person acting on their behalf, which are more than five years old-and owners duplicate certificates marked "canceled" upon the entry of a new owners duplicate certificate.

Sec. 3. Minnesota Statutes 1969, Section 508.84, is amended to read:

508.84 INSTRUMENTS OF ENCUMBRANCE; DISPOSAL. The registrar of titles, in all counties of this state now or hereafter having a population of more than 250,000 is hereby authorized to destroy or otherwise dispose of instruments of encumbrance which have been satisfied of record or extinguished by operation of law for a period of five years together with the assignments and satisfactions thereof. But When the discharge of an encumbrance is by virtue of a judicial or statutory sale, the instruments evidencing the encumbrance of the foreclosure thereof, shall not be destroyed until six months after entry of an unappealed order for issuance of a new certificate of title to the purchaser at such sale or to his assignee. Nothing herein contained shall relieve such registrar from maintaining the books and index records required under sections 508.34 and 508.37.

Approved May 26, 1971.

CHAPTER 534—H.F.No.2250

[Coded in Part]

An act relating to agriculture; potato promotion, advertising, research and development and the financing thereof; providing penalties; amending Minnesota Statutes 1969, Sections 30.463; 30.465; 30.468; 30.469; 30.472; 30.474; 30.475; 30.476; 30.477; and Chapter 30, by adding a section; repealing Minnesota Statutes 1969, Sections 30.464, Subdivision 4; and 30.471.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1969, Section 30.463, is amended to read:

30.463 AGRICULTURE; POTATO INDUSTRY PROMOTION; DEFINITIONS. Subdivision 1. TERMS. For the purposes of sections 30.461 to 30.477 the terms defined in this section shall have the meanings ascribed to them.

Subd. 2. COUNCIL. "Council" means a Minnesota area potato council.

- Subd. 3. GROWER. "Grower" means any person who plants, raises, and harvests Irish potatoes from more than ten acres.
- Subd. 4. POTATOES. "Potatoes" means any and all varieties of Irish potatoes harvested within the state of Minnesota.
- Subd. 5. PARTICIPATING GROWER. "Participating grower" means a grower who has not exempted himself from the payment of taxes on potato production under sections 30.461 to 30.477 for a particular year, or a grower who is not exempt from the payment of taxes on potato production under the terms of sections 30.461 to 30.477.
- Subd. 6. FIRST HANDLER. "First handler" means any person who initially places potatoes, whether he is an owner, agent, or otherwise, into the channels of trade and commerce, or who is engaged in the processing of potatoes into food for human consumption in any form, except for potato flour or for potato starch. The sale of unharvested potatoes, or the delivery of potatoes from the farm on which they are produced to storage facilities, packing shed, or processing plant shall not be considered to be first handler.
- Subd. 6. 7. COMMISSIONER. "Commissioner" means commissioner of agriculture.
- Subd. 8. HUNDREDWEIGHT. "Hundredweight" means one hundred pound unit or combination of packages making a one hundred pound unit of any shipment of potatoes based on invoice or bill of lading records.
- Subd. 9. RETAILER. "Retailer" means any person who sells directly to the consumer in small quantities or broken lots.
- Subd. 10. PROCESSOR. "Processor" means a person who is actively engaged in the processing of potatoes for human consumption, except for potato flour or for potato starch.
- Subd. 11. PERSON. "Person" means an individual, partnership, corporation, association, grower, cooperative, or any other business unit.
- Sec. 2. Minnesota Statutes 1969, Section 30.465, is amended to read:
- 30.465 MINNESOTA AREA POTATO COUNCILS; MEMBER-SHIP, ELECTION, TERM. There is hereby established in each area subjected to the provisions of sections 30.461 to 30.477 by referendum as provided in section 30.464, subdivision 3, an area potato council. The council shall be composed of the commissioner of agriculture or his designated representative, who shall be chairman of the council except that he shall not have the right to vote, one processor

representative and one wash plant representative appointed by the governor and who shall possess the right to vote, and five participating growers elected from the area. Every elected council member shall be a citizen of the state and a bona fide resident of and participating grower in the area he represents. The term of each elected member shall be three years and shall begin on July 1 of year of election, except that initially one member shall be elected for a three year term; two members shall be elected for two year terms; and two members shall be elected for one year terms as designated by the commissioner. If at any time during a member's term he shall cease to possess any of the qualifications provided for in sections 30.461 to 30.477, his office shall be deemed vacant and the council shall appoint another qualified participating grower for the remainder of the term of the office vacated. The commissioner shall conduct all elections under this section in such a manner as he, in his discretion, deems fair and reasonable. All such elections shall be conducted in the month of June. No elected member of the council shall be eligible to serve more than two consecutive three year terms.

