | | 355 | | (355) |
| Biennial % Change in Expenditures | | | | | | (100) |

3000 - Federal

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Receipts | 2,195 | 2,684 | 2,683 | 2,696 | 2,603 | 2,495 |
| Expenditures | 2,195 | 2,684 | 2,683 | 2,696 | 2,603 | 2,495 |
| Biennial Change in Expenditures | | | | 500 | | (281) |
| Biennial % Change in Expenditures | | | | 10 | | (5) |
| Full-Time Equivalents | 11.86 | 14.70 | 17.03 | 14.21 | 12.96 | 12.91 |

Program: Watershed Division

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

AT A GLANCE

- Develop watershed restoration and protection strategies for 80 Minnesota major watersheds with local water resource managers to ensure most efficient implementation action.
- In partnership with counties, register or permit, assist, and inspect the state's 18,000 feedlot operations that are required to be registered. Approximately 14,000 of these feedlots are in delegated counties and approximately 4,000 are in non-delegated counties for which the MPCA has direct regulatory responsibility.
- The Clean Water Partnership Loan Program awarded \$10.6 million in interest-free loans to 11 counties and watershed districts for local improvement projects in FY21/FY22.
- Clean Water Act Section 319 federal funding provides \$2.9 million per year to local partners to implement waterbody restoration and protection actions in 39 prioritized watersheds.

PURPOSE AND CONTEXT

- Our Watershed Division mission is to provide science, assistance, and oversight to protect and restore Minnesota's waters.
- 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.

- Watershed Restoration and Protection Strategy (WRAPS) reports use watershed science to identify water pollution problems and sources, and strategies to address them. WRAPS help inform and guide local water planning and state permitting activity and ensure the most 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. The division permits approximately 1,300 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 12,000 smaller livestock operations to meet the same goals.
- The Clean Water Partnership Loan Program provides about \$6.1 million per year 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 over \$2.9 million per year for watershed restoration and protection and leverage almost \$2.5 million in state and local matching funds. The Section 319 grant funds are used to implement U.S. EPA-approved Nine Key Element plans to reduce nonpoint source pollution loading in small watersheds.

SERVICES PROVIDED

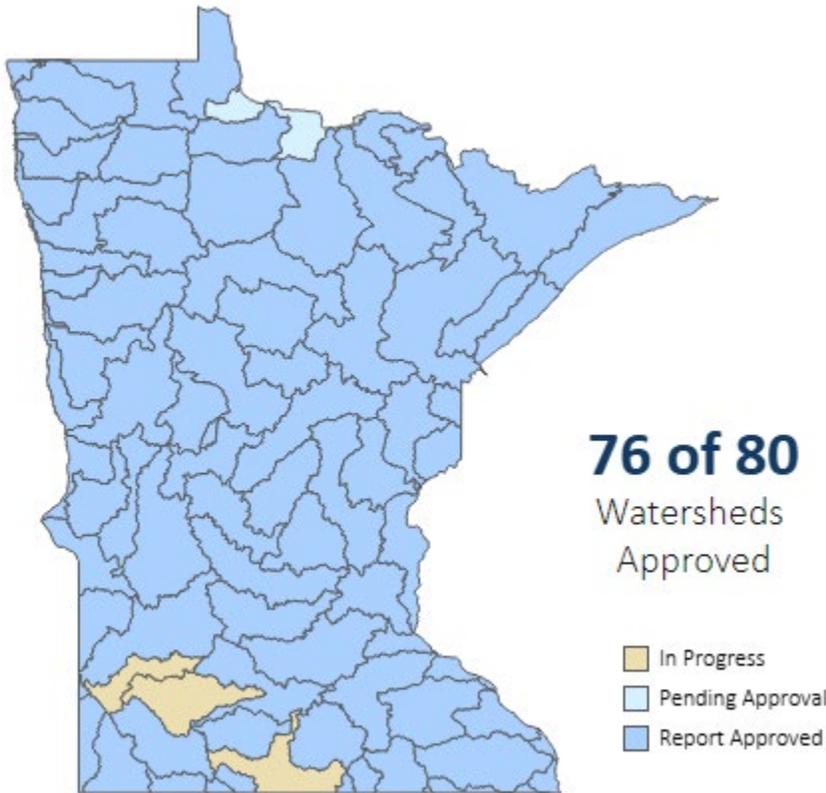
The Watershed Division conducts activities to ensure that the state's lakes, rivers, streams, and groundwater are clean, healthy, and sustainable. These activities include:

