Pew

July 21, 2025

Commissioner Katrina Kessler
Chair, Climate Change Subcabinet
Minnesota Pollution Control Agency
520 Lafayette Road N
St. Paul, MN 55155-4194

Re: Comments on Draft Action Steps - Minnesota Climate Action Framework Update

Comments submitted via update portal

Dear Commissioner Kessler:

On behalf of The Pew Charitable Trusts (Pew), thank you for the opportunity to comment on the Minnesota 2025 Climate Action Framework (CAF) Draft Action Steps. We commend Minnesota's commitment to actions that will help communities and ecosystems become more resilient to the impacts of a changing climate and serve as a model for other states.

Pew's U.S. Conservation program advances common sense solutions that address the impacts of a changing environment on nature and communities, in collaboration with policymakers, Tribes, and stakeholders. Pew's interests relative to the CAF update are:

- advancing protection, restoration and resilience of Minnesota's peatlands as a nature-based strategy for mitigating and adapting to climate impacts (CAF Goal 2- Climate-smart natural and working lands); and
- helping Minnesota identify ways to become more resilient to climate-related risks and disasters such as fires, floods and drought (CAF Goal 3 - Resilient communities).

Our comments below on the proposed action steps for Goal 2 and Goal 3 build on Pew's recommended ideas for climate action submitted in January, 2025.

Leveraging peatlands for climate smart natural and working lands (Goal 2)

As detailed in our previous comment letter, Minnesota's approximately seven million acres of peatlands are irrecoverable carbon stocks, meaning that their significant carbon stores

are vulnerable to release, and if lost, could not be restored by 2050[1]. In addition to storing at least four billion metric tons of carbon, these peatlands filter and store vast amounts of water and support biodiversity.

Although Minnesota still has the most peatlands of any state in the contiguous U.S., approximately 800,000 acres have been drained over the last century. These drained peatlands represent the fourth largest source of greenhouse gas (GHG) emissions in the state. Changes in precipitation patterns, such as high rainfall events followed by periods of drought, pose risks to both intact and degraded peatlands. As peatlands dry out, their stored carbon is released back into the atmosphere. Degraded peatlands are also vulnerable to severe and prolonged wildfire, and their ability to store water – critical for mitigating flooding – is also compromised.

Minnesota recognized the importance of its peatlands by including high-level measures to conserve and restore peatlands in the 2022 CAF. The proposed action steps for the 2025 CAF update largely carry forward the 2022 language. We appreciate the state's continued commitment to conserve and restore its peatlands for GHG mitigation and other benefits. However, given the outsized importance of the state's peatlands to reducing carbon pollution, and the intent of the 2025 update process to "accelerate the pace and scale of our climate actions to effectively reach our goals to mitigate the state's greenhouse gas emissions," we urge the state to expand actions involving these ecosystems.

Pew encourages the state to adopt specific activity-based targets for Goal 2, including protection and restoration targets for peatlands. Activity-based targets (e.g., XX number of acres restored) help provide clear, measurable goals that drive accountability, guide policy and investment decisions, and enable tracking of progress toward reducing GHG emissions and building climate resilience. Our comment letter submitted in January 2025 provides several examples where other states have adopted activity-based targets in the natural and working lands sector. We also recommend the CAF explicitly recognize the concept of irrecoverable carbon and direct agencies to review and update policies to ensure irrecoverable carbon stored in peatlands is maintained.

More detailed recommendations, organized below by the initiatives and sub-initiatives in the draft action steps document, focus on five themes:

(1) maintaining resilient carbon stocks to prevent and minimize increased emissions from peatlands;
(2) strengthening partnerships with Tribal Nations and local governments given their interest and important role in managing peatlands;
(3) leveraging Minnesota's Climate Pollution Reduction Grant (CPRG) funding to establish a state peatland carbon monitoring program;

[1] Noon, M.L., Goldstein, A., Ledezma, J.C. et al. Mapping the irrecoverable carbon in Earth's ecosystems. Nat Sustain 5, 37–46 (2022). https://doi.org/10.1038/s41893-021-00803-6

(4) integrating peatland conservation into larger landscape-level planning and land-use including forestry (given the prevalence of forested peatlands in the state); and
(5) unlocking conservation finance to enable peatland restoration on School Trust lands.

Initiative 2.1: Carbon sequestration and storage in forested lands, grasslands, and wetlands

Pew supports the proposed action steps for peatlands included in this initiative. We support the recognition that climate change poses risks to peatland carbon stocks and the need to manage for resilience. We recommend an even stronger emphasis on resilient carbon stocks by changing the title and narrative subtext for 2.1 as follows (proposed changes in bold): "Carbon sequestration and **resilient carbon stocks** in forested lands, grasslands and wetlands;" "Manage forests, grasslands, and wetlands for increased carbon sequestration and **resilient carbon stocks**." We also suggest modifying sub-initiative 2.1.2. as follows: "Protect, restore and **build resilience of** peatlands and other wetlands."

