

Minnesota Environmental Partnership 2025 Legislative Wrap-Up



The 2025 Minnesota Legislative Session was a challenging one for our community to navigate. A Legislature with razor-thin margins, a projected budget crunch, and tremendous uncertainty at the federal level forced advocates to react quickly and think on our feet from January to June.

But we're proud to report that despite these challenges, we won major victories for Minnesota's land, air, water, and people and blocked bad bills that would have stripped away critical environmental protections. We didn't win on every issue, but we made sure Minnesota remains a nationwide leader in climate action, environmental justice, and protecting our natural spaces.

MEP is proud of our role in keeping Minnesota's environmental community strong and united. That unity powered our victories this session and will enable us to weather the storms of these tumultuous times.



Key steps forward

The following good provisions - all passed on a bipartisan vote - were signed into law by Governor Walz:

- Just over \$28 million appropriated from the **Environment and Natural Resources Trust Fund** to the Department of Natural Resources for a new Community Grants program, enabling this new program to get off the ground. This funding will help disadvantaged communities across the state take the lead on investing in a healthy Minnesota future.
- Over \$700 million for infrastructure or capital investment that includes **more than \$200 million in funding for clean water projects**, including municipal drinking and waste water systems and emerging contaminants. Those investments will support good jobs and keep Minnesotans and our lakes and rivers healthy.
- A **\$777 million Legacy bill** that appropriates money from the State's sales tax-supported Legacy Funds: Clean Water, Outdoor Heritage, Arts and Cultural Heritage, and Parks and Trails to support environmental and cultural projects in every corner of the state.
- A record **\$8.7 million** to support critical research and implementation for the **UMN's Forever Green Initiative**, which develops regenerative, marketable crops that benefit water quality and soil health, and **\$450,000 for supply chain development** so that these crops can successfully enter the market.
- Funds for a new **Local Food Purchasing Program at \$1.4 million** to buy food from emerging farmers and provide it at no cost to food banks and food shelves. This will help provide fresh, healthy food to those in need, directly from farmers.



Bad policy blocked

MEP and our allies successfully worked to stop the following bad provisions:

- The Senate Energy bill initially included **rollbacks to Minnesota's clean energy programs** that would have slowed down our energy transition:
 - **Reductions in net metering rates** - the compensation earned by homeowners with solar panels from their utility companies - that would have had a chilling effect on new solar installations.
 - A **sunset provision** for state support of new **Community Solar Gardens**, which make up most of the state's current solar power supply.
 - **Carve-outs in Minnesota's 100% Carbon-free Electricity law** for B100 biodiesel and woody biomass, neither of which are carbon-free. This would have hollowed out the 100% law, which was intended to be technology neutral and based on sound science.
- The House Transportation bill proposed a **3-year delay to Minnesota's Driving Down Emissions Law**, a policy passed in 2023 that requires MnDOT to consider and mitigate the climate impact of highway projects.
- Legislators proposed several harmful and unnecessary changes to **environmental permitting**, including:
 - Separation of the state's current permitting process for new facilities into **separate construction and operations permits**. This could create a situation in which a facility might hold a permit for construction but not for operation, generating regulatory confusion, elevating political pressure to issue permits, and creating a potential stranded asset.
 - Creating an unrealistic and arbitrarily short timeline for permitting decisions.
- Legislators introduced a **rollback to a 2024 law** that helps clarify which of the state's waterways are considered "**public waters**," an important distinction for clean water protection. This change would have needlessly delayed work already underway to improve our accounting of public waters.
- Legislators considered a **rollback of sulfate pollution and reactive mine waste regulations**. These rollbacks would have hurt efforts to reduce existing mining pollution and opened the door wider for new sulfide ore mines that could further diminish Northern Minnesota waters.



Environmental missteps

The Legislature passed the following provisions that MEP and allies opposed:

- As part of the easing of permitting push by business interests, the Legislature **restricted public participation in environmental permitting**. Previously, any Minnesotan could petition for environmental review of a project; the new legislation limits this to only Minnesotans who live or own property in the county where a project is proposed, or adjacent counties. Pollution of water and air does not respect county lines, and Minnesotans deserve to have their say about projects that could impact their state's health.
- The Legislature passed a **last-minute reduction in funding for Metro Transit**. This raid ran counter to the transportation conference committee's own budget agreement and gave virtually no opportunity for the public to comment. It will result in slowed investments in clean transportation, including transit and bicycle and pedestrian infrastructure.
- The Legislature **doubled annual registration fees for electric vehicles** from \$75 to \$150. Combined with federal proposals to increase EV fees, this increase could slow growth in zero-emission transportation options in Minnesota.



Mixed result: The Data Center Bill

With members of both parties divided on the topic, the Legislature passed a bill updating regulations for **large data centers** and extending their tax breaks for parts and other equipment to as late as 2077 for some facilities, while eliminating their tax break on electricity purchases. MEP did not take a formal position on this bill. While it includes new regulations relating to water and energy usage, it still leaves leeway for data centers to avoid necessary environmental review. This will continue to be a significant political issue - the decisions we make today on these data centers will profoundly impact our water resources, our power grid, our communities, and our finances.



Progressed, but not yet passed

The following MEP-backed policy proposals did not pass this session, though many are likely to be pursued in future sessions:

- The **e-waste stewardship bill**, which had bipartisan backing, would set up a producer-funded program to ensure that all Minnesotans have access to free electronic waste dropoff and help keep critical materials out of landfills and incinerators.
- Proposed **land use and parking reforms** would boost affordable housing in the state and encourage greater density in existing communities, helping to reduce transportation emissions and other environmental impacts.
- Proposals to **broaden the definition of “highway purposes”** that would allow certain funds to be used for sustainable purposes like public transit investments.
- Proposed efforts to **reduce or prohibit lead ammunition and fishing tackle** would reduce this major source of lead poisoning in birds and other animals.
- **The Wild Rice bill** would recognize the importance of wild rice - called Manoomin by the Ojibwe/Chippewa Nations and Psíj by the Dakota Nations - and introduce new policies to protect the waters where it grows.
- **Restrictions on the uses of neonicotinoid pesticides and neonic-treated seeds** would help protect pollinators, wildlife, and Minnesotans’ health.
- Repealing the state’s **preemption of local bans on single-use plastic bags** that would help keep plastic waste - including microplastics - out of our water, lands, and bodies. The same goes for a proposed ban on **state government purchases of single-use plastics** and the proposed ban on hotels offering **single-use personal care products**.
- Several new laws to protect our waters from sulfide mining:
 - **Protect the Boundary Waters/Quetico/Voyageurs National Park from sulfide-ore copper mining pollution** by banning these practices from being established in the Rainy River Watershed.
 - Enact a **“Prove it First” policy for sulfide mines**, requiring independent scientific proof that a copper-sulfide mine has operated elsewhere in the United States for at least ten years without causing pollution and that the mine has been closed for at least ten years without causing pollution before a copper-sulfide mine in Minnesota could be permitted.
 - **Prohibit bad-actor corporations** with histories of environmental violations, corruption, child labor, and other legal abuses from operating a sulfide mine in Minnesota.
 - Require sulfide mining companies to put **cash upfront to cover the liability** for this type of toxic mining.