- 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 a user-friendly interface to allow local partners to run modeling scenarios.
- Providing local government partners funding and technical assistance to collaboratively develop and 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 nearly all of the reports are complete across the state. We are already in the process of updating the earliest developed WRAPS as appropriate based on local government partner needs for information like effectiveness of implementation efforts and further understanding of causes of water pollution.
- 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).
- Coordinating the use of and updating the statewide Nutrient Reduction Strategy 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 the last half-decade.

RESULTS

WATER RESTORATION AND PROTECTION STRATEGY REPORTS COMPLETED OR PUBLICLY NOTICED



MPCA AND COUNTY FEEDLOT PROGRAMS' ACTIVITIES

There are about 16,000 feedlots registered statewide. The Table below shows how the MPCA and county feedlot officers engage with feedlot owners through permit programs and inspections.

| Activity | MPCA | County |
|---|---|---|
| National Pollutant Discharge Elimination System (NPDES) and State Disposal System (SDS) Permitted Facilities | 1,289 NPDES & SDS Permits <ul style="list-style-type: none"> • 1,234 General Permits (1,044 NPDES, 190 SDS) • 55 Individual Permits (54 NPDES, 1 SDS) | Counties are not authorized to issue NPDES and SDS permits. |
| Inspections: | | |
| <ul style="list-style-type: none"> • Compliance • Construction • Land application • Complaint | 193 24 2 15 | 1307 71 27 8 |

*Inspection stats are from 10/1/2020 - 9/30/2021. Permits issued is current status. Registration numbers are 2022 (most current).

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.

Watershed Division

Program Expenditure Overview

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|------------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY24 | FY25 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 1,959 | 1,862 | 1,959 | 1,959 | 1,959 | 1,959 |
| 2302 - Clean Water | 6,790 | 6,306 | 7,684 | 10,375 | | |
| 2800 - Environmental | 7,105 | 6,528 | 6,708 | 8,092 | 7,425 | 7,425 |
| 2801 - Remediation | 207 | 209 | 231 | 236 | 234 | 234 |
| 3000 - Federal | 5,546 | 5,795 | 5,320 | 6,939 | 6,598 | 6,744 |
| Total | 21,606 | 20,699 | 21,902 | 27,601 | 16,216 | 16,362 |
| Biennial Change | | | | 7,198 | | (16,925) |
| Biennial % Change | | | | 17 | | (34) |

Expenditures by Activity

| | | | | | | |
|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Watershed Division | 21,606 | 20,699 | 21,902 | 27,601 | 16,216 | 16,362 |
| Total | 21,606 | 20,699 | 21,902 | 27,601 | 16,216 | 16,362 |

Expenditures by Category

| | | | | | | |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Compensation | 10,804 | 10,072 | 11,097 | 11,867 | 7,386 | 7,386 |
| Operating Expenses | 6,516 | 5,608 | 6,763 | 9,667 | 3,193 | 3,193 |
| Grants, Aids and Subsidies | 4,178 | 5,008 | 4,013 | 6,067 | 5,637 | 5,783 |
| Capital Outlay-Real Property | | 11 | 3 | | | |
| Other Financial Transaction | 108 | | 26 | | | |
| Total | 21,606 | 20,699 | 21,902 | 27,601 | 16,216 | 16,362 |

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Agency Expenditures | 21,606 | 20,699 | 21,902 | 27,601 | 16,216 | 16,362 |
| Internal Billing Expenditures | 4,362 | 4,357 | 4,293 | 4,311 | 2,656 | 2,656 |
| Expenditures Less Internal Billing | 17,244 | 16,341 | 17,608 | 23,290 | 13,560 | 13,706 |

Full-Time Equivalent

| | | | | | | |
|--|--------|-------|--------|--------|-------|-------|
| | 110.40 | 99.04 | 106.27 | 110.39 | 75.50 | 75.50 |
|--|--------|-------|--------|--------|-------|-------|