- Sec. 3. Minnesota Statutes 1969, Section 30.468, is amended to read:
- 30.468 AREA POTATO COUNCIL, POWERS AND DUTIES. In the administration of sections 30.461 to 30.477, the council shall have the following powers and duties:
- (a) To contract and cooperate with any person, firm, corporation, or association, or with any local, state or federal department or agency for research, education, publicity, promotion, and transportation for the purposes of sections 30.461 to 30.477;
- (b) To expend the funds collected pursuant to the provisions of sections 30.461 to 30.477 and appropriated for its administration;
- (c) To appoint, employ, bond, discharge, fix compensation for, and prescribe the duties of such administrative, clerical, technical, and other personnel as it may deem necessary;
- (d) To accept donations of funds, property, services, or other assistance from public or private sources for the purpose of furthering the objectives of the council;
- (e) To investigate and prosecute in the name of the state of Minnesota any action or suit to enforce the collection or ensure payment of the <u>taxes assessments</u> authorized by the provisions of sections 30.461 to 30.477, and to sue and be sued in the name of the council.
- Sec. 4. Minnesota Statutes 1969, Section 30.469, is amended to read:

- 30.469 ASSESSMENT LEVIED. There is hereby levied and imposed upon all land subjected to the provisions of this act by referendum and from which potatoes are harvested by a grower as defined-herein an-annual tax of \$1 per acre. Every potato grower in such area or areas shall report to the council by August 15 following May 16, 1967, and on July 15 of each year thereafter, on forms provided by the council, the acreage of potatoes planted in such area or areas, on acreages controlled by him. On or before November 15 of each year every such grower-shall file with the council, on forms furnished by it, a statement reporting the acres of potatoes harvested. The remittance of the tax at the rate as provided in this section shall accompany the report. Commencing July 1, 1971, an assessment at the rate of 1 1/4 cents per hundredweight shall be levied and imposed upon all potatoes grown or sold or delivered to a first handler in this state. The assessment shall not be imposed upon potatoes retained by growers to be used for seed purposes or for their own consumption.
- (a) The assessment imposed by sections 30.461 to 30.477 shall be due upon any identifiable lot or quantity of potatoes.
- (b) A first handler of potatoes shall file an application with the council on forms prescribed and furnished by the council which shall contain the name under which the handler is transacting business within the state, the place or places of business and location of loading and shipping places of agents of the first handler, the names and addresses of the several persons constituting a firm or partnership, and, if a corporation, the corporate name and the names and addresses of its principal officers and agents within the state. The council shall issue a certificate to the first handler and a first handler shall not sell or ship any potatoes until the certificate is furnished as required by this section.
- (c) Each first handler of potatoes shall collect the assessment imposed by sections 30.461 to 30.477 by charging and collecting from the seller the assessment at the rate of 1 ½ cents per hundredweight by deducting the assessment from the purchase price of all potatoes subject to the assessment and purchased by the first handler.
- (d) Every first handler shall keep as a part of his permanent records a record of all purchases, sales, and shipments of raw potatoes, which records shall be open for examination by the commissioner at all reasonable times. Every first handler shall render a report to the council stating the quantity of potatoes received, sold, or shipped by him during the preceding calendar quarter, on forms to be furnished by the council. The report shall be due not later than 15 days after the end of the calendar quarter. The report shall contain such further information as the council shall prescribe. With the filing of the report, each first handler shall pay to the council an assessment at the rate of 1 ½ cents per hundredweight upon all

potatoes reported as purchased, sold, or shipped, as determined by the council.

