

SENATE
STATE OF MINNESOTA
EIGHTY-SEVENTH LEGISLATURE

S.F. No. 1324

(SENATE AUTHORS: MAGNUS)

DATE	D-PG	OFFICIAL STATUS
04/27/2011	1434	Introduction and first reading Referred to Agriculture and Rural Economies
05/02/2011	1554a 1604	Comm report: To pass as amended Second reading

A bill for an act

relating to agriculture; changing certain programs, requirements, fees, and duties; appropriating money; amending Minnesota Statutes 2010, sections 18B.065, by adding a subdivision; 18B.316, subdivision 6; 18G.07, subdivision 1; 18G.10, subdivisions 5, 7, by adding a subdivision; 18H.07, subdivisions 2, 3; 18H.10; 18H.14; 18J.01; 18J.02; 18J.03; 18J.04, subdivisions 1, 2, 3, 4; 18J.05, subdivisions 1, 2, 6; 18J.06; 18J.07, subdivisions 3, 4, 5; 18J.08, subdivision 2; 21.82, subdivisions 7, 8; 35.0661, subdivisions 2, 3; 223.17, subdivisions 6, 9; 231.36; 231.38; 231.39; 232.22, subdivisions 3, 4, 5; 232.23, subdivisions 5, 10; 232.24, subdivisions 1, 2; 236.02, subdivision 5, by adding a subdivision; repealing Minnesota Statutes 2010, sections 27.19, subdivisions 2, 3; 27.20; 223.18; 231.035; 231.28; 232.24, subdivision 3; 232.25; 236.09; Minnesota Rules, parts 1505.0780; 1505.0810; 1562.0100, subparts 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25; 1562.0200; 1562.0700, subparts 1b, 3; 1562.0900; 1562.1300.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2010, section 18B.065, is amended by adding a subdivision to read:

Subd. 10. **Indemnification.** (a) A local unit of government, when operating or participating in a waste pesticide collection program pursuant to a cooperative agreement with the commissioner under this section, is an employee of the state, certified to be acting within the scope of employment, for purposes of the indemnification provisions of section 3.736, subdivision 9, for claims that arise out of the transportation, management, or disposal of any waste pesticide covered by the agreement:

(1) from and after the time the waste permanently leaves the local unit of government's possession and comes into the possession of the state's authorized transporter; and

(2) during the time the waste is transported between the local unit of government facilities by the state's authorized transporter.

(b) The state is not obligated to defend or indemnify a local unit of government under this subdivision to the extent of the local unit of government's liability insurance. The local unit of government's right to indemnify is not a waiver of the limitation, defenses, and immunities available to either the local unit of government or the state by law.

Sec. 2. Minnesota Statutes 2010, section 18B.316, subdivision 6, is amended to read:

Subd. 6. **Agricultural pesticide sales invoices.** (a) Sales invoices for agricultural pesticides sold in or into this state by a licensed agricultural pesticide dealer or a pesticide dealer under this section must show the percent of gross sales fee rate assessed and the gross sales fee paid under section 18B.26, subdivision 3, paragraph (c).

(b) A licensed agricultural pesticide dealer or a pesticide dealer may request an exemption from paragraph (a). The request for exemption must be in writing to the commissioner and must include verifiable information to justify that compliance with paragraph (a) is an extreme business hardship for the licensed agricultural pesticide dealer or pesticide dealer. The commissioner may approve or reject a request for exemption based upon review of the submitted information. An approved exemption under this paragraph is valid for one calendar year. The commissioner must maintain a list of those licensed agricultural pesticide dealers or pesticide dealers that have been granted an exemption on the department's Web site.

(c) A licensed agricultural pesticide dealer or a pesticide dealer issued an exemption under paragraph (b) must include the following statement on each sales invoice for any sale of an agricultural pesticide: "Minnesota Department of Agriculture Annual Gross Sales Fees of 0.55% have been Assessed and Paid on the Sale of an Agricultural Pesticide."

(d) Only the person who actually will pay the gross sales fee may show the rate or the amount of the fee as a line item on the sales invoice.

Sec. 3. Minnesota Statutes 2010, section 18G.07, subdivision 1, is amended to read:

Subdivision 1. **Creation of registry.** (a) The commissioner shall maintain a list of all persons, businesses, and companies that employ persons who provide tree care or tree trimming services in Minnesota. All commercial tree care providers, tree trimmers, and persons who employ employers that direct employees to remove trees, limbs, branches, brush, or shrubs for hire must be registered by with the commissioner.

(b) Persons or companies who are required to be registered under paragraph (a) must register annually by providing the following to the commissioner:

- (1) accurate and up-to-date business name, address, and telephone number;
- (2) a complete list of all Minnesota counties in which they work; and
- (3) a nonrefundable fee of \$25 for initial application or renewing the registration.

(c) All persons and companies required to be registered under paragraph (a) must register before conducting the activities specified in paragraph (a). Annual registration expires December 31, must be renewed annually, and the renewal fee remitted by January 7¹ of the year for which it is issued. In addition, a penalty of ten percent of the renewal fee due must be charged for each month, or portion of a month, that the fee is delinquent up to a maximum of 30 percent for any application for renewal postmarked after December 31.

Sec. 4. Minnesota Statutes 2010, section 18G.10, subdivision 5, is amended to read:

Subd. 5. **Certificate fees.** (a) The commissioner shall assess the fees in paragraphs (b) to (f) for the inspection, service, and work performed in carrying out the issuance of a phytosanitary certificate or export certificate. The inspection fee must be based on mileage and inspection time.

(b) Mileage charge: current United States Internal Revenue Service mileage rate.

(c) Inspection time: \$50 per hour minimum or fee necessary to cover department costs. Inspection time includes the driving time to and from the location in addition to the time spent conducting the inspection.

