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Senator Bill Ingebrigtsen Senator Carrie Ruud Senator Torrey Westrom Senator Justin Eichorn Senator David Tomassoni Representative Rick Hansen Representative Ami Wazlawik Representative Kelly Morrison Representative Peter Fischer Representative Josh Heintzeman

Dear Omnibus Environment & Natural Resources Bill Conferees:

As the Conference Committee convenes to consider differences in the House and Senate versions of the Environment & Natural Resources Bill (S.F. 959), we wanted you to know Land Stewardship Project's priorities and concerns.

SUPPORT House Position: Establish a Soil Health Cost Share Program

(1st Unofficial Engrossment Lines 34.15 to 34.17, 182.28 to 183.17)

By ensuring soil-healthy practices are profitable from day one, Minnesota's countryside can be abundant with perennial pastures, perennial cropping systems, cover cropping systems, no-till, and additional soil health practices. When we steward healthy soil, we are cultivating vibrant and resilient rural, urban, and suburban communities and economies. We cultivate thriving and resilient land that soaks up rain and sequesters carbon, while fostering healthy ecosystems with clean water and a sustainable climate for microorganisms, wildlife, and people. Yet, Minnesota's farmers are facing compounding challenges of extreme weather, financial crisis, and degrading topsoil. All Minnesotans depend on having a sustainable and just farm and food system – which requires public investment in farming that provides a public good. Minnesota has an opportunity to create a program that captures federal dollars and makes us a national and international soil health leader.

House Language:

Lines 34.15 to 34.17

(k) \$500,000 the first year and \$500,000 the second year are for the soil health program under Minnesota Statutes, section 103F.06

Lines 182.28 to 183.17

Sec. 7. [103F.06] SOIL HEALTH COST-SHARE PROGRAM.

Subdivision I. Definitions. (a) For purposes of this section, the terms in this subdivision have the meanings given them. (b) "Board" means the Board of Water and Soil Resources. (c) "Local units of government" has the meaning given under section 103B.305, subdivision 5. (d) "Soil health" has the meaning given under section 103C.101, subdivision 10a. (e) "Soil health practices" are those practices that sustain or improve soil health, including but not limited to: (1) no-till or strip-till; (2) mulching; (3) cover cropping; (4) perennial cropping; (5) stand diversification; (6) contour, field edge, pollinator, wildlife, or buffer strips planted with perennials; (7) agroforestry; (8) managed rotational grazing; and (9) management practices that minimize soil compaction or increase aeration.

Subd. 2. Establishment. The board must establish a cost-share program consistent with the provisions of section 103C.501 for the purpose of establishing soil health practices to mitigate climate change impacts and improve water quality and related public benefits.

Subd. 3. Financial assistance. (a) The board may provide financial assistance to local units of government for the costs of soil health and related water quality practices consistent with a plan approved according to chapter 103B, 103C, or 103D. The board must establish costs eligible for financial assistance under this section, including costs for conservation planning, cover crop seeding, equipment acquisition or use, and other practices to improve soil health. (b) The board must enter into agreements with local units of government receiving financial assistance under this section.

Subd. 4. Technical assistance. (a) The board may employ or contract with agronomists, biologists, or hydrologists in implementing the cost-share program. (b) When implementing the program, the board must: (1) assist local units of government in achieving the goals of the program; (2) review and assess practice standards; and (3) evaluate the effectiveness of completed practices constructed with assistance from the cost-share program. (c) The board must cooperate with the Minnesota Office for Soil Health at the University of Minnesota, the United States Department of Agriculture Natural Resources Conservation Service, and other agencies and private sector organizations as needed to enhance program effectiveness.

Subd. 5. Federal aid availability. The board must regularly complete an analysis of the availability of federal funds and programs to supplement or complement state and local efforts consistent with the purposes of this section.

SUPPORT House Position: Create a Voluntary, State-Wide Soil-Healthy Farming Goal (1st Unofficial Engrossment Lines 181.22-181.28)

Originating from a farmer-built proposal, this language would establish a voluntary, state-wide soil-healthy farming goal that would be easily accomplished in conjunction with establishing a Soil Health Cost Share Program, appropriating Clean Water Fund dollars to implementation, funding Soil & Water Conservation Districts, and passing proposals on the table this legislative session. Currently, states like Indiana and Maryland have over 50% of their farmland in soil-healthy practices, while Minnesota is only at about 5%. This goal would signal to our farmers that we are serious in supporting their work to scale up soil-health practices, increase emphasis of our public institutions on soil health, and signal to the federal government and country that we are ready to be national leaders on soil health.

House Language:

Sec. 5. [103C.701] SOIL-HEALTHY FARMING GOALS.

(a) It is the goal of the state to encourage soil health, as defined in section 103C.101, subdivision 10a, farming practices. This may be done by achieving the following objectives: (1) preventing or minimizing soil erosion; (2) retaining water quantity to provide for infiltration; (3) improving surface water and groundwater quality; (4) sustaining soil organic matter; and (5) supporting soil life and pollinators. (b) To achieve the objectives under paragraph (a), the state sets a goal of 30 percent of Minnesota privately owned farmland using soil health practices including but not limited to cover crops, perennial crops, notill or reduced tillage, strip cropping, or managed rotational grazing by 2030.