All moneys levied and collected under sections 30.461 to 30.477 shall be paid to the area council having jurisdiction for deposit to the credit of that area, in a fund designated "Potato Fund", in a bank, or banks, or other depository, approved by the commissioner of banks and shall be disbursed by such officers and employees as may be approved by the commissioner of agriculture with the advice and consent of the area potato council. Such funds are to be used exclusively to carry out the intent and the purposes of sections 30.461 to 30.477 as it relates to that area.

- Sec. 5. Minnesota Statutes 1969, Section 30.472, is amended to read:
- 30.472 NONPARTICIPATING GROWERS; REFUNDS. Growers may become nonparticipating growers and claim exemption from the provisions of sections 30.461 to 30.477. To claim exemption, a nonparticipating grower shall notify the council, in writing, on or before July 15 of each year, at the time of the initial report as provided in section 30.469 of his intention not to participate under the program and to claim refund of the taxes herein levied for that crop year. Such grower, if he has notified the council of his intention not to participate, as herein provided, shall be eligible between December 1 July 1 and December 15 July 30 of each year, to claim a refund of the taxes paid in that for the preceding crop year, paid pursuant to this enactment. Upon the receipt of a written claim for refund from an eligible, nonparticipating grower, the council shall refund the taxes paid in such crop year.
- Sec. 6. Minnesota Statutes 1969, Section 30.474, is amended to read:
- 30.474 COLLECTION OF UNPAID ASSESSMENTS. If a participating grower first handler fails to pay the tax collect the assessment provided herein, the collection thereof may be enforced by the council against the grower or first handler in any court with competent jurisdiction within this state.
- Sec. 7. Minnesota Statutes 1969, Section 30.475, is amended to read:
- 30.475 VIOLATIONS. Any person who wilfully violates the provisions of sections 30.461 to 30.477 or who falsifies any affidavit, record, receipt, voucher, or any information required to be maintained by sections 30.461 to 30.477, is guilty of a misdemeanor.
- Sec. 8. Minnesota Statutes 1969, Section 30.476, is amended to read:

30.476 PENALTY FOR NONPAYMENT OF ASSESSMENTS. Any participating grower who shall fail to pay any tax levied by sections 30.461 to 30.477 on the date that the same becomes due shall be delinquent and the council shall levy a penalty on such delinquent payment of 10 percent of the tax due, plus interest at the rate of 6 percent per annum from the due date, which penalty and interest shall be collected in the manner as described in section 30.474. Any first handler who fails to make collection or to file a return or to pay any assessment within the time required by or pursuant to sections 30.461 to 30.477, or files a falsified return, shall be liable to the council the amount due plus a penalty of six percent of the amount due, as provided in sections 30.461 to 30.477, plus one percent of such amount for each month of delay. If satisfied that the delay was excusable, the council may remit all or any part of the penalty. The penalty shall be paid to the council and disposed of as provided with respect to moneys derived under sections 30.461 to 30.477.

- Sec. 9. Minnesota Statutes 1969, Section 30.477, is amended to read:
- 30.477 RECORD OF COUNCIL; INSPECTION. All of the records of the council, including acreage reports, tax returns, claims of exemption, and any other data, records, or information retained by the council shall be public information and shall be available for the inspection of any person for any lawful purpose; provided, however, that the council shall be empowered to make reasonable rules and regulations concerning the inspection of such information or data, and the time or place of such inspection or the manner which the information shall be made available.
- Sec. 10. Minnesota Statutes 1969, Chapter 30, is amended by adding a section to read:
- [30.479] REFERENDUM ON REFUNDS. After July 1, 1972 the council, upon receipt of a petition signed by 25 percent of the growers, may request a referendum to be conducted on discontinuance of the refunds provision of this act, in the area affected. The referendum will be conducted by mail ballot. The ballot shall be mailed at least two weeks prior to the date of election. If two-thirds of the growers voting on the question approve the change, the council shall certify to the commissioner that the refunds provision is null and void. Further the refund provision may be reinstated in the above manner.
- Sec. 11. Minnesota Statutes 1969, Sections 30.464, Subdivision 4, and 30.471, are repealed.

Approved May 26, 1971.