

Subject Feedlot financial assurance

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Overview

This bill requires owners of a feedlot with a capacity of at least 1,000 animal units to submit proof of financial assurance of the estimated cost to implement feedlot closure requirements to the Minnesota Pollution Control Agency (MPCA) before the feedlot permit is issued or renewed. This bill also appropriates money from the general fund and the environmental fund to MPCA to comply with this bill, to distribute to delegated counties, and to issue a grant to the Minnesota Association of County Feedlot Officers.

MPCA requires owners of animal feedlots or manure storage areas to:

- (1) remove and land apply manure and manure-contaminated soils;
- (2) reduce soil nitrogen by growing alfalfa, grasses, or other perennial forage for a minimum of five years; and
- (3) submit a certified letter of the feedlot's closure, compliance with closure requirements, and the feedlot's location to MPCA or county feedlot pollution control officer. Minn. Rules, part 7020.2025.

Summary

Section	Description
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1	Financial assurance.
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	Requires owners of a feedlot with a capacity of at least 1,000 animal units to submit proof of financial assurance of the estimated cost to implement closure requirements determined by MPCA before the applicant's permit may be issued or renewed. Specifies that proof of financial assurance is sufficient if: (1) the money will be available for the duration of the permit and includes additional costs required by MPCA to oversee and hire a third party to implement closure requirements; (2) financial assurance instrument is legally valid, binding, and enforceable and not dischargeable through bankruptcy; and (3) financial assurance provider will give
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Section	Description
	MPCA at least 120 days' notice before cancelling the instrument. Allows MPCA to modify closure cost estimates and consult with experienced individuals. Requires feedlot owners to pay any costs incurred by MPCA in order to consult with experienced individuals.
2	Abandoned manure storage areas. Directs MPCA to compile a list of abandoned manure storage areas in the state separate from the feedlot inventory list. Defines "abandoned manure storage areas."
3	Feedlot financial assurance requirements compliance schedule. Authorizes the MPCA to phase in section 1 requirements during the next reissuance of national pollutant discharge elimination system (NPDES) permits. Directs the MPCA to establish a schedule to: (1) bring permittees into compliance with at least 250 permittees coming into compliance per year; and (2) focus on feedlots with the largest number of animal units.
4	Manure storage area reports required. Directs the MPCA to compile a list of potentially abandoned manure storage areas (not the feedlot inventory) and a list of abandoned storage areas in counties without a delegation agreement. Requires county feedlot officers to submit a report of abandoned manure storage areas in the county to MPCA. Requires MPCA to submit the list of abandoned manure storage areas and a report with recommendations for remediation to the legislature. Prohibits MPCA from penalizing delegated counties for performance issues or shortcomings attributable to the county's reassignment of a county feedlot officer unless the board of the Minnesota Association of County Feedlot Officers approves of a specific penalty.
5	Appropriations. Subd. 1. General fund. Appropriates \$500,000 in fiscal year 2027 to the MPCA to implement financial assurance requirements and compile a list (not a onetime appropriation). Appropriates \$700,000 in fiscal year 2027 to the MPCA to distribute to delegated counties for reports and inspections of manure storage areas (onetime appropriation). Appropriates \$250,000 in fiscal year 2027 to the MPCA to issue a grant to the Minnesota Association of County Feedlot Officers to provide training (not a onetime appropriation). Subd. 2. Environmental fund. Appropriates \$500,000 in fiscal year 2027 to the MPCA to implement financial assurance requirements and compile a list (not a onetime appropriation).



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