



# Reimbursement of Costs For Agricultural Chemical Incident Cleanups

**The Agricultural Chemical Response and Reimbursement Account (ACRRA)** was created to reimburse persons for costs incurred in cleaning up agricultural chemical (pesticide and fertilizer) incident. The account is funded by annual surcharges on pesticide and fertilizer manufacturers, distributors, applicators and dealers. The surcharge rate is determined by the Commissioner of Agriculture.

2011 ACRRA Surcharges	
Commercial & Non-Commercial Pesticide Licenses	\$8.25
Structural Pest Control Company Licenses	\$33.00
Fertilizer Licenses	\$16.50
Pesticide Dealer License ( <i>Ag &amp; Non-Ag</i> )	\$24.75
Fertilizer Tonnage	\$.10/ton
Pesticide Registration ( <i>percent of sales</i> )	0.1%
Out-of-State Pesticides Distributors ( <i>each site-annually</i> )	\$1,000

## ACRRA BOARD

ACRRA is Administered by the Agricultural Chemical Compensation Board. The Board determines the amount of reimbursements or payments from the fund to eligible persons. An eligible person (party) is defined as a responsible person or an owner of real property, but does not include common carriers, the state, (*excepting municipal airports*) a state agency, political subdivisions of the state, the federal government or an agency of the federal government.

## REIMBURSEMENT OF CORRECTIVE ACTION COSTS

The board may reimburse corrective action costs to an eligible person for 80 percent of costs greater than \$1,000 and less than or equal to \$350,000 for a maximum reimbursement amount of \$279,200.

Before any reimbursement can be made the Board must determine the following:

- The Minnesota Department of Agriculture (MDA) was given proper notice of the incident as required (Minnesota Statutes, Chapter 18D);
- The cost of investigation and cleanup were reasonable and necessary; and
- The eligible person complied with corrective action requests or orders issued by MDA, or the eligible person took all reasonable action necessary to minimize and abate the incident, and the corrective action was subsequently approved by MDA.

The Board will not provide reimbursement until it has determined that costs on the reimbursement request were actually incurred and were reasonable. The Board is limited to a maximum reimbursement of sixty percent (60%) if recontamination from a subsequent incident exists. In addition, they have the authority to reduce reimbursement or payment if a portion of the incident was caused by a violation of Minnesota Statutes, Chapters 18B, 18C, or 18D.

## PAYMENT OF CORRECTIVE ACTION COSTS (HARDSHIP)

BY REQUEST FROM an eligible party experiencing financial hardship, the Board may pay the reasonable and necessary corrective action costs. Before any payments can be made, the Board must determine that the eligible person has complied with the following conditions:

- The MDA was given proper notice of the incident as required in Minnesota Statutes, Chapter 18D;
- The eligible party must pay the first \$1,000 in corrective action costs;
- The eligible party provides the Board with a sworn affidavit and other convincing evidence that substantiates that they are unable to pay additional corrective actions costs; and

- The eligible party continues to assume responsibility for carrying out the requirements of corrective action requests or orders.\*

The eligible party **must return any funds** received from ACRRA and is not eligible for subsequent payment or reimbursement **if false statements or misrepresentations are made** regarding the eligible party's financial status (\*or if they fail to continue carrying out the clean-up requirements.)

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## HOW TO PARTICIPATE

1. Call (651) 201-6138 and request an application OR download an application from the MDA website.
2. Fill out the application completely, attach supporting documents and submit them to the ACRRA Program. The completed application and supporting documentation must be received at least 30 days prior to the next board meeting to be considered for reimbursement at that meeting. Submitting 60 days prior is recommended. Incomplete submissions will be returned to the applicant.
3. Applications must be submitted within three years of incurring eligible costs or approval of corrective action design for that work, whichever is later.
4. The Board reviews the application, decides whether to order payment, and determines the amount.
5. Requests for reimbursement may be considered by the Board once every 12 months if costs incurred are \$5,000 or less.
6. Requests for direct payment may be made at every other board meeting.
7. If the balance of the ACRRA fund drops below \$2,000,000, no single eligible person may receive a reimbursement exceeding \$100,000 within a single year.

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## INQUIRIES OR QUESTIONS:

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## INELIGIBLE COSTS INCLUDE, BUT ARE NOT LIMITED TO:

- Associated with actions that do not minimize, eliminate or clean up an incident, such as subcontractor mark-up & attorney fees.
- Related to the repair, replacement, or upgrading of facility structures or equipment.
- Loss of income.
- Relocation of residents.
- Decreased property values.
- Eligible person's personal time spent on planning and administering corrective action design activities.
- MDA Oversight costs (Agricultural Voluntary Investigation & Cleanup (AgVIC)).
- Third-party review of proposed investigative and corrective action or work plans.
- Aesthetic improvements (facility improvements).
- Any work, except for emergency corrective actions not in compliance with safety codes; including, but not limited to OSHA requirements, well and fire codes.
- Providing alternative sources for drinking water.
- Corrective action costs covered or payable under insurance or other contract.
- Costs incurred in response to requests or orders issued to a person under authorities contained in Minnesota Statutes, Chapter 115B, or federal CERCLA--Superfund.