

HOUSE RESEARCH

Bill Summary

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Overview

House File 185 requires that financial penalties and other revenues recovered by the state as a result of violations of environmental laws be deposited into the general fund, not the environmental fund as required under current law. An exception is made for civil penalties recovered under statutes requiring the cleanup of land contaminated by petroleum from leaking tanks, which are credited to the Petrofund.

These revenues have averaged \$1.58 million annually over the past five years. This represents a small portion of the environmental fund, which is projected to contain approximately \$128 million in the FY 2012-2013 biennium. The environmental fund contributes about one-third of the Pollution Control Agency's total budget.

When this statute was first enacted in 1991, these enforcement revenues were deposited in the environmental fund, but only to cover the costs of enforcement activities; any enforcement revenues exceeding that amount went to the general fund.^[1] That limit was removed by the legislature in 2009.

^[1] At that time, and until 2003, in addition to the Petrofund exception, civil penalties from violations of the Metropolitan Landfill Contingency Action Trust Fund, and revenues recovered under the Minnesota Environmental Recovery and Liability Act (Superfund) were not deposited into the environmental fund.