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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 4013

02/19/2024 Authored by Demuth

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

1.1 A bill for an act  
1.2 relating to environment; requiring a state agency to pay for the costs of investigating  
1.3 petroleum releases on land owned by the agency; amending Minnesota Statutes  
1.4 2022, section 115C.04, subdivisions 1, 3.

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

1.6 Section 1. Minnesota Statutes 2022, section 115C.04, subdivision 1, is amended to read:

1.7 Subdivision 1. **Corrective action liability.** (a) A responsible person is liable for the cost  
1.8 of the corrective action taken by the agency under section 115C.03, subdivisions 2 and 3,  
1.9 including the cost of investigating the release and administrative and legal expenses, if:

1.10 (1) the responsible person has failed to take a corrective action ordered by the  
1.11 commissioner and the agency has taken the action;

1.12 (2) the agency has taken corrective action in an emergency under section 115C.03,  
1.13 subdivision 3; or

1.14 (3) the agency has taken corrective action because a responsible person could not be  
1.15 identified.

1.16 (b) A responsible person is liable for the reimbursement paid by the Petroleum Tank  
1.17 Release Compensation Board under section 115C.09, subdivision 3a, to the extent the  
1.18 reimbursement is for corrective action that the responsible person could have been ordered  
1.19 to perform under section 115C.03, subdivision 1.

1.20 (c) Notwithstanding paragraphs (a) and (b) or any other provision of this chapter, a  
1.21 person is not liable for the costs of investigating a release from a tank located on real property  
1.22 owned by a state agency.

2.1 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2022, and  
2.2 applies to real property purchased by a state agency on or after that date.

2.3 Sec. 2. Minnesota Statutes 2022, section 115C.04, subdivision 3, is amended to read:

2.4 Subd. 3. **Cost recovery; subrogation.** Reasonable and necessary expenses incurred by  
2.5 the agency in taking a corrective action, including costs of investigating a release,  
2.6 administrative and legal expenses, and reimbursement costs described in subdivision 1,  
2.7 paragraph (b), may be recovered in a civil action in district court brought by the attorney  
2.8 general on behalf of the board against a responsible person. The agency's certification of  
2.9 expenses is prima facie evidence that the expenses are reasonable and necessary. If the  
2.10 responsible person has petroleum tank leakage or spill insurance coverage that insures  
2.11 against the liability provided in this section, the board is subrogated to the rights of the  
2.12 responsible person with respect to that insurance coverage, to the extent of the expenses  
2.13 incurred by the agency and described in this subdivision. The board may request the attorney  
2.14 general to bring an action in district court against the insurer to enforce this subrogation  
2.15 right. Expenses that are recovered under this section must be deposited in the fund. The  
2.16 costs of investigating a release from a tank located on real property owned by a state agency  
2.17 are not recoverable under this subdivision.

2.18 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2022, and  
2.19 applies to real property purchased by a state agency on or after that date.