Watershed Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base FY24 FY25 | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------------------|--------------|
| 1000 - General | | | | | | |
| Balance Forward In | | 17 | | | | |
| Direct Appropriation | 1,959 | 1,959 | 1,959 | 1,959 | 1,959 | 1,959 |
| Cancellations | | 114 | | | | |
| Balance Forward Out | 0 | | 0 | | | |
| Expenditures | 1,959 | 1,862 | 1,959 | 1,959 | 1,959 | 1,959 |
| Biennial Change in Expenditures | | | | 97 | | 0 |
| Biennial % Change in Expenditures | | | | 3 | | 0 |

2302 - Clean Water

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|---------------|---|----------|
| Balance Forward In | 1,399 | 2,162 | 4,059 | 3,310 | | |
| Direct Appropriation | 7,660 | 7,660 | 6,936 | 7,065 | 0 | 0 |
| Transfers Out | 461 | | | | | |
| Balance Forward Out | 1,809 | 3,516 | 3,311 | | | |
| Expenditures | 6,790 | 6,306 | 7,684 | 10,375 | | |
| Biennial Change in Expenditures | | | | 4,964 | | (18,059) |
| Biennial % Change in Expenditures | | | | 38 | | (100) |
| Full-Time Equivalents | 35.42 | 32.96 | 35.33 | 30.92 | | |

2800 - Environmental

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Balance Forward In | | 342 | | 667 | | |
| Direct Appropriation | 7,442 | 7,142 | 7,375 | 7,425 | 7,425 | 7,425 |
| Cancellations | | 956 | | | | |
| Balance Forward Out | 337 | | 667 | | | |
| Expenditures | 7,105 | 6,528 | 6,708 | 8,092 | 7,425 | 7,425 |
| Biennial Change in Expenditures | | | | 1,167 | | 50 |
| Biennial % Change in Expenditures | | | | 9 | | 0 |
| Full-Time Equivalents | 51.18 | 45.75 | 46.51 | 56.87 | 52.23 | 52.23 |

2801 - Remediation

| | | | | | | |
|----------------------|-----|-----|-----|-----|-----|-----|
| Balance Forward In | | 27 | | 2 | | |
| Direct Appropriation | 234 | 234 | 234 | 234 | 234 | 234 |
| Cancellations | | 53 | | | | |
| Balance Forward Out | 27 | | 3 | | | |

Watershed Division

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|------------|
| | | | | | FY24 | FY25 |
| Expenditures | 207 | 209 | 231 | 236 | 234 | 234 |
| Biennial Change in Expenditures | | | | 52 | | 1 |
| Biennial % Change in Expenditures | | | | 13 | | 0 |
| Full-Time Equivalents | 2.58 | 2.29 | 2.34 | 2.75 | 2.75 | 2.75 |

3000 - Federal

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Balance Forward In | | | 16 | | | |
| Receipts | 5,546 | 5,795 | 5,304 | 6,939 | 6,598 | 6,744 |
| Expenditures | 5,546 | 5,795 | 5,320 | 6,939 | 6,598 | 6,744 |
| Biennial Change in Expenditures | | | | 917 | | 1,083 |
| Biennial % Change in Expenditures | | | | 8 | | 9 |
| Full-Time Equivalents | 21.22 | 18.04 | 22.09 | 19.85 | 20.52 | 20.52 |

8200 - Clean Water Revolving

| | | | | | | |
|---------------------|----------|---------|---------|---------|---------|-------|
| Balance Forward In | 24,669 | 18,934 | 14,863 | 14,171 | 7,651 | 2,431 |
| Receipts | 218 | 209 | 170 | 280 | 280 | 280 |
| Transfers In | | | 2,000 | | | |
| Transfers Out | 5,000 | | | | | |
| Net Loan Activity | (13,498) | (4,280) | (2,862) | (6,800) | (5,500) | 500 |
| Balance Forward Out | 6,389 | 14,863 | 14,171 | 7,651 | 2,431 | 3,211 |

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).
- Convenes public meetings on the third Wednesday of every month to provide a forum for the public and state leaders to collaborate on environmental policy.
- Leads interagency coordination on emerging environmental issues.
- Convenes Environmental Congresses, advisory panels, and other public events and processes to provide avenues for meaningful public engagement.
- Provides support to local governments on environmental review and the implementation of other environmental policies and programs.

