

March 22, 2022

Senator Bill Ingebrigtsen, Chair
Senate Environment and Natural Resources Finance Committee
3207 Minnesota Senate Building
95 University Avenue West
Saint Paul, MN 55155

Dear Chair Ingebrigtsen:

The Minnesota Inter-County Association (MICA) is a voluntary association representing fifteen of Minnesota's larger and faster growing counties, including four suburban and eleven Greater Minnesota counties.

MICA supports S.F. 4117 to allocate a modest portion of one-time state budget surplus funds to fully restore monies previously transferred out the Closed Landfill Investment Fund (CLIF) to the state General Fund, including lost investment earnings that would have otherwise accrued to the CLIF.

A 2010 law transferred \$48 million from the CLIF to the General Fund to help balance the state General Fund budget. That law also required repayment of transferred plus lost earnings, over four years beginning in FY2014. Only the 2014 repayment was made. In 2015, special session law Chapter 4, Article 3, Section 12, repealed the 2016-2018 scheduled repayments to CLIF.

In 2014, the first principal repayment of \$9.9 million was made to the CLIF, along with a \$51.4 million payment for the lost interest and investment earnings. The three remaining payment installments (\$38.1 million), plus lost interest and other investment earnings, were canceled leaving an estimated \$43.619 million unrestored.

Restoration of both the principal amount and lost interest earnings is central to the original creation of CLIF, and to the Fund's ability to meet the long-term post-closure care needs of the eligible closed landfills it serves.

In 1999, the Minnesota Legislature established the CLIF with the specific intent of setting aside and investing money for future post closure care at closed landfills. Foreseeing the need to plan for the state's obligation to care for these landfills in perpetuity, the expectation that initial deposits into the CLIF would be invested and earn interest over time was fundamental to the policy and financial objectives of the CLIF. Initially, the CLIF was credited with over \$20 million from the Solid Waste Fund as well as certain insurance recovery settlements that may arise overtime.

Today, while the fund has grown to an estimated value of about \$120 million, a March 2021 [Closed Landfill Investment Fund Report](#) by the Minnesota Pollution Control Agency (MPCA) estimates that the 114 closed landfills currently reliant on CLIF will require over \$300 million of care through 2050. The report further underscores how essential proper care of these landfills is to public and environmental health, detecting the presence of PFAS and other contaminants at dozens of the closed landfills eligible for CLIF funding.

Adoption of SF4117—to transfer \$43,619,000 million from the General Fund to CLIF in FY2022—would fulfill the Legislature's original commitment to fully restore CLIF monies plus lost earnings. Importantly, it would also better position the CLIF fund to respond to the critical public and environmental health challenges posed by closed landfills in communities across the state.

Thank you to Chair Ingebrigtsen for authoring SF4117 and to committee members for considering this important legislation. MICA supports this legislation and respectfully urges the legislature to approve SF4117.

Sincerely,



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Cc: Senate Environment and Natural Resources Finance Committee members