SUPPORT House Position: Take Steps Toward Equitable SWCD Funding (1st Unofficial Engrossment Lines 181.8 to 181.16)

We all benefit from the crucial work Soil & Water Conservation Districts are doing on the ground to support farmers, advance the adoption of soil-healthy practices, and build a resilient and sustainable farming system. Regardless of zip code, SWCDs deserve to have sufficient budgets, staffing, and resources. Currently, SWCDs across the state have wildly unequal budgets. While some districts have as little as \$10,000 per year, others have over a million. These inequalities are strikingly apparent on the

landscape. Regardless of zip code, farmers deserve to have sufficient and equal support, technical assistance, and resources through their local SWCD. Right now, there's an incredibly uneven playing field for our farmers. While the state of Minnesota works toward finding long-term, equitable, and reliable funding solutions for SWCDs, LSP believes that this proposal is an important step in the right direction. Together, we can pitch in to ensure that our SWCDs, farmers, and whole communities are as effective as possible.

House Language:

Sec. 3. [103C.237] SOIL AND WATER CONSERVATION DISTRICT FEE.

Subdivision I. Fee. (a) A county that contains at least one soil and water conservation district must impose an additional fee of \$25 per transaction on the recording or registration of a mortgage subject to the tax under section 287.035 and an additional fee of \$25 on the recording or registration of a deed subject to the tax under section 287.21. (b) A county that does not contain at least one soil and water conservation district, but carries out the duties of a soil and water conservation district, must impose the fee described in paragraph (a). Subd. 2. Fee deposited; account. The fee described in subdivision I must be deposited in a special soil and water conservation district account in the county general revenue fund. Subd. 3. Distribution to soil and water conservation districts. (a) The county treasurer must transfer money from the special soil and water conservation district account to existing soil and water conservation district within the county in May, October, and December each year. If a county contains more than one soil and water conservation district, money must be allocated equally among each district. (b) A county imposing a fee under subdivision I, paragraph (b), must use money in the special soil and water conservations duties within the county.

OPPOSE Senate Positions: Serving Corporate Interests at the Expense of Farmers & Rural Minnesotans (3rd Engrossment Lines 116.25 to 117.9, 107.9 to 107.27, and 121.20 to 121.26.)

The Senate version of the bill eliminates and limits restrictions for spreading manure from factory farms, increases "efficiency" of environmental review and permitting of industrial projects, and limits the rights of affected persons to petition for environmental review of industrial projects. Our air and water do not know county lines and our rights shouldn't stop at them either. These proposals serve just a handful of large operations and their wealthy investors, at the expense of small and mid-sized farmers and rural Minnesotans. They uplift a corporate industry that is running small and mid-sized farms out of business, depopulating rural communities, and forcing rural communities to foot the bill to clean up detrimental impacts on human health and the environment.

Senate Language:

Lines 116.25 to 117.9

(h) The Pollution Control Agency shall adopt rules governing the issuance and denial of permits for livestock feedlots, poultry lots or other animal lots pursuant to this section. Pastures are exempt from the rules authorized under this paragraph. No feedlot permit shall include any terms or conditions that impose any requirements related to any pastures owned or utilized by the feedlot operator other than restrictions under a manure management plan. A feedlot permit is not required for livestock feedlots with more than ten but less than 50 animal units; provided they are not in shoreland areas. A livestock feedlot permit does not become required solely because of a change in the ownership of the buildings, grounds, or feedlot. These rules apply both to permits issued by counties and to permits issued by the Pollution Control Agency directly. No feedlot permit issued by the Pollution Control Agency shall include terms or conditions that:

(1) impose requirements related to pastures owned or used by the feedlot operator other than restrictions under a manure management plan;

- (2) prohibit application of solid manure during February and March;
- (3) require establishing a cover crop as a condition of allowing application of manure in September; or
- (4) require implementing nitrogen best management practices as a condition of allowing application of manure in October.

Lines 107.9 to 107.27

(b) The commissioner shall must prepare an annual semiannual permitting efficiency reports that includes include statistics on meeting the tier 2 goal in paragraph (a) and the criteria for tier 2 by permit categories. The report is reports are due on February I and August I each year. For permit applications that have not met the goal, the each report must state the reasons for not meeting the goal. In stating the reasons for not meeting the goal, the commissioner shall must separately identify delays caused by the responsiveness of the proposer, lack of staff, scientific or technical disagreements, or the level of public engagement. The Each report must specify the number of days from initial submission of the application to the day of determination that the application is complete. The Each report must aggregate the data for the year reporting period and assess whether program or system changes are necessary to achieve the goal. Whenever a report required by this subdivision states the number of permits completed within a particular period, the report must, immediately after the number and in parentheses, state the percentage of total applications received for that permit category that the number represents. Whenever a report required by this subdivision states the number of permits completed within a particular period, the report must separately state completion data for industrial and municipal permits. The reports must be posted on the agency's website and submitted to the governor and the chairs and ranking minority members of the house of representatives and senate committees having jurisdiction over environment policy and finance.

Lines 121.20 to 121.26

e) An environmental assessment worksheet must also be prepared for a proposed action whenever material evidence accompanying a petition by not less than 100 individuals who reside or own property in the state a county where the proposed action will be undertaken or in one or more adjoining counties, submitted before the proposed project has received final approval by the appropriate governmental units, demonstrates that, because of the nature or location of a proposed action, there may be potential for significant environmental effects.

Thank you for your consideration.

On behalf of the LSP Soil Health & Climate Organizing Committee,

Kristi Pursell

Krish Hall

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The Honorable Tim Walz, Governor of Minnesota The Honorable Peggy Flanagan, Lieutenant Governor of Minnesota Senator Paul Gazelka, Majority Leader of the Minnesota Senate Representative Melissa Hortman, Speaker of the Minnesota House of Representatives Commissioner Laura Bishop, Minnesota Pollution Control Agency Commissioner Thom Petersen, Minnesota Department of Agriculture Mr. John Jaschke, Executive Director of the Board of Water and Soil Resources