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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3685

03/29/2016 Authored by Hackbarth, Pugh, McNamara, Hansen and Heintzeman

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy and Finance

1.1 A bill for an act
1.2 relating to environment; modifying dry cleaner response and reimbursement
1.3 account provisions; modifying prior appropriation; requiring rulemaking;
1.4 amending Minnesota Statutes 2014, sections 115B.48, by adding a subdivision;
1.5 115B.50, subdivision 3; Laws 2015, First Special Session chapter 4, article 3,
1.6 section 2, subdivision 4; repealing Minnesota Statutes 2015 Supplement, section
1.7 115B.48, subdivision 9.

1.8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.9 Section 1. Minnesota Statutes 2014, section 115B.48, is amended by adding a
1.10 subdivision to read:

1.11 Subd. 10. **Owner or operator.** "Owner or operator" means a person who:
1.12 (1) owns or has owned a dry cleaning facility during the time the dry cleaning
1.13 facility operated; or
1.14 (2) operates or has operated a dry cleaning facility.

1.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

1.16 Sec. 2. Minnesota Statutes 2014, section 115B.50, subdivision 3, is amended to read:

1.17 Subd. 3. **Limitation on amount that may be spent.** The commissioner may not, in
1.18 a single fiscal year, make expenditures from the account related to a single dry cleaning
1.19 facility that exceed ~~20 percent of the balance in the account at the beginning of the fiscal~~
1.20 ~~year~~ \$100,000.

1.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.1 Sec. 3. Laws 2015, First Special Session chapter 4, article 3, section 2, subdivision 4,
2.2 is amended to read:

2.3 Subd. 4. **Land** 21,663,000 18,584,000

2.4	Appropriations by Fund		
2.5		2016	2017
2.6	General	3,368,000	-0-
2.7	Environmental	7,031,000	7,150,000
2.8	Remediation	11,264,000	11,434,000

2.9 All money for environmental response,
 2.10 compensation, and compliance in the
 2.11 remediation fund not otherwise appropriated
 2.12 is appropriated to the commissioners of the
 2.13 Pollution Control Agency and agriculture
 2.14 for purposes of Minnesota Statutes, section
 2.15 115B.20, subdivision 2, clauses (1), (2),
 2.16 (3), (6), and (7). At the beginning of each
 2.17 fiscal year, the two commissioners shall
 2.18 jointly submit an annual spending plan
 2.19 to the commissioner of management and
 2.20 budget that maximizes the utilization of
 2.21 resources and appropriately allocates the
 2.22 money between the two departments. This
 2.23 appropriation is available until June 30, 2017.

2.24 \$4,279,000 the first year and \$4,343,000 the
 2.25 second year are from the remediation fund
 2.26 for purposes of the leaking underground
 2.27 storage tank program to investigate, clean up,
 2.28 and prevent future releases from underground
 2.29 petroleum storage tanks, and to the petroleum
 2.30 remediation program for purposes of vapor
 2.31 assessment and remediation. These same
 2.32 annual amounts are transferred from the
 2.33 petroleum tank fund to the remediation fund.

2.34 \$252,000 the first year and \$252,000 the
 2.35 second year are from the remediation fund
 2.36 for transfer to the commissioner of health for

3.1 private water supply monitoring and health
3.2 assessment costs in areas contaminated
3.3 by unpermitted mixed municipal solid
3.4 waste disposal facilities and drinking water
3.5 advisories and public information activities
3.6 for areas contaminated by hazardous releases.

3.7 \$868,000 the first year is from the general
3.8 fund for a grant to the city of Mountain Iron
3.9 for remediation of the abandoned wastewater
3.10 treatment pond of the former Nichols
3.11 Township. This is a onetime appropriation
3.12 that is available until June 30, 2019. This
3.13 appropriation is effective December 1, 2015.

3.14 Up to \$2,500,000 the first year is from the
3.15 general fund to the commissioner for a grant
3.16 to the city of Paynesville to add a treatment
3.17 process to a water treatment plant for removal
3.18 of volatile organic compounds. This is a
3.19 onetime appropriation. This appropriation is
3.20 effective December 1, 2015.

3.21 \$743,000 the second year is transferred
3.22 from the general fund to the dry cleaner
3.23 environmental response and reimbursement
3.24 account in the remediation fund for the
3.25 purpose of remediating land contaminated
3.26 by a release from a dry cleaning facility,
3.27 as provided under Minnesota Statutes,
3.28 section 115B.50, ~~if legislation is enacted in~~
3.29 ~~the 2016 legislative session to address the~~
3.30 ~~insolvency of the dry cleaner environmental~~
3.31 ~~response and reimbursement account. The~~
3.32 ~~commissioner shall prioritize expenditures~~
3.33 ~~from this transfer to address contaminated~~
3.34 ~~sites that pose the greatest risk to public~~
3.35 ~~health or welfare or to the environment, as~~

4.1 ~~established in Minnesota Statutes, section~~
 4.2 ~~115B.17, subdivision 13.~~ This is a onetime
 4.3 transfer. The commissioner shall reimburse
 4.4 only a person who otherwise would not be
 4.5 responsible for a release or threatened release
 4.6 under Minnesota Statutes, section 115B.03,
 4.7 for all but \$10,000 of the environmental
 4.8 response costs incurred by the person if the
 4.9 commissioner determines that the costs are
 4.10 reasonable and were actually incurred. To be
 4.11 eligible for reimbursement from this transfer,
 4.12 a person seeking reimbursement must make
 4.13 a request to the commissioner, as required
 4.14 under Minnesota Statutes, section 115B.50,
 4.15 subdivision 2, on or before the day following
 4.16 final enactment of this act.

4.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

4.18 Sec. 4. **RULEMAKING; DRY CLEANER RESPONSE AND REIMBURSEMENT**
 4.19 **ACCOUNT.**

4.20 (a) The commissioner of the Pollution Control Agency shall adopt rules using the
 4.21 expedited rulemaking process under Minnesota Statutes, section 14.389, to establish, with
 4.22 respect to Minnesota Statutes, section 115B.50, subdivision 2:

4.23 (1) what environmental response costs are to be considered reasonable costs and
 4.24 what costs are to be considered ineligible for reimbursement;

4.25 (2) appropriate application requirements for reimbursement; and

4.26 (3) a process to adjust payments made to vendors for response actions.

4.27 (b) Rules adopted under this section:

4.28 (1) must be consistent with Minnesota Statutes, sections 115B.47 to 115B.51;

4.29 (2) must be similar to rules governing applicable provisions of the petroleum tank
 4.30 response cleanup fund under Minnesota Rules, chapter 2890, with respect to issues of
 4.31 reimbursement, eligible and ineligible costs, payments for services and equipment made
 4.32 to vendors for response actions, and the frequency of and methodology for calculating
 4.33 adjustments to vendor payment amounts; and

4.34 (3) must not reduce reimbursements under conditions similar to those addressed in
 4.35 Minnesota Rules, chapter 2890.0065, subpart 1, item C.

5.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

5.2 Sec. 5. **REPEALER.**

5.3 Minnesota Statutes 2015 Supplement, section 115B.48, subdivision 9, is repealed.

5.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

APPENDIX
Repealed Minnesota Statutes: 16-7102

115B.48 DEFINITIONS.

Subd. 9. **Owner or operator.** "Owner or operator" means a person who:

- (1) owns or has owned a dry cleaning facility; or
- (2) owns or owned real property on which a dry cleaning facility operates or operated.