PURPOSE AND CONTEXT

Problems related to the environment often encompass the responsibilities of several state agencies. Developing innovative solutions that meet the diverse needs of Minnesotans requires the close interaction of these agencies as well as opportunities for public participation. The Environmental Quality Board facilitates strategic interaction of multiple state agencies, stewards environmental review processes that cross domains and jurisdictions, and provides forums for the public to engage in policy making processes.

The Environmental Quality Board works to strategically:

- Ensure adequate review and foster public understanding of proposed projects that have the potential for significant environmental impact.
- Provide a public forum for discussion of state environmental policies and programs.
- Develop and lead an integrated response to complex environmental issues with broad cross-sector impacts.
- Support local partners with guidance and technical resources.
- Foster connections and facilitate collaborative problem solving on issues related to the environment, health, transportation, agriculture, and energy.
- Enrich the understanding of the ecological systems and natural resources important to the state and nation.

SERVICES PROVIDED**Environmental Review**

- Customer service: Provide technical assistance to project proposers, governmental units, and the public through guidance documents, online resources, technical presentations, and one-on-one assistance as requested.
- Measurement and accountability: Monitor statewide environmental review activities, measure the effectiveness of the program, report on results and trends, and identify areas for future improvement, assistance, and educational opportunities.
- Continuous improvement: Improve effectiveness and create efficiencies for residents, governmental units, and project proposers through administrative rule revisions, training, and updated program guidance and tools.

Interagency Coordination and Strategic Planning

- Educate and advise: Provide written reports to the governor, legislature, and state and local agencies on priority environmental issues, including policy considerations and economic analyses.
- Coordinate: Lead and facilitate interagency working groups to establish an integrated response to complex environmental issues with broad cross-sector impacts.
- Outreach: Convene advisory panels to ensure citizen and stakeholder input informs state policies.
- Intergovernmental partnerships: Provide technical assistance to local governments and facilitate state-local partnerships to advance environmental goals.

Public Engagement

- Engage: Convene public meetings, stakeholder discussions, and Environmental Congresses to provide a forum for public dialogue with agency leaders to build mutual understanding, foster cross-sector connections, and collaborate on solutions. Plan monthly board meetings to foster public participation in decision-making processes.
- Inform: Produce public reports on key environmental issues of interest to Minnesota citizens. Distribute via board meeting packets relevant scientific, economic, and policy documents that help citizens be informed on policy-making processes.

RESULTS

- Processed environmental review projects and general notices in the *EQB Monitor*, including (for Fiscal Year 2022): 65 general notices, 22 citizen petitions, 72 Environmental Assessment Worksheets, three Environmental Impact Statements, and 11 Alternative Urban Areawide Reviews.
- Led and facilitated an interagency technical team to examine how climate change could be effectively and efficiently integrated into Environmental Review.
- Implemented a Pilot Program for a draft, revised Environmental Assessment Worksheet form. As part of the Pilot Program (February to June 2022), lead and facilitated:
 - a speaker series that was open to public participation (311 participants).
 - a series of cohort meetings to provide support to responsible governmental units and technical consultants as they implemented the draft, revised Environmental Assessment Worksheet form (163 participants).
- Lead and facilitated the implementation of a continuous improvement initiative to create a user-friendly *EQB Monitor* submission process. The new process will increase staff efficiency and public access to active and historic environmental review documents through a web-based, searchable inventory.
- Engaged with tribal representatives to create and publish a *Tribal Notification List* of contacts for responsible governmental units to use for directly providing copies of environmental documents to designated contacts for each tribe.
- Compiled and presented the *Annual Environmental Review Program Performance Report*; in compliance with EQB's *Environmental Review Data Management Plan*.
- Provided support to businesses through participation with the Minnesota Business First Stop Program.
- Provided support to tribes through participation with the Minnesota Tribal Environmental Committee.
- Provided support to project proposers, technical consultants, state and local government agencies, and members of the public through the EQB's Technical Assistance Program (547 calls; 436 emails).
- Led and facilitated an interagency team to manage ongoing recommendations for addressing challenges associated with emerald ash borer in Minnesota.
- Presented interagency implementation updates on the 2020 State Water Plan, focused on sustainable water management in the context of climate change.
- As directed by Executive Order 19-28, facilitated an interagency pollinator protection team and developed an annual update to the Pollinator Report as well as a civic engagement process.
- Participated in the development of the Climate Action Framework.

