

Agricultural Voluntary Investigation & Cleanup (AgVIC) and the Agricultural Chemical Response and Reimbursement Account (ACRRA) Relationship

Guidance Document 6

The Minnesota Department of Agriculture (MDA) offers a program to assist business owners and others with liability concerns regarding agricultural chemical contamination or incidents on real estate properties. The Agricultural Voluntary investigation & Cleanup (AgVIC) staff provides technical assistance in the form of review and oversight of environmental site investigations and cleanups when requested and will issue liability assurance letters to voluntary parties. The decision on the part of the voluntary party to enter the AgVIC program for the purpose of obtaining liability assurance is considered to be a business decision to address business liability. The person requesting assistance will be charged for MDA staff time and related costs and must commit in advance to paying these costs (see MDA guidance document GDS Introduction to the Agricultural Voluntary Investigation and Cleanup Program).

When participating in the AgVIC program, costs for the actions necessary to investigate, minimize or cleanup an agricultural chemical incident may be eligible for reimbursement through the Agricultural Chemical Response and Reimbursement Account (ACRRA). Expenses considered for reimbursement must address incident impacts that may cause harm to human health or the environment and be approved by the ACRRA Board. ACRRA funds are not available for reimbursement of business costs or other ineligible expenses. ACRRA applications must be submitted to and reviewed by the ACRRA Board staff. The ACRRA Board staff makes reimbursement recommendations to the ACRRA Board. The ACRRA Board determines the amount of reimbursement and orders reimbursement by the Commissioner to the eligible person. ACRRA provides a guidance document, <u>ACRRA.001 Reimbursement of Costs for Agricultural Chemical Incident Cleanups</u>, which details this process.

Certain expenses are not eligible for ACRRA reimbursement. The ACRRA Board makes each determination after a recommendation from ACRRA staff. The following costs are not routinely reimbursed through ACRRA:

AgVIC Charges:

Since entry into the AgVIC program is considered a business decision to mitigate business liability, costs billed to the voluntary party for AgVIC oversight/technical assistance are not eligible costs for ACRRA reimbursement. These costs are considered a cost of doing business, and they do not directly address incident impacts that may cause harm to human health or the environment.

• MDA Pre-approval Required:

Investigations and cleanup actions must be approved by MDA staff prior to the work beginning on the site. Costs for any work conducted that was not requested or pre-approved by the MDA may not be eligible for ACRRA reimbursement.

Violation Reductions:

Violations that are documented on the site undergoing an investigation and cleanup, and particularly if these violations contribute to contamination will be considered if an ACRRA application is submitted for reimbursement. Based on the information provided, the ACRRA Board may reduce the reimbursement. Please be aware that the voluntary party may bear the reduction in cases where another party has committed the violation. For example, the voluntary party, may have their reimbursement reduced because of a violation committed by the current operator

of the site. To limit such private liability, this scenario should be addressed in the sales agreement or some other arrangement between the private parties involved, preferably before the possibility of the situation arises (i.e., before the new party begins operation at the site.)

Recontamination:

Obvious instances of documented recontamination of areas on a site that were previously investigated, cleaned up (if needed) and reimbursed for costs will be considered if an ACRRA application is submitted for reimbursement.

This document is intended to be general guidance and your situation or circumstances may differ. Please coordinate your activities with the MDA project manager and the ACRRA Administrator.

General AgVIC and ACRRA Information

For more AgVIC information, contact Greg Hanson, Incident Response Project Manager, at (651) 201-6681 or Greg.Hanson@state.mn.us

For more ACRRA information, contact Jennie Andryski ACRRA Administrator, at (651) 201-6490 or Jennie.andryski@state.mn.us

All MDA guidance documents can be found at our Web Page Address: http://www.mda.state.mn.us/pesticide-fertilizer/spills-cleanup

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