



Dedicated to a Strong Greater Minnesota

SF 2878 (Nelson) / HF 3065 (Swedzinski)

Save regulatory costs and provide oversight to water quality regulatory process

1. Summary of Bill

The bill appropriates \$1 million per year for two years to the Minnesota Environmental Science and Economic Review Board (MESERB) to:

- a) Review the scientific validity and technical accuracy of water quality rules and permits.
- b) Analyze the costs, impact on user rates and environmental impacts of compliance with draft water quality permits issued in Greater Minnesota by the MPCA.
- c) Make reports summarizing its scientific review and cost/impact analysis to the Legislature, cities in Greater Minnesota and the public.

2. What is MESERB?

MESERB is a municipal joint powers organization dedicated to the research, study and analysis of water quality issues that are important to Greater Minnesota communities. It is made up of 48 cities and sanitary districts across Greater Minnesota. The individuals who participate in MESERB on behalf of the cities and sanitary districts are public works officials, wastewater technicians, city engineers and other wastewater experts.

3. Why is SF 2878/HF 3065 necessary?

- a) **End costly mistakes:** The MPCA is not infallible. It sometimes makes mistakes, and in some instances costly mistakes were only caught when MESERB performed a permit review. If draft permits are not thoroughly reviewed, they may include errors that can force cities to make very expensive facility upgrades — unnecessary costs that fall on city residents and businesses as well as the state. Many cities do not have the ability, expertise or budget to undergo a thorough permit review on their own; this bill would allow for such a review.
- b) **Provide effective oversight of the MPCA:** Under the current regulatory process, there is no second opinion on MPCA's science and no comparison of regulatory costs and environmental impacts. Without this information, there is no effective oversight of the MPCA. Providing a second opinion on science and an analysis of costs and environmental impacts could save state taxpayers and city water users hundreds of millions of dollars, without harming the environment.

4. Why MESERB?

MESERB has been doing technical reviews of permits for its members for more than 20 years. During these reviews, MESERB has identified costly mistakes in MPCA draft permits. It is a unique organization with the expertise and experience to do this work.

5. Doesn't MPCA already do substantial public engagement and robust rulemaking? Why is this extra step necessary?

Yes, MPCA does public hearings and robust rulemaking, but this bill provides funding for scientific and economic analysis that is not currently done so that cities and the Legislature have critical information during the rulemaking and permitting process.

6. Will this additional review slow down the permitting process and delay the implementation of new standards and regulations?

No. This bill does not delay or change the rulemaking or permitting processes in any way.

7. Do we really need another review?

Yes. Nobody is currently performing the type of review that is authorized under this bill, which is to analyze the costs and environmental impacts of proposed regulations and permitting changes.

8. Does this bill give MESERB preferential treatment in rulemaking?

No. MESERB does not get any preferential treatment in rulemaking or permitting under this bill, nor does it give MESERB any additional power or authority in the rulemaking process.

9. Does this bill pose a conflict of interest for MESERB?

No. MESERB is a governmental agency with a responsibility to protect water quality and to protect its ratepayers and the state from unnecessary and wasteful spending. Under this bill, the state is helping pay for cities to meet this responsibility. The state and cities need to work together to eliminate wasteful spending and protect water quality.

10. Is this just wasting taxpayer money by adding yet another layer of government?

This bill does not add another layer of government. MESERB has been existence since 1997; this bill provides resources for MESERB to expand its ability to analyze and provide information on the costs and effectiveness of regulations. If MESERB finds even one error during its permit review (Owatonna example) it will save the state and local governments tens of millions of taxpayer dollars.

11. Would it be a better use of taxpayer money to add another municipal liaison to the MPCA?

No. Adding another municipal liaison officer does nothing to provide information on costs, science or environmental impacts, and therefore would do nothing to help curb excessive and costly regulations imposed on cities and the state.