

MEETING NOTICE
PARTNERSHIP ON WASTE AND ENERGY BOARD

Date: Thursday, June 6, 2024

Time: 10 – 11:30 a.m.

Commissioners, Key staff, Presenters:

Ramsey County Environmental Health | 2785 White Bear Ave. N. | 2nd Floor Conference Room
Maplewood, Minnesota | [Map](#)

Public: Members of the public are encouraged to participate remotely or may attend at the Maplewood address.
[Microsoft TEAMS](#) | Phone Conference ID: 447 884 467# | Call in (audio only) +1 323-792-6297

AGENDA

1. Call to Order, Introductions
2. Approval of Agenda Action Page 1
3. Approval of Minutes of January 25, 2024 Action Page 2
4. Business Information Page 5
 - a. 2024 Budget Status
5. Updates and Reports Information Page 7
 - a. 2023 PWE Annual Report
 - b. Wood Waste Update
 - c. Legislative Update
6. Other
7. Adjourn

NEXT MEETING

Thursday, September 26, 2024 | 2 - 3:30 p.m. | Ramsey County Environmental Health, Maplewood

THURSDAY, JANUARY 25, 2024
PARTNERSHIP ON WASTE AND ENERGY BOARD

A meeting of the Partnership on Waste and Energy Board (PWE) was held at 1 p.m. on Thursday, January 25, 2024. Commissioners and staff participants met at the Ramsey County Environmental Health Office, 2785 White Bear Avenue North, Maplewood, Minnesota. Members of the public attended remotely or in person at the Maplewood address.

MEMBERS PRESENT

Commissioner Debbie Goettel – Hennepin County
Commissioner Victoria Reinhardt – Ramsey County
Commissioner Karla Bigham, Alternate – Washington County

MEMBERS NOT PRESENT

Commissioner Fran Miron – Washington County

ATTENDING AT RAMSEY ENVIRONMENTAL HEALTH, MAPLEWOOD

Mallory Anderson, Ahmet Baysal, Leigh Behrens, Max Dalton, Melissa Finnegan, Rae Eden Frank, Caleb Johnson, Cassie Lefeber, Dave McNary, Marcelo Neblett, Michael Reed, Sam Richie, John Ristad, Daniel Schmidt, John Springman, Jody Tharp, Rob Vanasek, Sherilyn Young

ATTENDING REMOTELY

Alison Cameron, Shannon Conk, Leslie Duling McCollam, Tutu Fatukasi, Graham Faulkner, Annalee Garletz, Jamie Giesen, Sam Holl, Filsan Ibrahim, Jennefer Klennert, Juna Ly, Andrea McKennan, Minette Saulog, Caleb Werth, Sia Xiong

CALL TO ORDER AND APPROVAL OF AGENDA

Chair Reinhardt called the meeting to order at 1 p.m. Introductions of attendees in Maplewood were made. Commissioner Goettel moved, seconded by Bigham, to approve the agenda as presented. Motion passed 3-0. Ayes: Bigham, Goettel, Reinhardt. Nays: None.

APPROVAL OF MINUTES

Commissioner Bigham moved, seconded by Goettel, to approve the minutes of November 30, 2023. Motion passed 3-0. Ayes: Bigham, Goettel, Reinhardt. Nays: None.

GOVERNANCE

Election of Officers

Dave McNary, Hennepin County and PWE Lead Staff, shared that the Amended and Restated Joint Powers Agreement (JPA) of the Partnership on Waste and Energy (Partnership) states the Governing Board shall include the Chair and Vice Chair of the Ramsey/Washington Recycling & Energy (R&E) Board and a commissioner appointed by Hennepin County, resulting in a representative commissioner from each of Ramsey, Washington and Hennepin counties. Partnership Board members serve two-year terms.

- R&E Board members serving the first year of the 2024-2025 term on the Partnership Board are R&E Chair, Commissioner Fran Miron (Washington County), and R&E Vice Chair, Commissioner Victoria Reinhardt (Ramsey County).
- Hennepin County Commissioner Debbie Goettel is serving the first year of the 2024-2025 Partnership Board term.

- Since leadership of the Partnership, for Chair and Vice Chair, rotates annually by county name in alphabetical order, the 2024 Partnership Chair is Ramsey County Commissioner Victoria Reinhardt, and the Partnership Vice Chair is Washington County Commissioner Fran Miron.
- Alternate board members serve a two-year term through 2024. Alternates from the R&E Board for the second year of the 2023-2024 term are Ramsey County Commissioner Trista Martinson and Washington County Commissioner Karla Bigham. The alternate from Hennepin County is Commissioner Jeff Lunde, serving the second year of the 2023-2024 term, formerly served by Commissioner Chris LaTondresse.

BUSINESS

Wood Waste Management Project Update

Caleb Johnson, Washington County and PWE Lead Staff, introduced the wood waste management project team: Barry Melquist and John Jaimez (Hennepin County), John Springman (Ramsey County) and Caleb Johnson (Washington County).

