









SENT VIA EMAIL

February 3, 2022

Representative Melissa Hortman Speaker of the House of Representatives 463 State Office Building Saint Paul, MN 55155

Dear Speaker Hortman:

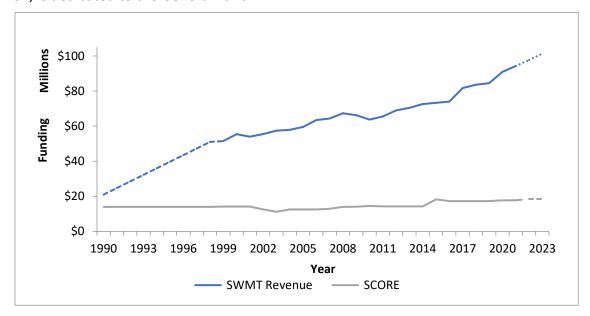
The Association of Minnesota Counties (AMC), the Minnesota Inter-County Association (MICA), the Partnership on Waste and Energy (Partnership), Minnesota Solid Waste Administrators Association (SWAA), and Conservation Minnesota respectfully urge your support for two key county solid waste management priorities essential to protecting public and environmental health.

Minnesota law requires counties to manage solid waste and adopt state recycling goals. By 2030, Metro counties must recycle 75 percent of waste and Greater Minnesota counties must recycle 35 percent.

We support the long-established waste hierarchy of reduce, reuse, and recycle toward achieving 'zero-waste' goals and minimal landfill disposal. Current waste reduction efforts protect land, water, and air quality. For example, according to the 2019 SCORE Report, Minnesota saved approximately 4.1 million metric tons of CO2 equivalent using current waste management practices. This equates to removing annual emissions from 891,000 passenger vehicles.

In 2021, MPCA's <u>Closed Landfill Investment Report</u> detected PFAS in 98 of 101 groundwater testing wells at closed landfills covered by the Closed Landfill Investment Fund (CLIF). Those findings further amplify the need to enhance support for county solid waste management efforts.

Less than 20 percent of the state Solid Waste Management Tax (SWMT) revenue is allocated to county SCORE grants. Further, those SCORE grant funding levels have remained relatively flat, and well below normal inflation. By comparison, 30 percent of SWMT revenue, or about \$30 million, is dedicated to the General Fund.



Ironically, only the General Fund portion has been increasing each year even as solid waste streams and landfill deposits have also continued to grow and outpace the recycling and landfill diversion work outlined in the SCORE report.

As you allocate the state budget surplus, we encourage relevant committee targets be set at a level that increases local recycling and solid waste management funding in two ways:

- Permanently Increase SCORE Grants as Proposed by H.F. 2367 (Hornstein)--\$30 million annually. We appreciate the action taken in 2021 to increase SCORE grant funding by a fixed \$700,000 annually. However, with that increase, grants remain well below county investments needed to meet state recycling goals. Expanding organics collection, reduction, and recycling and expanding local markets for recycled material can costs tens of millions in infrastructure and operating expenses. Many counties report spending two to four times their SCORE allocation and still experience lost recycling opportunities due to cost constraints.
- Allocate \$14 million to Fully Repay the Metropolitan Landfill Contingency Action Trust (MLCAT) and \$38.1 million to Fully Repay the Closed Landfill Investment Fund (CLIF). Both these accounts had funds transferred to the General Fund in difficult budget years and have yet to be fully restored. From MLCAT, \$13.9 million has been borrowed since 2003. In 2021, the legislature approved \$100,000 annually to repay MLCAT, a pace that will take 140 years to fully repay, not including lost interest earnings. Similarly, a 2010 law transferred \$48 million out of the CLIF to the state's General Fund and required full repayment, with lost interest and other investment earnings, to be made in three installments during FYs 2014-2017. Only the FY2014 repayment was made. MPCA estimates these accounts will incur closed landfill care costs well beyond available resources, with potential public health and environmental consequences for communities across the state. Counties request available one-time state General Fund resources be used to fully repay these accounts in 2022.

Minimizing landfill disposal through increased reuse and recycling, and responsibly caring for closed landfills is an essential component of broader pollution prevention efforts.

Led by the House of Representatives, the last major increase in SCORE funds occurred in 2014. Redirecting the 30% of SWMT revenues, now going to the General Fund, to SCORE grants and fully repaying MLCAT and CLIF will support a more sustainable path forward for protecting public health, reducing waste streams, and achieving state recycling goals.

Our associations stand ready to work with policymakers, state agencies, communities, and the private sector to take action on these public and environmental health issues in 2022.

Sincerely,

Commissioner Todd Patzer, Lac qui Parle County President. Association of Minnesota Counties

Matt Massman, Executive Director
Minnesota Inter-County Association

Commissioner Fran Miron, Washington County Chair, Partnership on Waste and Energy Paul Austin, Executive Director

Laine Sletta, Brown County

President, Solid Waste Administrators Association

Conservation Minnesota

Cc: Representative Rena Moran, Chair, Ways and Means Representative Rick Hansen, Chair, Environment Natural Resources Policy and Finance