

March 27, 2025

To Co-Chair Heintzeman, Co-Chair Fischer, and the members of the House Environment and Natural Resources Finance and Policy Committee:

Thank you for allowing our organizations to express our support for HF2293 (Hollins), the bill to fund the new Community Grants Program.

Last November with 77.5% support, voters approved constitutionally re-dedicating a portion of state lottery proceeds into the Environment and Natural Resources Trust Fund (ENRTF). Importantly, voters approved increasing the amount that can be spent from the Trust Fund each year from 5.5% to 7.0%. This new 1.5% of the ENRTF is directed to a new Community Grants Program through the Minnesota DNR. HF2293 is simply an appropriation for fiscal year 2026, and 1.5% of the ENRTF value amounts to \$28.18 million. The separate 5.5% of the ENRTF remains dedicated to the Legislative-Citizen Commission on Minnesota Resources (LCCMR) process, just as it has been for decades.

The new Community Grants Program was created so that new and smaller grantees can access ENRTF funds in ways that are not feasible in the LCCMR process. The same constitutional protections that cover LCCMR recommendations also pertain to the new 1.5% for Community Grants. The constitutional protections read, “[T]he assets of the fund shall be appropriated by law for the public purposes of protection, conservation, preservation, and enhancement of the state’s air, water, land, fish, wildlife, and other natural resources.”

Many people recognize the LCCMR as an important source of funding for natural resource related projects. However, the LCCMR process is oversubscribed, and has been challenging and burdensome for small organizations, communities and projects to access. The new Community Grants Program is designed to help smaller projects hit the ground faster and in communities that would otherwise struggle to navigate LCCMR, so that ENRTF dollars can reach more communities and grantees across the state.

The Minnesota DNR has been working with stakeholders for almost 2 years in preparation for the new Community Grants Program, and we anticipate the new Advisory Council to be open for applications this spring. Once appointed, the Advisory Council is designed to help oversee and advise the DNR set up and administer the new Community Grants Program. The DNR manages many successful grant programs and their traditional grant management safeguards are expected to apply to the Community Grants Program, and final decision-making authority remains with the agency.

With diminishing funding opportunities coming from the federal government, and increasing demand for ENRTF funding, this is the perfect time for the Community Grants

Program to begin with the appropriation from HF 2293 so that more Minnesota communities can access ENRTF dollars to improve our shared Great Outdoors.

Alliance for Sustainability
Barbette Restaurant & Amusements
Bicycle Alliance of Minnesota
Book Club
Bread & Pickle – Lake Harriet
Brainerd Area Coalition for Peace
Central Lakes College Natural Resources Club
Chester Bowl Improvement Club
City of Richfield
Clean River Partners
Clean Water Action
COGGS
Conservation Minnesota
Discover the Range
Fergus Falls Fish & Game Club
Friends of the Boundary Waters
Friends of the Mississippi River
Freshwater
Gigi's Café
Great River Greening
Green Cities Accord
Lakeville Friends of the Environment
Marine Retailers Association of the Americas
Minnesota Bird Coalition
Minnesota Chapter of Backcountry Hunters and Anglers
Minnesota Deer Hunters Association
Minnesota Division Izaak Walton League of America
Minnesota Forestry Association
Minnesota Mycological Society
Minnesota Ski Areas Association
New Ulm Area Sport Fishermen
North Country Trail Association
Northern Star Scouting
Northern Waters Land Trust
Pat's Tap Skee-Club & Gastro Pub
Placemaker Hospitality

Pollinator Friendly Alliance
Prairie Lakes Audubon Chapter
Prairie Woods Chapter of the Izaak Walton League of America
Reuse Minnesota
Science Museum of Minnesota
Sierra Club North Star Chapter
Sportsmen for the Boundary Waters
The Coalition for a Clean Minnesota River
The Minneapolis Foundation
The Nature Conservancy
Tiny Diner
Trapeze Bubbles & Toasts
Trust for Public Land
UMN Extension Regional Sustainable Development Partnerships
Urban Bird Collective