

12/13/2022

**RE: ACRRA Surcharge Increase- Corrected Letter to Address Typos in Earlier Correspondance**

Dear License/ Registrant:

The Agricultural Response and Reimbursement Account (ACRRA) awards funds for eligible costs to clean up agricultural chemical spills and incidents. Since 1990, this environmental protection program has reimbursed more than \$53 million for site cleanup in Minnesota. The program is funded by surcharges on pesticide and fertilizer licenses, pesticide registrations, pesticide sales and fertilizer tonnages.

The ACRRA Law (Minn. Stat. Chapter 18E.03, Subd. 3) authorizes the Commissioner of Agriculture to maintain a fund balance within the limits identified in the statute. ACRRA surcharges were increased in January of 2022 from levels that had been set in 2018. This was due to the ACRRA fund balance nearing the fund minimum. Since that time, the legislature has increased the maximum reimbursement amount per site from \$350,000 to \$550,000 and has also changed the fund balance requirements to remain within \$2,000,000 and \$6,500,000. These changes were not part of the projections when the last increase was made. MDA has a statutory responsibility to maintain the ACRRA fund balance between two and 6.5 million dollars. The balance is projected to drop below the new minimum balance of two million dollars during 2023 based on the estimated expenditures and revenue trends unless surcharge rates increase.

A public hearing was held on Wednesday, October 19, 2022 to discuss increasing surcharge rates. Following that hearing, the Commissioner of Agriculture determined that an adjustment to the surcharges is necessary at this time in order to continue to keep the fund balance within limits and to maintain this valuable program that protects Minnesota's environment. Currently, all surcharges for the license application categories are at their statutory maximum of 50 percent of the license fee so those can not change.

The ACRRA rate will increase on January 1, 2023. The change will be reflected on forms and reports distributed by the MDA. The following is a brief summary of ACRRA surcharge changes:

1. Commercial and Noncommercial Pesticide Applicator Licenses will continue to pay a surcharge of \$25 per license and Structural Pest Control Company will pay \$100 per license. Contact [pesticide.licensing@state.mn.us](mailto:pesticide.licensing@state.mn.us), 651/201-6615.
2. Pesticide retailers will pay a surcharge of 0.48% (previously 0.32%) on sales of agricultural pesticides sold in Minnesota during the period of January 1 through December 31, 2023. Contact Jessie Rahmeyer, [jessie.rahmeyer@state.mn.us](mailto:jessie.rahmeyer@state.mn.us), 651/201-6188.
3. Pesticide Dealer and Agricultural Pesticide Dealers will continue to pay a surcharge of \$75 per license. Contact Xia Moua, [xia.moua@state.mn.us](mailto:xia.moua@state.mn.us), 651/201-6137.
4. Fertilizer companies will continue to pay a surcharge of \$50 per license. Contact Carol Durden, [carol.durden@state.mn.us](mailto:carol.durden@state.mn.us), 651/201-6379
5. Fertilizer and soil/plant amendments distributors will pay a surcharge of \$0.48 per ton on sales (previously \$0.32) for products sold in or into Minnesota during the period **beginning January 1, 2023**. Contact Carol Durden, [carol.durden@state.mn.us](mailto:carol.durden@state.mn.us), 651/201-6379
6. Pesticide registrants will pay a surcharge of 0.48% of sales (previously 0.32%) for each non-agricultural pesticide product registered for sale and use in Minnesota during the period of **January 1 through December 31, 2023**. Contact Paula Rose, [paula.rose@state.mn.us](mailto:paula.rose@state.mn.us), 651/201-6583.

If you have any questions regarding specific fees, please contact the person listed above.

Please feel free to contact me if there are any general questions regarding the ACRRA program at 651-201-6400 or [roger.mackedanz@state.mn.us](mailto:roger.mackedanz@state.mn.us).

Sincerely,

Roger Mackedanz  
ACRRA Executive Director

**625 Robert Street North • St. Paul, MN 55155-2538 • 651-201-6620 • 1-800-967-2474 • [www.mda.state.mn.us](http://www.mda.state.mn.us)**

In accordance with the Americans with Disabilities Act, this information is available in alternative forms of communication upon request by calling 651-201-6000. TTY users can call the Minnesota Relay Service at 711. The MDA is an equal opportunity employer and provider.