- In November 2023, the team reviewed the 2022 Cambium Carbon report and discussed next steps. The team had a site visit to the wood waste disposal site at Pig's Eye and spoke with Ken Smith, Ever-Green Energy, and his staff about funds coming from the MPCA and how they are being utilized.
- The team met with Rick Horton, Minnesota Forest Industries, and Erik Schenk, Minnesota Forest Resources Council, to discuss near-term opportunities for connecting with forestry and industry partners who could use some of the wood waste generated within the counties. Also discussed were policy items related to renewable energy production using wood waste as a renewable fuel source and liquid fuels, such as sustainable aviation fuel.
- The team developed a robust draft scope, broken down into a focus on District Energy and immediate supports, near-term opportunities for new partnerships, and longer-range vision policy items that may intersect with federal funding or statewide goals around renewable energy.
- The team identified a public utility docket related to biomass. The team is exploring whether PWE should recommend a comment on this item. Michael Reed, John Jaimez and Caleb Johnson, with help from Kevin Johnson (Husch Blackwell), are exploring this, as the topic of biomass also relates to refuse derived fuel (RDF) from R&E. PWE does not want to overstep on work already being done in areas related to biomass and its recognition as a renewable fuel source.

The team plans to meet with Cambium Carbon to discuss options for continuing a vendor relationship. Depending on that discussion, the team will explore whether a broader RFP will be needed.

Legislative Session Preview

Michael Reed, Ramsey County and PWE lead staff, noted that the legislative session starts February 12, 2024, and will be a short session. R&E remains hopeful it will receive some funding for their anaerobic digestion (AD) project. The 2024 PWE platform was approved November 30, 2023, and was designed to give maximum flexibility. There is some opposition to the current waste management hierarchy, commissioners, lobbyists and PWE staff are working to educate legislators about the system.

Sam Richie, Fryberger Law, shared that this is the second year of the biennium, with essentially the same legislators as the 2023 session. The December forecast came out with a modest surplus and murkiness in the long term, which is being referred to as 'structural imbalance'. The governor's bonding bill was released; no local funds were included. There are no significant changes in energy-related issues.

Rob Vanasek, Capitol Hill Associates, said 2024 is a policy year. Governor Walz is indicating that with only an \$82 million surplus, the approach is "don't spend money". A number of policy fights are anticipated. Extended Producer Responsibility (EPR) will be the largest environmental bill going through this session.

Mallory Anderson, Hennepin County, shared that she had many meetings with Vanasek and Rep. Jordan to develop the language of the EPR bill. The approach has been to reach middle ground that meets the needs, but not so extreme that there's no chance of passage. Hauler groups would like to maintain the status quo. AMERIPEN, a packaging industry trade association, has been engaged. It is important to seek to create a supportive coalition for EPR (e.g., mayors, city councils, county boards).

Commissioner Reinhardt said it's important to have the producers not only at the table but at the legislature, as well. Their support of EPR as the right course carries a lot of weight. Vanasek said that, while large producers are not fully on board, they are not in opposition to this legislation.

Commissioner Goettel shared that Hennepin County recently had a briefing on re-envisioning the solid waste system and the top priority was EPR. A zero-waste initiative can't be reached without the legislature. Hennepin County has a platform of twelve areas of focus, all of which are heavy lifts. She believes the environmental justice groups will get behind a zero-waste initiative.

OTHER

Chair Reinhardt proposes a resolution in support of the R&E Board's 2024 legislative request for \$30 million for R&E's AD project. This is the same request as during the 2023 legislative session. Staff would draft the support letters for her signature and then forward them to Representative Lee and Senator Pappas.

Commissioner Reinhardt moved, seconded by Commissioner Goettel, a resolution in support of the R&E Board's 2024 legislative request for \$30 million in funding for an anaerobic digestion facility.

Commissioner Goettel provided an update on Hennepin's AD facility. In 2023, Hennepin County received half of their request for their AD facility. When costs for the project were reviewed it became clear that, due to increased costs, it was not feasible. Hennepin County would like the funding they did receive in the last session to be redirected toward a sortation facility.

Commissioner Bigham asked whether discussion has taken place about having a large joint AD facility for the three counties. Dave McNary, Hennepin County and PWE Lead Staff, said there has been discussion between Michael Reed, Caleb Johnson and himself regarding this as a possibility. Bill Keegan, DemCon, has approached McNary directly, as they are interested in any volume that Hennepin County could send to them. Additionally, there is increased capacity for composting with the expansion of the Mdewakanton Sioux composting facility and WM's purchase and planned expansion of Specialized Environmental Technologies, Inc.

Commissioner Reinhardt called for a vote on the proposed resolution regarding letters of support for the R&E Board's 2024 legislative funding request for the AD project. The PWE Board:

- Approves the drafting and submission of a letter of support for R&E's anaerobic digestion request for legislative funding in the amount of \$30 million.

Motion passed 3-0. Ayes: Bigham, Goettel, Reinhardt. Nays: None.

ADJOURN

Chair Reinhardt declared the meeting adjourned at 2 p.m.

