

HOUSE RESEARCH

Bill Summary

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Subject: Methamphetamine Laboratory Cleanup Fund

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Overview

This bill establishes and funds a revolving loan fund for remediation of clandestine methamphetamine lab sites.

Section

1 Fund established.

Subd. 1. Defines "clandestine lab site," "property" and "remediation."

Subd. 2. Establishes a methamphetamine laboratory cleanup revolving fund to provide loans to counties and cities for remediation of clandestine lab sites. Provides that loan repayments must be credited to the fund.

Subd. 3. Applications for loans are to be made to the commissioner of Health and must include a statement of the amount requested, the proposed use, the sources of funds for repayment and a certification that the city or town meets the loan eligibility requirements.

Subd. 4. A city or county is eligible for a loan if it first identifies a site designated by either the Department of Health or law enforcement as a clandestine lab site. The city or county must then require the site's owner to remediate the site, and certify that the owner cannot pay for the remediation and that the remediation has not been done.

Section

Finally, the city or county must issue a revenue bond to secure the loan.

Subd. 5. The loan proceeds may be used either to remediate the clandestine lab site or to reimburse the city or county for remediation already completed. The city or county must seek reimbursement from the owner of the property and may recover its costs by means of a property tax assessment.

Subd. 6. Loans awarded on a first-come first-served basis.

Subd. 7. Required terms and conditions of loans include 10-year terms at 2 percent interest. Twenty-year terms permitted in cases of financial hardship. Loan recipients must identify a source of revenue for repayment and must take steps necessary for collection within one year of loan. All repayments must be credited to the fund. Loans are only available to cities or counties with clandestine lab ordinances that address remediation.

Subd. 8. Cities or counties require a resolution of the board or council to incur debt under this section.

2 Appropriation. Appropriates an unspecified amount to the commissioner of Health from the general fund to fund and administer this program for the fiscal year ending June 30, 2004.

3 Effective date. Effective the day following final enactment.