

10/20/2023

Dear License/ Registrant:

The Agricultural Chemical 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 \$55 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 2023 from levels that had been set the previous year due to the legislature increasing the maximum reimbursement amount per site from \$350,000 to \$550,000. The ACRRA account did not receive as many reimbursement requests as initially predicted in the first year and the fund balance has increased more than anticipated. MDA has a statutory responsibility to maintain the ACRRA fund balance between two and 6.5 million dollars. The balance is projected to surpass the maximum balance of 6.5 million dollars during 2024 based on the estimated expenditures and revenue trends unless surcharge rates decrease.

A public hearing was held on Wednesday, August 16, 2023 to discuss decreasing 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. All surcharges for the license application categories did not change when we last increased the rate because they were already at their maximum amount. Because they did not increase then, they will not be decreased with the new surcharge adjustments.

The ACRRA surcharge rate will decrease on January 1, 2024. 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, 651/201-6615.
2. Pesticide Dealers will pay a surcharge of 0.32% (previously 0.48%) on sales of agricultural pesticides sold in Minnesota during the period of January 1 through December 31, 2024. Contact Jessie Rahmeyer, jessie.rahmeyer@state.mn.us, 651/201-6188.
3. Pesticide Dealers will continue to pay a surcharge of \$75 per license. Contact Jessie Rahmeyer, jessie.rahmeyer@state.mn.us, 651/201-6188.
4. Fertilizer companies will continue to pay a surcharge of \$50 per license. Contact Lorinda Balfanz, lorinda.balfanz@state.mn.us, 651/201-6092.
5. Fertilizer and soil/plant amendments distributors will pay a surcharge of \$0.32 per ton on sales (previously \$0.48) for products sold in or into Minnesota during the period beginning January 1, 2024. Contact Lorinda Balfanz, lorinda.balfanz@state.mn.us, 651/201-6092.
6. Pesticide registrants will pay a surcharge of 0.32% of sales (previously 0.48%) for each non-agricultural pesticide product registered for sale and use in Minnesota during the period of January 1 through December 31, 2024. Contact Paula Rose, 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.

Sincerely,



Roger Mackedanz

ACRRA Executive Director