ATTESTED TO:

Approved: _____

Victoria Reinhardt, Chair
June 6, 2024

Approved: _____

June 6, 2024

PARTNERSHIP BOARD MEETING DATE:		June 6, 2024		AGENDA ITEM:		4.a	
SUBJECT:		2024 Budget Status					
TYPE OF ITEM:		<input checked="" type="checkbox"/> INFORMATION	<input type="checkbox"/> POLICY DISCUSSION	<input type="checkbox"/> ACTION			
SUBMITTED BY:		Partnership Lead Staff					

BOARD ACTION REQUESTED:

For information only.

EXECUTIVE SUMMARY:

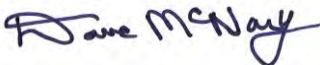


The Partnership on Waste and Energy Governing Board approved the 2024 budget at its December 2023 meeting. Staff will provide 2024 projections for PWE.

ATTACHMENTS:

1. 2024 Year-End Projection Report as of April 30, 2024

FINANCIAL IMPLICATIONS:

None.

AUTHORIZED SIGNATURES		DATE
Hennepin County		5/24/24
Recycling & Energy		5/24/24
		5/24/24

2024 Partnership on Waste and Energy Budget

	2024 Approved Budget	Year-end projections as of 4/30/24	Variance
APPROPRIATIONS:			
Staffing and Administration			
Planning Staff	10,200	10,200	-
Accounting Manager	7,500	7,500	-
Contract Manager	5,600	5,600	-
Communications Staff	5,400	5,400	-
Subtotal, Staffing and Administration	<u>28,700</u>	<u>28,700</u>	-
Contracts			
Insurance, MCIT	1,600	1,600	-
Platform and Annual Report Design	10,000	10,000	-
Lobby Contract - Waste	78,000	78,000	-
Lobby Contract - Energy	25,000	25,000	-
Wood Waste Management	40,000	40,000	-
Bioeconomy Coalition of MN membership	2,500	2,500	-
Product Stewardship	2,500	2,500	-
Commercial Recycling Measurement Study	25,000	25,000	-
Haz. Waste Online Training	10,000	10,000	-
Zero Waste Challenges	24,000	24,000	-
Contingency Funds	3,675	3,675	-
Subtotal, Contracts	<u>222,275</u>	<u>222,275</u>	-
Grand Total	<u><u>250,975</u></u>	<u><u>250,975</u></u>	<u><u>-</u></u>

PARTNERSHIP BOARD MEETING DATE:	June 6, 2024	AGENDA ITEM:	5.
SUBJECT:	Updates & Reports		
TYPE OF ITEM:	<input checked="" type="checkbox"/> INFORMATION	<input type="checkbox"/> POLICY DISCUSSION	<input type="checkbox"/> ACTION
SUBMITTED BY:	Partnership Lead Staff		

BOARD ACTION REQUESTED:

For information only.

EXECUTIVE SUMMARY:

a. 2023 PWE Annual Report

Staff will present an overview of the 2023 Partnership on Waste and Energy annual report. Highlights from the report include:

- Work on common goals
- Legislative efforts and partnering on policy
- Product stewardship
- Zero Waste Challenges

b. Wood Waste Update

Staff will provide an update about the 2024 research project into immediate and long-range wood waste management solutions. Staff will also share information about the Minnesota Pollution Control Agency wood waste stakeholder group and grant opportunities.

c. Legislative Update

The 2024 regular legislative session concluded on May 20, 2024. Partnership staff and lobbyists will provide a brief report to board members and answer questions. Summaries of the session and bills of interest have been provided as attachments from Capitol Hill Associates and Fryberger Law Firm.

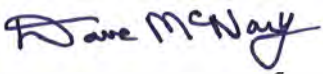


ATTACHMENTS:

1. 2023 Annual Report
2. Memorandum from Capitol Hill Associates
3. Memorandum from Fryberger Law Firm
4. 2024 PWE State Legislative Platform
5. Policy position statements updated in 2024:
 - a. Product Stewardship
 - b. SCORE
 - c. Maintaining the Hierarchy

FINANCIAL IMPLICATIONS:

None.

SUBJECT: Updates & Reports

AUTHORIZED SIGNATURES		DATE
Hennepin County		5/24/24
Recycling & Energy		5/24/24
		5/24/24

Partnership on Waste and Energy 2023 Annual Report

Letter from the Chair

The Partnership on Waste and Energy (Partnership) is a joint powers board comprised of the Ramsey/Washington Recycling & Energy Board and Hennepin County. Established in 2017, the Partnership is the organization through which Hennepin, Ramsey and Washington counties collaborate on solid waste management and energy issues. By pooling our knowledge and resources, we enhance our ability to make progress.

The work done in 2023 showcased the Partnership's dedication to innovative environmental stewardship and proactive legislative advocacy. The year's legislative milestones included improving waste management systems, advancing renewable energy and bolstering climate resilience. We advanced bills that secure essential funding for local waste reduction, address the impact of emerald ash borer and lay the groundwork for product stewardship of packaging materials. In our communities, we implemented the Stop Food Waste Challenge, which engaged residents in food waste reduction actions and demonstrated how collective action can drive change.

We look forward to building on the 2023 achievements to advance next generation environmental solutions in 2024.



