

Agriculture and Rural Development Finance & Policy Committee
ACRRA Cap Increase: SF1225 March 1, 2020 (3:00PM)

Mr. Chair and members of the committee:

I am testifying today in support of raising the cap for eligible expenses in the ACRRA program.

I am a consultant for several agricultural businesses in northwest Minnesota helping them with safety and compliance issues. I have been a consultant for 28 years and in the course of my work I have been involved with many, many agricultural cleanups. I work with the businesses to understand the cleanup process, to communicate with the environmental consultant and the MN Dept. of Ag, and finally to request reimbursement from the ACRRA fund for the expenses incurred in the cleanup.

Over the years the Dept of Ag Incident Response Unit and its project managers are doing a good job in working with businesses to take care of contamination that has accumulated over time on their property or to quickly clean up emergency spills that occur. And business owners have been rewarded for their volunteer efforts in cleaning up with the 80% reimbursement they receive for their expenses from the ACRRA Fund.

But we are running into a problem in some of our clean up projects. The \$350,000 cap in expenses eligible for the 80% reimbursement is being exceeded. That means that all the expenses above \$350,000 are now paid totally by the business owner.

The result of this situation is that the project may not be completed because the owner cannot afford the costs of completion. I have one client right now who cannot complete the project because it will exceed the \$350,000 cap and all costs will be paid out of pocket which he cannot afford. Or another result may be a business may not even begin a cleanup because it will exceed the cap.

The intent of the ACRRA program and fund is to encourage cleanup of contamination by helping to repay a portion of the expenses and having a cap that is too low to complete the job does not achieve the intent of the program.

Costs have increased since 2000 just because of cost-of-living increases, that only makes sense. But the cost of additional cleanup activities now required by MDA, such as those referenced by Mr. Kirwin, has also added to expenses. More required testing, more areas to be tested, more specialized testing with high lab costs, and now the latest requirement of more groundwater testing will only keep adding to the expenses. Project reports that were once 200 pages in length are now 500 pages long. Just putting together a report like that involves more time and expense.

So I am testifying today to encourage you to raise the cap of \$350,000 in eligible expenses. This will ensure that cleanup of contamination for all businesses can continue and the program move forward as intended. Thank you.

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