



Investment of funds in Metropolitan Landfill Contingency Action Trust (MLCAT)

What's the issue?

The bill proposes the investment of funds in the MLCAT account by the State Board of Investment (SBI). MLCAT is an expendable trust account in the Minnesota Pollution Control Agency (MPCA)'s remediation fund. The account consists of revenue deposited in the account under Minnesota Statutes, Chapter 473.843. Under this proposal, revenues deposited and interest earned on investment of money in the account would be managed to maximize long-term gain by SBI. A conservative projection of SBI returns are estimated at 4.5 percent, per year. Currently, the MLCAT account earns only a negligible money-market return, meaning that the balance drops when the rate of inflation exceeds this return. Relying on the SBI will be consistent with the state's stewardship of the Closed Landfill Investment Fund, which aims for value over the long term.

MLCAT background

Established in 1984 (Minn. Stat. 473.845), the MLCAT was intended to provide funding for necessary and reasonable care and post-closure care at mixed municipal solid waste disposal facilities within the seven county Twin Cities metropolitan area (Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties). The MLCAT consists of revenue deposited in the account from the metropolitan solid waste landfill fee (Minn. Stat. 473.843 Subd. 1), currently at the rate of 25 percent of the \$2/cubic yard, or 25 percent of the \$6.66/ton of mixed municipal solid waste. Currently this fee generates about \$800,000 per year. In addition, the fund also receives any money recovered by the MPCA for reimbursement of costs incurred by the agency. Seven landfills are eligible for MLCAT funds:

Four closed demolition landfills

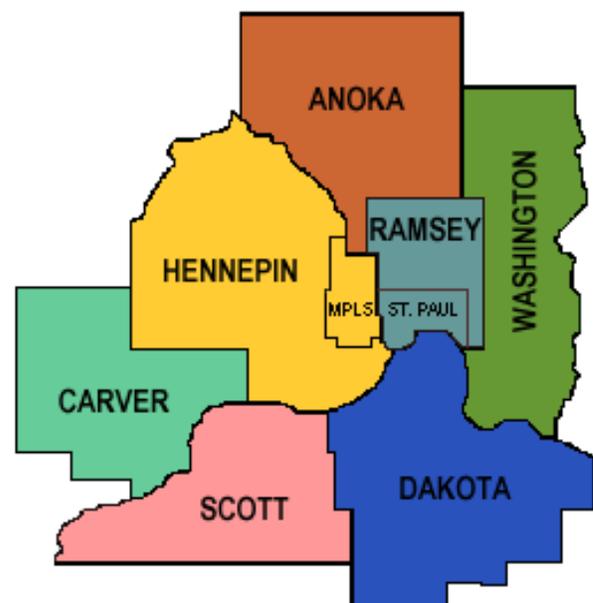
- Vadnais Heights Demolition Landfill (Ramsey County)
- Rosemount Demolition Landfill (Dakota County)
- Herbst and Sons Demolition Landfill (Hennepin County)
- Begin Demolition Landfill (Hennepin County)

Two open sanitary landfills

- Burnsville Sanitary Landfill (Dakota County)
- Pine Bend Sanitary Landfill (Dakota County)

Closed landfill

- Pig's Eye Landfill (Ramsey County)



Proposal: New billing/payment option for proposers of EIS projects

What's the issue?

This proposal provides MPCA with a billing option currently used at the Department of Natural Resources (DNR) for managing costs of large project proposals where an Environmental Impact Statement (EIS) is required. Under this billing option, the MPCA will assess in advance its costs associated with processing either a permit or a permit application, or both. Then, the proposer and agency would agree on a payment schedule and parameters for the operation of this new billing option. This proposal also includes a provision that can require a project proposer to use the new billing system, however if that occurs then the proposer would not have to pay the regular permit application fee.

Impact to MPCA

If this proposal becomes law, it will provide conformance between MPCA and Department of Natural Resources (DNR) in terms of billing options on large permitting projects that include an EIS. Further, it will give the MPCA the ability to plan ahead and shift resources internally so that large, complex permits do not delay other agency work.

The DNR supports this request.

Contact

Greta Gauthier, Legislative Director
Minnesota Pollution Control Agency
651-757-2031
greta.gauthier@state.mn.us