Victoria Reinhardt

Ramsey County Commissioner and 2024 Partnership Board Chair



Governance & Administration

The Partnership is governed by a board of three county commissioners, including the chair and vice chair of the Ramsey/Washington Recycling & Energy (R&E) Board and a Hennepin County Commissioner. In 2023, the three members of the Partnership Board were Washington County Commissioner Fran Miron, Ramsey County Commissioner Victoria Reinhardt and Hennepin County Commissioner Debbie Goettel.

The chair of the Partnership Board rotates annually. In 2023, the chair was Commissioner Goettel. R&E serves as the administrative agent for the Partnership, providing accounting, procurement, communication and planning services.



Common Goals

The Partnership enhances solid waste management and energy policy through collaborative efforts across Hennepin, Ramsey and Washington counties. Working with a shared vision has enabled significant progress in recovering resources and moving materials up the [solid waste hierarchy](#).

United by common goals, the Partnership works to:

- End Waste
- Advance Renewable Energy
- Enhance Community Health and Resiliency

The Partnership responds to climate change through legislative work, education, research and development. This work connects with state and county climate planning, including the [Ramsey County Climate Equity Action Plan](#), [Hennepin County Climate Action Plan](#), [Washington County Comprehensive Plan section on Resilience and Sustainability](#) and [Minnesota Climate Action Framework](#). These plans include ambitious goals that harness innovation and develop the next generation of climate-smart systems and technologies.

Waste processing is another core commonality of our partnership. Between the Hennepin Energy Recovery Center (HERC) and the Ramsey/Washington Recycling & Energy (R&E) Center, over 760,000 tons of waste from our communities are processed, not landfilled, each year, all while producing enough electricity to power over 38,000 homes annually.

By working together, the Partnership leverages shared expertise, effort and advocacy to go beyond what the counties could do alone. We share the lift to advance shared goals such as:

- Policy that reaches beyond current public health and environmental goals to align materials management with renewable energy and advance equity and climate resilience
- Collaboration among state and local entities that maximize the value of waste, resources and energy
- Frameworks that design waste, toxicity and pollution out of the marketplace and keep products and resources in use for an equitable circular economy
- Preventing waste at the source is the highest priority, followed by using waste as a resource, including through emerging technologies and developing markets

The Partnership is committed to leading waste prevention, stewardship, market development and energy policy to advance the connection between waste and energy for community and environmental health benefits across the metro for years to come.



2023 HERC tour, from left: Hennepin County Commissioner Goettel, Washington County Commissioner Bigham (Partnership alternate), Ramsey County Commissioner Reinhardt

Legislative Efforts & Partnering on Policy

Through its legislative advocacy efforts, the Partnership seeks to end waste, promote renewable energy and enhance the health and resiliency of its communities while advancing equity and responding to the challenges of a changing climate.

Each year, the Partnership Board adopts a legislative platform. In the 2023 legislative session, Partnership activities advanced the following areas:

- › Redirecting Solid Waste Management Tax receipts from the General Fund into SCORE grants to counties
- › Allocating funding to address the ongoing issue of emerald ash borer and wood waste management
- › Laying the groundwork to adopt product stewardship policies for packaging
- › Restoring funds borrowed from the Metropolitan Landfill Contingency Action Trust
- › Securing consumers' right to repair electronic products
- › Establishing consumer and waste industry protections from per- and polyfluoroalkyl substances (PFAS), a forever chemical
- › Obtaining a position on the state's Clean Transportation Standard working group
- › Supporting organics management through anaerobic digestion and compostable product standards and labeling requirements

Partnership Board members, staff and lobbyists engaged with policy makers on these and several other topics and continued to collaborate with partners toward common goals. In addition, the Partnership provided written and verbal testimony and created policy position statements to communicate its interests.

Product Stewardship

Product stewardship is a policy approach that holds producers responsible for managing their products and packaging for the materials' full life cycle to minimize the environmental and social impacts.

The Partnership partners with the Minnesota Solid Waste Administrators Association (SWAA) Product Stewardship Committee to advance a shared vision of product stewardship across the state. This includes:

- › Supporting efforts that reduce lifecycle impacts of products and packaging
- › Reducing financial burdens associated with disposal on local government and taxpayers
- › Establishing measurable and enforceable goals

In 2023, the Partnership continued developing a bill in Minnesota to implement extended producer responsibility for packaging and paper products. This work included developing draft bill language informed by 2022's committee process and stakeholder feedback.

The Partnership also collaborates to advance policies related to other products, such as carpeting, mattresses, batteries and electronics.



Zero Waste Challenge

As the climate impacts of wasted food become better known, measures to prevent food waste have become an important focus. Almost half of food wasted happens at a household level, meaning that improving knowledge and skills of residents can have a major impact.

The Stop Food Waste Challenge is a month-long online challenge for residents to make better use of the food they buy. Participants create or join a team to take the challenge with their family, friends or neighbors. The platform allows participants to learn more about wasted food and improve cooking, planning, shopping and storage. Participants select their goals from suggested actions and track their progress throughout the month.

In August, the three counties joined together to offer the Hennepin County online challenge to all residents of the three counties under the Partnership. We recruited 36 partner organizations, such as farmers' markets, grocery stores, cities, corporate offices and neighborhood associations, which increased promotion and engagement with residents.