- As directed by the Legislature, completed a *404 Assumption Study*.
 - As directed by statute (116D.04), completed the *Mandatory Category Report*.
 - Assisted 146 cities and tribal nations through the GreenStep Cities program.
-

M.S. [116C](#) & [116D](#) provide the legal authority for Environmental Quality Board operations and initiatives.

Environmental Quality Board

Program Expenditure Overview

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|------------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY24 | FY25 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 1,020 | 1,149 | 945 | 1,217 | 1,081 | 1,081 |
| 2800 - Environmental | 371 | 79 | 326 | 197 | 193 | 193 |
| 2801 - Remediation | 233 | 129 | | | | |
| Total | 1,624 | 1,358 | 1,271 | 1,414 | 1,274 | 1,274 |
| Biennial Change | | | | (297) | | (137) |
| Biennial % Change | | | | (10) | | (5) |

Expenditures by Activity

| | | | | | | |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Environmental Quality Board | 1,624 | 1,358 | 1,271 | 1,414 | 1,274 | 1,274 |
| Total | 1,624 | 1,358 | 1,271 | 1,414 | 1,274 | 1,274 |

Expenditures by Category

| | | | | | | |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Compensation | 855 | 758 | 806 | 861 | 857 | 857 |
| Operating Expenses | 769 | 589 | 465 | 553 | 417 | 417 |
| Grants, Aids and Subsidies | | 10 | | | | |
| Total | 1,624 | 1,358 | 1,271 | 1,414 | 1,274 | 1,274 |

| | | | | | | |
|---|--------------|--------------|------------|--------------|------------|------------|
| Total Agency Expenditures | 1,624 | 1,358 | 1,271 | 1,414 | 1,274 | 1,274 |
| Internal Billing Expenditures | 311 | 311 | 311 | 311 | 311 | 311 |
| Expenditures Less Internal Billing | 1,313 | 1,047 | 960 | 1,103 | 963 | 963 |

Full-Time Equivalent

| | | | | | | |
|--|------|------|------|------|------|------|
| | 8.41 | 7.29 | 7.16 | 7.78 | 8.97 | 8.97 |
|--|------|------|------|------|------|------|

Environmental Quality Board

Program Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY24 | FY25 |
| 1000 - General | | | | | | |
| Balance Forward In | 59 | 122 | | 136 | | |
| Direct Appropriation | 1,081 | 1,081 | 1,081 | 1,081 | 1,081 | 1,081 |
| Transfers Out | | 30 | | | | |
| Cancellations | | 24 | | | | |
| Balance Forward Out | 120 | | 136 | | | |
| Expenditures | 1,020 | 1,149 | 945 | 1,217 | 1,081 | 1,081 |
| Biennial Change in Expenditures | | | | (7) | | 0 |
| Biennial % Change in Expenditures | | | | (0) | | (0) |
| Full-Time Equivalents | 7.04 | 6.21 | 6.12 | 6.63 | 7.85 | 7.85 |

2800 - Environmental

| | | | | | | |
|-----------------------------------|------------|-----------|------------|------------|------------|------------|
| Balance Forward In | | 176 | 143 | 4 | | |
| Direct Appropriation | 393 | 193 | 193 | 193 | 193 | 193 |
| Cancellations | | 147 | 6 | | | |
| Balance Forward Out | 22 | 143 | 4 | | | |
| Expenditures | 371 | 79 | 326 | 197 | 193 | 193 |
| Biennial Change in Expenditures | | | | 73 | | (137) |
| Biennial % Change in Expenditures | | | | 16 | | (26) |
| Full-Time Equivalents | 1.13 | 0.87 | 1.04 | 1.15 | 1.12 | 1.12 |

2801 - Remediation

| | | | | | | |
|-----------------------------------|------------|------------|--|-------|--|---|
| Balance Forward In | | 175 | | | | |
| Direct Appropriation | 300 | | | | | |
| Cancellations | | 46 | | | | |
| Balance Forward Out | 67 | | | | | |
| Expenditures | 233 | 129 | | | | |
| Biennial Change in Expenditures | | | | (363) | | 0 |
| Biennial % Change in Expenditures | | | | (100) | | |
| Full-Time Equivalents | 0.24 | 0.21 | | | | |