### Legislative-Citizen Commission on Minnesota Resources

**MEMO:** Agenda Item 7

**DATE:** May 23, 2025

**SUBJECT:** Emerging Issues Memo for June 11, 2025

## Summary

LCCMR received three requests for funding from the Emerging Issues Account (EIA) by the March 19, 2025 EIA request deadline. Members will make decisions about expedited funding for these requests at the June 11, 2025 LCCMR meeting. The applicants will each present their request and stand for questions at the meeting. Additional information about the EIA, including funding criteria, account balances, and current and future approval processes, is provided below.

### EIA Purpose & Criteria

The EIA, as enabled in statute and described in LCCMR's <u>operating procedures</u>, provides a way for LCCMR to respond to <u>unexpected and urgent issues</u> that are consistent with the LCCMR's <u>strategic plan</u> and that may not be able to wait for a full RFP funding cycle. Since the EIA is funded by the Environment and Natural Resources Trust Fund (ENRTF), its funds must be used for the public purpose of <u>protection</u>, <u>conservation</u>, <u>preservation</u>, and <u>enhancement of the state's air</u>, <u>water</u>, <u>land</u>, <u>fish</u>, <u>wildlife</u>, and other <u>natural resources</u>.

### **EIA Funding**

The Legislature appropriates money from the ENRTF to the EIA as part of the LCCMR funding bill; the appropriation amount is traditionally based on a recommendation from the LCCMR. Distributing funds from the EIA to the ultimate recipient, however, occurs through a different process than the standard RFP, proposal review, and recommendations.

The LCCMR considers requests for EIA funding on a rolling basis. Applicants must submit a one-page letter describing the urgency, explaining how the request fits the EIA criteria, and describing the proposed use of funds, results, and deliverables. Applicants must also submit a description of the organization and its capability to carry out the proposed activity and a budget spreadsheet.

# Approval of EIA Requests

For a request to be funded, a quorum of the LCCMR must be present and **at least 60% of those members present** must vote in favor of approval of the request. If supported by the LCCMR, a request for approval is sent to the Governor. Because the funds have already been appropriated, they are **available** 

Agenda Item: 07d

**to be spent immediately** if the Governor approves the request and the work plan is approved by the LCCMR.

Because of the expedited nature of these requests, staff handle the EIA funding process as the highest priority. Other work and priorities of the LCCMR may be delayed as a result.

#### Available EIA Funds and Deadlines

Starting in calendar year 2025, the LCCMR posts EIA request deadlines on the annual calendar and on the EIA page of the website. This year's request deadlines are as follows:

- March 19, 2025, for consideration at the June 11, 2025 meeting
- November 19, 2025, for consideration at the December 10, 2025 meeting

The EIA is currently funded through the following appropriation:

• M.L. 2024, Chp. 83, Sec. 2, Subd. 10b for \$186,000 (deadline to spend is June 30, 2027)

The LCCMR's 2025 recommendation currently pending at the legislature includes **\$2,984,000** to the EIA with a deadline of spending by June 30, 2028.

One appropriation may be used to fund multiple projects. However, funding one project from multiple appropriations creates significant challenges and is not recommended.

#### The Future of the EIA

The LCCMR's six-year (2025-2031) strategic plan includes a goal specifically related to emerging environmental and natural resources issues (See page 9 of the <u>strategic plan</u>). The goal includes seven strategies for emerging issues funding and one operational strategy of exploring revised processes for requesting, evaluating, and awarding funds for emerging issues.

Additionally, by law, EIA funding needs to adhere to the LCCMR's strategic plan. The EIA policy and procedure posted to the LCCMR's website has not yet been updated to incorporate the strategies from the new strategic plan. LCCMR's input is needed for this to occur.

If the LCCMR wishes to prioritize the goal and strategies related to emerging issues and updating the EIA policy and procedure, staff could prepare materials and options for member consideration at a meeting later this year.