The challenge recruited about 600 participants across 75 teams, completing over 4,800 actions to reduce waste. The impacts of these actions included reducing greenhouse gas by almost 4,600 pounds, preventing 2,330 pounds of wasted food and spending 1,760 minutes learning.



Financials

Each year, the Partnership Board approves a budget for the following fiscal year, which aligns with the calendar year. The Partnership is funded with contributions by Hennepin County and Ramsey/Washington Recycling & Energy. In 2023, the Partnership budget expenditures were as follows:

Personnel	R&E staffing support to the Partnership for planning, accounting, communications and contract management	\$27,700
Communications	Design of professional materials, legislative position statements, reports and web content	\$7,450
Lobbying Services	Contracts with lobbying firms Capitol Hill Associates and Fryberger Law Firm	\$99,975
Product Stewardship	Contract with the Product Stewardship Institute to work on product stewardship policy	\$12,120
Zero Waste Challenges	Contract with Northwest Earth Institute for online Stop Food Waste Challenge platform	\$11,850
Insurance	Organizational insurance	\$1,445
Total		\$172,390



**PARTNERSHIP ON
WASTE AND ENERGY**
HENNEPIN | RAMSEY | WASHINGTON

Legislative Update – June 2024

Waste Issues

Submitted by Rob Vanasek, Capitol Hill Associates, Inc.
On behalf of the Partnership on Waste and Energy Team

The Partnership on Waste and Energy passed the Packaging Waste and Cost Reduction Act through an unheard of 15 committees and it has been enacted into law. Minnesota will only be the 5th state in the nation to have such a law and ours will be nation leading.

This accomplishment was not easy. Our bill was the number one item that dozens of Fortune 500 corporations, national and state trade associations and their several dozen lobbyists worked in opposition to in 2024. In fact, the Minnesota Chamber of Commerce had an amendment posted to another bill to repeal the Act only one day after it was sent to Governor Walz who was under pressure to veto it or meaningfully water it down.

The end of this session completes 27 years of lobbying and legislative work (20 legislative sessions of lobbying at the Minnesota legislature) for me. Passage of the Act is my own career's highest achievement amongst many in passing the Partnership's premier accomplishment in its own short history. The immeasurable effort, time, vigor and sacrifice put in by many to enact the Packaging Waste and Cost Reduction Act is as difficult to describe as this was to achieve.

We could have pushed this bill for a dozen years or more, easily, and not seen the ground breaking, historic wins we had this year on the Act, the biggest change to solid waste laws in 40 years.

I want to thank Mallory Anderson for her endless hours she put in all days and nights of nearly every week for the last 6-plus months. This Act would not be law without Mallory's brilliance.

Many were critical to enactment. Senator Kelly Morrison, her Legislative Assistant, Anna Giesting, Representative Sydney Jordan, non-partisan staff led in 2022-2023 by Bob Eleff, House Research, then Ben Stanley, Senate Counsel, who led the unending redrafting and amending and redrafting of the Act from the fall of 2023 on, Chair Fong Hawj, his Committee Administrator Kara Josephson, and others. All cannot be thanked enough by the Partnership and our allies, which include Nels Paulson, Conservation Minnesota, Dylan de Thomas, The Recycling Partnership, and many, many others, including our county association partners and the MPCA who worked to pass this legislation.

Dan Donkers carried the heavy workload while Mallory was on leave in 2023 and contributed his talents and energy to this extensive, years-long project.

Chair Reinhardt, our entire board and lead staff provided the very significant resources to build this effort over years. Chair Reinhardt earned excellent statewide press with quotes from her testimony.

Many changes will be sought every session over the next decade from amongst the many thousands of companies and their trade associations affected by the Act.

It will take significant work and resources to defend the Act from being gutted or repealed for many years ahead.

Enacted.

- HF 3911 contained:
 - The Packaging Waste and Cost Reduction Act
 - Boat Wrap product stewardship
 - Ban on mercury containing lighting (florescent bulbs)
 - Hierarchy for food waste management
 - Multifamily composting grant program

Not Enacted.

- SCORE Grants – we had \$1.8M in the House and ~\$3.3M in the Senate – both one-time – going into Tax Conference Committee but the final Taxes Conference Committee Report was stripped of most tax spending items, including SCORE. Also, the counties’ continued effort to redirect Solid Waste Management Tax from the general fund into SCORE grants received hearings in both bodies, but did not appear in the Tax omnibus bills.
- Beverage Container Recycling Refund/Bottle Bill – was not heard in the Senate. Only received one hearing in the House.
- E-waste bill – made it out of both Environment Committees but did not advance further other than as a study, which was dropped in the final Environment Conference Committee Report. However, a critical materials recovery task force was enacted.
- Capital Investment – bonding/cash bills were never taken up on the floors. \$0-18M was on the MPCA’s CAP line item at various points in the process.
- Digital Fair Repair Act – neither the ag equipment repair nor the home power tools and equipment bills advanced this session.
- Air emissions – permit restrictions and additional measurement and reporting requirements on many air permittees was later revised to focus on the “dirty thirty” facilities, but in the end, only a limited call for the agency to develop general compliance protocols passed.
- Repeal of the state statute banning local ordinances on merchant bags (bag ban).