The proposed action steps currently do not mention the importance of partnerships, particularly with Tribal Nations and counties, to protect and accelerate restoration of peatlands. Partnerships with universities, NGOs and others to monitor carbon flux and stock change in peatlands are also critical for understanding and managing these landscapes in support of state GHG goals and to track the impact of CPRG funding. We recommend adding the following new steps:

- 2.1.2.3. Partner with and support Tribal Nations to conserve and restore peatlands.
- 2.1.2.4. Partner with and support local governments to advance restoration of drained and partially drained peatlands to support climate mitigation and lessen the impacts of severe flooding and wildfire.
- 2.1.2.5. Establish a peatland carbon monitoring working group with researchers, NGOs, Tribal Nations and others.

Initiative 2.2 Resilient landscapes and ecosystems

We support the draft action steps included in this initiative, particularly the new action step focusing on forests and climate adaptation. We recommend additional steps (suggested text below) that recognize the intersection between healthy peatlands and sustainable forest management practices, and the importance of conserving and restoring peatlands as a nature-based strategy for adapting to climate impacts like increased drought and wildfire.

- 2.2.2.4: Enhance the ecological resilience of all state-managed lands—including School Trust lands—to climate impacts like drought and increased wildfire severity through landscape-level adaptation planning and increased deployment of nature-based solutions like peatland restoration.

- 2.2.2.5: Adopt silvicultural practices that minimize impacts to carbon stored in peat and maintain water storage on the landscape for drought and wildfire resilience, particularly in lowland conifer forests.

Initiative 2.5: Investments in emerging crops, products, and local economies
Public funding, particularly with recent cuts to the federal budget, cannot by itself support the pace and scale of action in natural and working lands needed to mitigate and adapt to climate change. The CAF has an opportunity to create enabling conditions for attracting private funding. To this end, we recommend the CAF include actions to spur conservation finance, for example ecosystem service markets, to support peatland restoration on private lands and state-managed lands. We suggest including an additional action step and sub-initiative as follows:

- 2.5.5: Advance the use of conservation finance as an additional funding stream for peatland conservation and restoration.
    - 2.5.5.1: Initiate a conservation finance pilot project for peatland restoration on School Trust lands, focusing on areas with high ecological value but considered "unproductive" from a traditional extractive use standpoint.

Taken together, these recommended changes and additions will help ensure Minnesota's Climate Action Framework fully leverages the power of peatlands to achieve a carbon neutral, resilient and equitable state.

Since 2022, several new reports have been published that provide additional, Minnesota-specific context for these recommendations, including:

- *Playbook for Minnesota's Peatlands*[2]: This report outlines a science-based strategy to protect, re-wet, and restore Minnesota's extensive peatlands—particularly the 642,000 acres of partially drained peatlands—as a critical climate mitigation pathway, emphasizing their vast carbon storage potential, restoration feasibility, and the need for coordinated public and private action.
- *Minnesota's School Trust Lands: Asset Management Plan Phase One*[3]: This report commissioned by the Office of School Trust Lands (OSTL) offers recommendations to inform the development of an asset management plan, a 25-year framework to guide the management of Minnesota's 2.5 million acres of school trust lands, which include approximately 1.5 million acres of peatlands. The report recommends that "The Department of Natural Resources (DNR) and OSTL expeditiously determine the feasibility of entering carbon and other ecosystem service markets to provide additional revenue streams from school trust lands." It also highlights risks and opportunities related to climate change for school trust lands.

[2] Blann et al, "Playbook for Minnesota's Peatlands: Protecting and Restoring Minnesota's Peatlands as a Natural Climate Solution," (The Nature Conservancy, 2025) https://www.nature.org/content/dam/tnc/nature/en/documents/PeatlandPlaybook-Jan25.pdf
[3] Callan LLC, "Minnesota's School Trust Lands: Asset Management Plan Phase One" (2023) https://tinyurl.com/34jv3mzr

- *Mapping Peatland Extent and Condition in the Contiguous United States to Inform Peatland Protection and Restoration*[4]: This forthcoming report (prepublication copy available) from the U.S. Forest Service and Michigan Tech Research Institute provides information that can be used to identify targets for peatland restoration and estimates of GHG mitigation benefits.

Fostering resilience to climate related risks and disasters (Goal 3)

The Goal 3 Resilient Communities draft actions are an impressive and thorough set of activities to enhance community and statewide resilience across local infrastructure, public health systems, green spaces, and land use planning. As Minnesota considers how to implement the strategies identified under Goal 3, we encourage the state to pursue a coordinated statewide resilience plan supported by a centralized program that aligns resources, timelines for action, and accountability mechanisms.

