



MPCA biennial budget

FY 2014-2015

The MPCA's mission is *to protect and improve the environment and enhance human health*. To support this mission, the work of the agency is structured to fulfill the following strategic vision statements.

- Minnesota's clean and clear **air** supports healthy communities and a strong economy.
- Minnesota's clean **water** supports aquatic ecosystems, healthy communities and a strong economy.
- Minnesota's **land** supports healthy ecosystems and sustainable land uses.
- Minnesotans and the MPCA take actions to protect our land, water and air.
- The MPCA demonstrates excellence in operations.

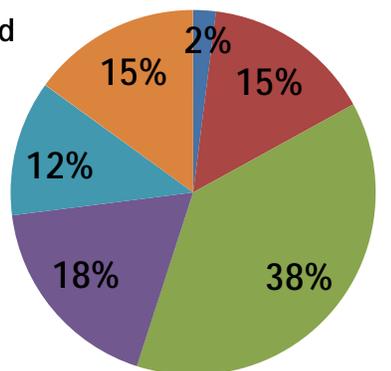
The MPCA budget is organized into five categories, including air, water, land, environmental assistance/cross-media and administrative support. The air, water and land categories fund work focused specifically on those environmental media areas. The environmental assistance/cross-media category funds activities that combine the work of two or more media areas and includes functions such as environmental review and technical assistance for small businesses. The fifth category, administrative support, funds services that ensure efficient program delivery across the Agency including information systems, communications and outreach, data services, human resources and finance.

Authorized budget for the MPCA

At the conclusion of the 2013 Legislative session, the budget enacted for the next two fiscal years funds the MPCA at \$383.1 million. The enacted budget includes appropriations from the state's General Fund, Environmental Fund, Remediation Fund, Clean Water Fund and federal funds.

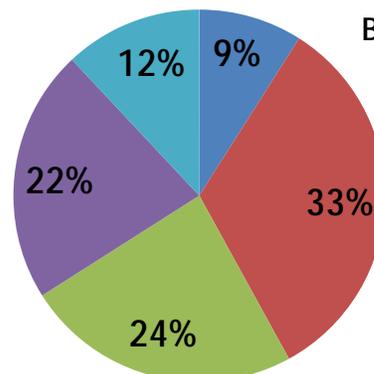
FY 2014-2015 Enacted Budget: \$383.1M

By Fund



- General Fund: \$9.5M
- Clean Water Fund: \$56.7M
- Environmental Fund: \$143.6M
- Remediation Fund: \$69.7M
- Federal Funds: \$44.8M
- Other Funds: \$58.8M

By Program



- Air: \$33.7M
- Water: \$127.8M
- Land: \$92.5M
- EACM: \$84.1M
- Admin: \$45.0M

New budget initiatives by program for FY 2014 and FY 2015

Air

Air emission fees

An increase of \$165,000 in FY 2014 and \$335,000 in FY 2015 in appropriations from the Environmental Fund: These increases equal the annual increase indexed in statute to cover the inflationary costs of administering the program from permittees' annual emission fees.

Air program appropriations

An increase over the biennium of \$3.0 million in appropriations from the Environmental Fund: The funding will allow the Agency to react to pressures on the program, such as replacing its aging database system and developing online tools to improve service to citizens and businesses. Increased funding also enables the Agency to improve its permitting and compliance efforts even as demand for permitting increases in a growing economy.

Improving air quality

An increase over the biennium of \$1.38 million from the Environmental Fund for improving outdoor air quality by reducing emissions from a variety of widespread non-point pollutant sources

Localized air monitoring

An increase over the biennium of \$420,000 from the Environmental Fund for localized air monitoring to determine whether air quality disparities exist in various communities

Water

Clean Water Fund

Appropriations of \$28.4 million in FY 2014 and \$28.3 million in FY 2015 from the Clean Water Fund: This will allow the MPCA to continue systematic progress on statewide water assessments and watershed restoration and protection strategies (WRAPs). Funding also includes development of a portal to make information on multi-agency water management projects accessible and, in general, increases MPCA's ability to address key requirements of the federal Clean Water Act.

Water program appropriations

An increase over the biennium of \$3 million in appropriations from the Environmental Fund: The funding will allow the Agency to react to pressures on the program, such as replacing its aging database system, and developing online tools to improve service to citizens and businesses. Increased funding also enables the Agency to improve its permitting and compliance efforts even as demand for permitting increases in a growing economy.

Wastewater lab quality assurance/quality control (transfer from MDH)

An increase over the biennium of \$210,000 in appropriations from the Environmental Fund: This program is being transferred from the Minnesota Department of Health and will streamline certification requirements and reduce costs for wastewater labs. The funding will cover the costs associated with developing a program to register and audit non-commercial labs that test wastewater effluent.

Environmental Health Risk Monitoring

An increase over the biennium of \$1.826 million from the Environmental Fund for a joint MDH/MPCA environmental health risk program focusing on urban air pollution and asthma, mercury levels in children, and testing for PFCs in the east metro area.

Land

Product stewardship

Session law established a product stewardship program for paint manufacturers to properly dispose of leftover or unneeded paint. The private/public partnership will address the challenge raised by how this product currently enters the solid waste stream and aims to reduce costs incurred by individuals and local governments for recycling and disposal of paint products. Funding is provided through an agreement with the product manufacturers to pay agency costs associated with coordinating the program.

Environmental Assistance and Cross Media

Environmental Quality Board

New appropriations to provide stable funding for the Environmental Quality Board (EQB) over the biennium \$624,000 from the General Fund and \$376,000 from the Environmental Fund: The funding is important to advance Minnesota's environmental outcomes. The state relies on multiple agencies, in concert with citizens, to look at current and future issues that threaten public health and the state's environment and economy. This investment will give the public more opportunities to participate in the environmental decision-making across the state.

Silica Sand Technical Team

A new appropriation of \$1 million over the biennium from the General Fund to create a technical assistance team to create model ordinances, standards and assist local governments in reviewing and permitting individual silica sand projects. A portion of this money will be transferred to MDH and the DNR since the technical team will represent more than the MPCA and EQB.

Sanitary district formation (transfer to OAH)

An appropriation over the biennium of \$125,000 from the Environmental Fund to be transferred to the Office of Administrative Hearings: This funding will cover the costs associated with establishing sanitary districts. OAH's experience administering the state's uniform system for city boundary adjustments will standardize and simplify the process for establishing and changing sanitary district boundaries.

Program operating reduction

A reduction of \$949,000 over the biennium from the General Fund: Activities paid from this funding source will largely be shifted to the Environmental Fund. Operating reductions have been identified in the Air, Water and Land programs in an amount equal to the reduction in the General Fund.

Administrative Support

Program operating reduction

A reduction of \$742,000 over the biennium from the General Fund: Activities paid from this funding source have been shifted within the agency's budget and funded from other sources.