FRYBERGER

— LAW FIRM —

TO: Partnership on Waste and Energy
FROM: Sam Richie – Fryberger Law Firm
DATE: May 28, 2024
RE: 2024 Legislative Session Outcomes

While each legislative session is unique, the 2024 session has a strong claim to the title for strangest in modern times. Coming off a historic first year of the biennium with the DFL in full control of all three branches of state government and able to enact sweeping spending and policy changes, conventional wisdom held that 2024 would be a quieter year. Legislative leaders stressed the to-do list was much shorter – fixing a few errors from 2023 session related to the tax bill and paid family leave, addressing tax forfeited land payments that had been thrown into flux by a recent US Supreme Court case, enacting modest permitting reform, and of course – passing a bonding bill.

Leaders were able to accomplish a few of those goals, passing a quick fix to the tax bill early in the session. That boded well for the spirit of bipartisanship that would be needed to assemble and pass a bonding package, which required a 60% supermajority to pass and therefore relies on obtaining minority party votes. But those hopes went out the window when DFL Senator Nicole Mitchell was arrested in April on a felony burglary charge. An orderly end to session, even with one party in full control of the Legislature, relies on a global agreement between party leaders. This global agreement typically dictates spending targets and clarifies policy changes that are in play, establishes the top line number for a bonding bill, and – very importantly – sets the parameters for length of floor debates on omnibus bills. Without that global agreement, the House and Senate floor sessions were total chaos right up until the final moments and a bonding bill never materialized.

After marathon floor sessions over the final weeks of session, House and Senate leadership decided to package the omnibus budget bills that had not yet passed as one massive omnibus-omnibus bill. While some of the bills had been seen in previous forms in both chambers, the new bill did include tax policy that had yet to be discussed or seen by members, and with time running out, the DFL majority passed it with less than 20 minutes of debate in either body over roars and objections from Republicans.

FRYBERGER, BUCHANAN, SMITH & FREDERICK, P.A.

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While finger pointing and recriminations are the norm for the final weekend of legislative sessions, this year certainly felt different. Minority party leaders were furious at the tactics used to force a vote on DFL priorities and gave scathing quotes to reporters. Many lobbyists and legislative staff expressed concerns of the lasting damage that might have been inflicted in how the two major parties work together moving forward.

With that context of a controversial and acrimonious session, here are some specific provisions of interest to the Partnership that were either enacted or fell short during the tumultuous 2024 legislation session.

Clean Transportation Standard

- Context:
 - The saga continued in 2024 with our efforts to support a new clean fuel standard in Minnesota, an effort we are now calling a Clean Transportation Standard.
 - The Clean Transportation Standard would require the state to reduce carbon emissions from transportation fuel by 25% in 2030, by 75% in 2040, and 100% in 2050.
 - In order to achieve those ambitious carbon reduction goals, the state would need help develop and support markets for biofuels created from waste (ie anaerobic digestion), which is why the Partnership has taken a hands-on role in the stakeholder process over the last 3 years.
 - The bill, which has been in play for the last several legislative sessions, made progress in the Senate chamber this year but once again faced an uphill battle in the House. Senate Transportation Committee Chair Senator Dibble remains a vocal and key ally and made sure the bill was heard in his committee.
 - The influential House POCI Caucus has serious reservations with this policy and effectively killed it in the House. Representative Brand is our House champion and did attempt to make inroads within his caucus this year, but there was not any real progress to speak of.
- Outcome:
 - Without obtaining a hearing in the House before deadline, Senator Dibble scaled the proposal from enacting the Clean Transportation Standard down to providing modest funding to the University of Minnesota to conduct a study on a CTS.
 - While that funding was in the Senate Transportation bill, it did not survive the conference committee process and was not included in the final bill.
 - As a further sign of the uphill battle a CTS is facing, there was a GOP floor amendment over the final weekend offered to the ride share compromise bill that would have prohibited the Pollution Control Agency from implementing a CTS. That amendment did not go on the bill, but highlights there is opposition from

both the liberal wing of the DFL as well as the GOP, making the prospects for this policy uncertain moving forward.

- Our friends at the Great Plains Institute plan on working with stakeholders this interim to continue fine tuning their approach to make another attempt in the upcoming budget year, Partnership staff have been and will continue to be part of those discussions.

Ongoing Emerald Ash Borer Response and Tree Planting Funding

- Key provisions of the final Environment bill:
 - \$5 million for community tree planting grants to the Department of Natural Resources
 - \$2 million for tree planting in state parks
 - \$4.5 million for tree planting to the Met Council
 - Expansion of the ReLeaf program that was enacted last year, adding “utilization” of trees to the program to help bring wood waste from EAB into the mix
 - Removed cap of 10,000,000 tree planting stock at state nurseries to allow for more seedlings
 - Requiring a report from the PCA on climate adaptation and resilience costs – including statewide and regional economies, specifically forest products
- Analysis of strategy and outcomes
 - An ongoing priority for the DFL has been responding to the ongoing fallout from the Emerald Ash Borer (EAB) infestation.
 - Tree planting funding proposals were plentiful in 2024 with additional allocations proposed in the ill-fated bonding bill.
 - Many of these proposals related to planting and removal of ash trees specifically target and prioritize the limited funding to socioeconomically disadvantaged areas of the state, another consistent DFL priority.
 - There has been some pushback from the GOP that the tree planting funding is overly focused on the metro area, but overall there is bipartisan support for dealing with EAB and an growing understanding that the issue is not going anywhere any time soon.