We recommend the CAF update includes the following modifications pertaining to resilient communities:

- Develop a dedicated statewide resilience plan as a roadmap for long-term disaster risk reduction;
- Create a State Resilience Office and/or Chief Resilience Officer position to provide leadership, coordination capacity, and oversight to plan and prepare for future disasters;
- Develop a dedicated community or regional resilience program that fosters partnerships between nonprofits, academic institutions, and state agencies to support regional and local planning, project development, and implementation; and
- Establish a standing advisory committee with representation from relevant state agencies, county and local governments, and outside experts to inform resilience activities to inform resilient infrastructure updates and support local resilience through their respective programs.

There are numerous examples of states that have taken an approach that incorporates these elements, including 22 members of the State Resilience Planning Group, a peer network of chief resilience officers, agency directors and state resilience officials from coastal and inland states. Pew can share additional models and lessons on effective coordination, planning, and implementation strategies gleaned from this network, to help inform Minnesota's ongoing resilience efforts.

Initiative 3.1 Climate Smart Communities

To draw together the state action steps and sub-initiatives grouped under "climate-smart communities," Pew encourages Minnesota to look to other state programs like those in Massachusetts, Rhode Island and Maine, which provide support for cities and towns to

[4] Lilleskov et al, "Mapping Peatland Extent and Condition in the Contiguous United States to Inform Peatland Protection and Restoration." (prepublication 2025) https://papers.ssrn.com/sol3/papers.cfm?abstract_id=5279376

begin planning for climate impacts, and to identify and implement priority projects. Massachusetts' Municipal Vulnerability Preparedness (MVP) program has provided support for cities and towns to build resilience to climate change since 2017, and MVP 2.0 marks a thoughtful extension and expansion of the grant program, offering a helpful model for Minnesota.

Minnesota may also wish to examine the Virginia Community Flood Preparedness Fund, which supports flood prevention and protection projects that mitigate existing and future risk. Communities may only apply for project funding if they have completed a local Resilience Plan approved by the Department of Conservation and Recreation in the prior five years. This offers an incentive for local planning and ensures state funds are expended on effective and prioritized projects. Communities that do not meet that requirement can apply for designated planning funding to develop a local plan.

Initiative 3.2 Healthy community green spaces and water resources

We commend the emphasis of Initiative 3.2 on expanding urban tree canopies, protecting lakes and wetlands, and restoring native vegetation—nature-based solutions that help to manage stormwater, reduce urban heat, improve biodiversity, and buffer communities from the impacts of extreme weather. Scaling the use of nature-based approaches across projects and regions can expand the health, aesthetic, economic and ecological co-benefits of such projects to residents across the state. This initiative complements many of the proposed actions in Goal 2 related to carbon storage and resilience, creating an opportunity for resource sharing and coordination across agencies.

In setting up funds as described in 3.1.2, project funding or financing should not only be eligible for use on nature-based approaches but incentivize their incorporation in local project proposals. Minnesota may look again to the Virginia Community Flood Preparedness Fund, which was established with the condition of prioritizing "projects that implement community-scale hazard mitigation activities that use nature-based solutions to reduce flood risk."

Initiative 3.3 Resilient infrastructure

Initiative 3.3 is a bold and comprehensive set of actions to reduce climate risk where it most tangibly affects communities: in the roads, buildings, and public systems that people rely on every day. By assessing vulnerabilities, modernizing codes and regulations, investing in stormwater and green infrastructure and promoting resilient energy systems and land use, this initiative tackles resilience where the rubber meets the road. This initiative would also benefit from a coordinated cross-agency effort and alignment with the community resilience program, to encourage similar practices that enhance infrastructure resilience locally.

The CAF update should also include an action to refine and expand metrics for infrastructure resilience, building on the Tracking for Impact report from the University of

Minnesota Climate Adaptation Partnership. Minnesota could emulate South Carolina's approach to building metrics that are both top-down, analyzing efficacy of state actions, and bottom-up with community resilience indicators (as mentioned in 3.1.1.7).

Please do not hesitate to reach out should you have questions or desire to discuss any of these recommendations in greater detail. Thank you for your efforts on the 2025 CAF update. We look forward to continuing to work with you to support Minnesota's GHG mitigation and climate resilience ambitions.

Sincerely,

Sylvia H. Troost
Project Director, U.S. Conservation
Stroost@pewtrusts.org

Kristiane Huber
Officer, U.S. Conservation
khuber@pewtrusts.org

CC: Eva Holupchinski, Climate Policy Planner