Permitting Reform and Anerobic Digester Funding

- Key provisions of the final Energy bill:
 - \$5 million from the renewable development account for R & E anerobic digester
 - Another of the priority issues for the 2024 session was enacted permitting reform to help the state achieve the energy goals established during the 2023 session.

- During the interim, a stakeholder group was established to provide recommendations to help speed up permitting for clean energy projects. That group was able to come to consensus on a number of recommendations, which became a bill called the Minnesota Energy Infrastructure Permitting Act.
- While the bill had a few twists and turns in the legislative process, it eventually was included in the omnibus energy bill, which both passed on its own and was included in massive omnibus bill package that passed in the final moments of session.
- Key components of the policy change:
 - The reforms included in the final bill will help to reduce permitting wait times for wind, solar, battery storage and transmission line projects and aim to provide an easier, more consistent and predictable process that will help establish a stable business environment for clean energy development in Minnesota.
 - Proponents and working group members were very pleased to see this package of reforms pass the finish line.
 - GOP concerns with this permitting reform centered not on the reforms for clean energy projects, but rather that these reforms should be applied to a more expansive set of potential projects and not focus solely on clean energy related projects.
 - Expect to see a concerted effort to continue pushing permitting reform in a broader area of energy projects in the years to come.

While the 2023 session included passage of more bills and ushered in a greater change in policy and increased state spending, the impact of the 2024 session may have a more lasting impact on how the two political parties interact with each other. How things change in the coming years is yet to be seen, but I think we will be hearing about the 2024 session for years to come.

Thanks as always to all the Partnership staff for their tireless efforts, for lending their expertise at a moment's notice, for all the letters of support throughout the year, and for the wonderful collaborative environment.

2024 State Legislative Platform

Build on Waste Management Act goals

PWE supports policies that reach beyond current public health and environmental goals and advance equity and climate resilience.

PWE supports forward-looking policy and regulatory design to align energy and materials management strategies, encourage emerging technologies and support new markets for waste.

PWE supports maintaining Minnesota’s hierarchy of waste management practices.

PWE supports a legislative commission on waste management, energy and climate change issues.

Enhance solid waste financing

PWE supports tax and finance policies that create effective incentives and distribute resources in alignment with policy goals.

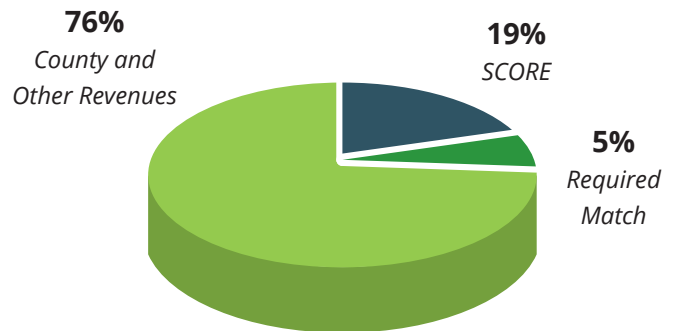
PWE supports robust state funding for local government to carry out statutory responsibilities.

Create a more sustainable, climate resilient economy

PWE supports measures to design waste, toxicity and pollution out of the marketplace and keep products and resources in use for a more equitable circular economy.

PWE supports strong, innovative partnerships between the state, local government and private entities to use waste as a resource and maximize the benefits of action on waste, energy and climate initiatives.

County Recycling Spending and SCORE Grants, 2021



State grants cover only 1/5 of county spending for recycling.

Need more information?

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The Partnership on Waste and Energy—a collaboration between Hennepin, Ramsey, and Washington counties—seeks to end waste, promote renewable energy and enhance the health and resiliency of communities we serve while advancing equity and responding to the challenges of a changing climate.

Product Stewardship Protects the Environment and Taxpayers

Minnesota residents and communities are forced to figure out how best to manage a wide range of products and avoid threats to the environment, public health and our waste management systems. And they are left to cover the costs on their own.

Product stewardship policies that rely on an extended producer responsibility (EPR) framework engage manufacturers, suppliers, retailers and consumers to manage products in a safe, cost-effective and fair manner.

Better environmental outcomes, reduced financial impacts

Well-designed product stewardship and EPR approaches create producer-led partnerships to:

- Reduce impacts of products during and after use.
- Encourage product and packaging redesign to reduce waste and toxicity.
- Increase reuse and recycling.
- Achieve public health and environmental protection.
- Offer consumers fair, convenient management options that are better for the environment.
- Establish measurable and enforceable goals.
- Provide funding relief to local programs and taxpayers.

Better resource management, building a circular economy

Product stewardship and EPR policies can effectively address problem materials, especially the following:

- Packaging for food, beverages and consumer products
- Mattresses
- Carpet
- Prescription and over-the-counter drugs
- Medical sharps
- Electronic devices
- Lithium-ion batteries
- Solar panels

\$18 million annually spent by Hennepin, Ramsey and Washington counties to properly manage recyclable, hazardous and problem materials.

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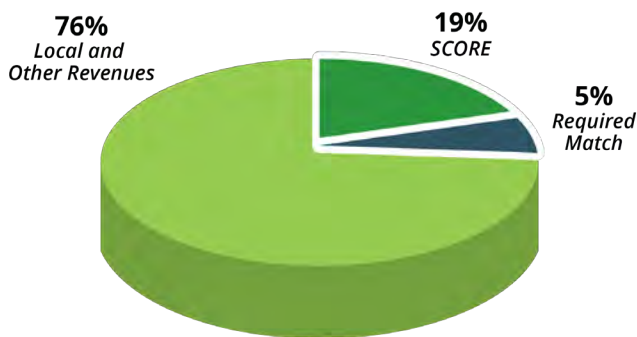
Increase SCORE funding to meet recycling goals

Minnesota law requires counties to implement recycling programs to achieve state recycling goals, including recycling 75% of metro waste by 2030. Counties need greater state investment in SCORE grants to meet today's more complicated solid waste challenges, achieve increasingly difficult recycling goals and keep valuable materials out of landfills.

SCORE grants have not kept pace with state recycling goals

The state raised the metro recycling goal to 75% without addressing the funding needed to achieve it. Revenues from the Solid Waste Management Tax have increased over time, yet a shrinking percentage of those revenues is used for SCORE grants. At one time 35% of revenues went to SCORE, and now it's less than 20%.

County Recycling Spending and SCORE Grants, 2021



State grants cover only 1/5 of county spending for recycling.

Investments in waste reduction, reuse and recycling are needed now

Counties need more SCORE funding to expand programs and support operationally intensive projects and capital investments.

- Minnesota has **spent over \$500 million on landfill cleanup**, with hundreds of millions more needed in the future. The state must prioritize funding for reduction, reuse and recycling to keep waste out of landfills.
- **More than \$50 million worth of recyclables is lost to the waste stream** each year in Partnership counties. Greater investment will allow these materials to contribute to Minnesota's production economy and jobs.
- Organics recycling is the biggest opportunity to avoid landfilling and to reduce harmful greenhouse gas emissions from waste. **Up to 55% of greenhouse gas emissions from landfills come from burying food waste.** Organics recycling cannot happen without investing in collection, processing capacity and education.
- Waste reduction and reuse deliver the best environmental payoffs. Current efforts such as Fix-It Clinics are only a start—**bigger impacts require more resources.**

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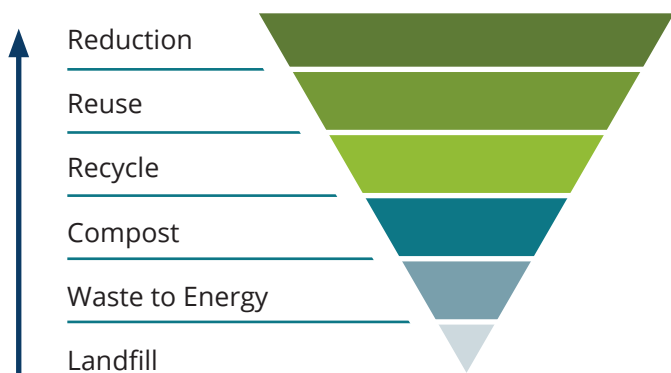
Maintain the Waste Management Hierarchy

Minnesota prioritizes using discarded materials to their highest potential, with landfilling being the last choice. Counties are committed to reducing and managing waste at the top of the hierarchy to avoid burdening future generations with permanent mountains of trash.

- To achieve zero waste and protect our climate, the current hierarchy must be maintained. Climate benefits grow with each step up the hierarchy.
- Without waste-to-energy, Partnership counties would send 815,000 more tons of trash to landfills each year – enough to line up garbage trucks bumper to bumper from St. Paul to St. Louis, Missouri.
- Waste-to-energy creates additional value from today's discarded resources and reduces pollution.

Minnesota's Waste Hierarchy

Most preferred for environment



Least preferred for environment

Landfills are costly and bad for the climate

Minnesota needs a sustainable, circular economy that manages materials to their greatest potential. That means maintaining the current hierarchy.

- Landfills pose threats to our air and water, releasing toxics and climate-threatening methane and leaking chemicals like PFAS.
- Siting a new landfill in Minnesota is politically impossible. That means trash must be hauled further away, with higher costs and climate impacts. The last landfill permitted in Minnesota was in the 1990s.
- Landfills appear less expensive in the short run but have hidden costs and liabilities. Cleaning up closed landfills has cost taxpayers \$500M – those costs will keep piling up in the long run.

The hierarchy is backed by science and consistent with other policy

Landfilling is the least preferred waste management option in federal and Minnesota law. The current hierarchy reflects sound science for protecting public health, the environment and climate.

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