(d) If laboratory analysis or other technical analysis is required to issue a certificate, the commissioner must set and collect the fee to recover this additional cost.

(e) Certificate fee for product value greater than \$250: \$75 minimum or fee necessary to cover department costs, including research and processing costs, for each phytosanitary or export certificate issued for any single shipment valued at more than \$250 in addition to any mileage or inspection time charges that are assessed.

(f) Certificate fee for product value less than \$250: \$25 minimum or fee necessary to cover department costs, including research and processing costs, for each phytosanitary or export certificate issued for any single shipment valued at less than \$250 in addition to any mileage or inspection time charges that are assessed.

(g) For services provided for in subdivision 7 that are goods and services provided for the direct and primary use of a private individual, business, or other entity, the commissioner must set and collect the fees to cover the cost of the services provided.

Sec. 5. Minnesota Statutes 2010, section 18G.10, subdivision 7, is amended to read:

Subd. 7. **Supplemental, additional, or other certificates and permits.** (a) The commissioner may provide inspection, sampling, or certification services to ensure

that Minnesota plant treatment processes, plant products, or commodities meet import requirements of other states or countries.

(b) The state plant regulatory official may issue permits and certificates verifying that various Minnesota agricultural plant treatment processes, products, or commodities meet specified plant health requirements, treatment requirements, or pest absence assurances based on determinations by the commissioner.

Sec. 6. Minnesota Statutes 2010, section 18G.10, is amended by adding a subdivision to read:

Subd. 8. Misuse of a certificate or permit. Certificates, permits, and official letters issued to support certification or permit processes are not transferable to another location or another person.

Sec. 7. Minnesota Statutes 2010, section 18H.07, subdivision 2, is amended to read:

Subd. 2. Nursery stock grower certificate. (a) A nursery stock grower must pay an annual fee based on the area of all acreage on which nursery stock is grown for certification as follows:

- (1) less than one-half acre, \$150;
- (2) from one-half acre to two acres, \$200;
- (3) over two acres up to five acres, \$300;
- (4) over five acres up to ten acres, \$350;
- (5) over ten acres up to 20 acres, \$500;
- (6) over 20 acres up to 40 acres, \$650;
- (7) over 40 acres up to 50 acres, \$800;
- (8) over 50 acres up to 200 acres, \$1,100;
- (9) over 200 acres up to 500 acres, \$1,500; and
- (10) over 500 acres, \$1,500 plus \$2 for each additional acre.

(b) In addition to the fees in paragraph (a), a penalty of ten percent of the fee due must be charged for each month, or portion thereof, that the fee is delinquent up to a maximum of 30 percent for any application for renewal not postmarked by December 31 of the current year.

Beginning April 1, a firm found operating without a nursery stock growers certificate must pay a penalty equal to the required nursery stock growers certificate fee.

Sec. 8. Minnesota Statutes 2010, section 18H.07, subdivision 3, is amended to read:

Subd. 3. **Nursery stock dealer certificate.** (a) A nursery stock dealer must pay an annual fee based on the dealer's gross sales of certified nursery stock per location during the most recent certificate year. A certificate applicant operating for the first time must pay the minimum fee. The fees per sales location are:

- (1) gross sales up to \$5,000, \$150;
- (2) gross sales over \$5,000 up to \$20,000, \$175;
- (3) gross sales over \$20,000 up to \$50,000, \$300;
- (4) gross sales over \$50,000 up to \$75,000, \$425;
- (5) gross sales over \$75,000 up to \$100,000, \$550;
- (6) gross sales over \$100,000 up to \$200,000, \$675; and
- (7) gross sales over \$200,000, \$800.

(b) In addition to the fees in paragraph (a), a penalty of ten percent of the fee due must be charged for each month, or portion thereof, that the fee is delinquent up to a maximum of 30 percent for any application for renewal not postmarked by December 31 of the current year.

Beginning April 1, a firm found operating without a nursery stock dealer certificate must pay a penalty equal to the required nursery stock dealer certificate fee.

Sec. 9. Minnesota Statutes 2010, section 18H.10, is amended to read:

18H.10 STORAGE OF NURSERY STOCK.

(a) All nursery stock must be kept and displayed under conditions of temperature, light, and moisture sufficient to maintain the viability and vigor of the nursery stock.

(b) Packaged dormant nursery stock must be stored under conditions that retard growth, prevent etiolated growth, and protect its viability.

(c) Balled and burlapped nursery stock being held for sale to the public must be kept in a moisture-holding material approved by the commissioner and not toxic to plants. The moisture-holding material must adequately cover and protect the ball of earth and must be kept moist at all times.

Sec. 10. Minnesota Statutes 2010, section 18H.14, is amended to read:

18H.14 LABELING AND ADVERTISING OF NURSERY STOCK.

(a) Plants, plant materials, or nursery stock must not be labeled or advertised with false or misleading information including, but not limited to, scientific name, variety, place of origin, hardiness zone as defined by the United States Department of Agriculture, and growth habit.

(b) A person may not offer for distribution plants, plant materials, or nursery stock, represented by some specific or special form of notation, including, but not limited to, "free from" or "grown free of," unless the plants are produced under a specific program approved by the commissioner to address the specific plant properties addressed in the special notation claim.

(c) Nursery stock collected from the wild state must be inspected and certified prior to sale and at the time of sale must be labeled "Collected from the Wild." The label must remain on each plant or clump of plants while it is offered for sale and during the distribution process. The collected stock may be grown in nursery rows at least two years, after which the plants may be sold without the labeling required by this paragraph.

Sec. 11. Minnesota Statutes 2010, section 18J.01, is amended to read:

18J.01 DEFINITIONS.

(a) The definitions in sections 18G.02 ~~and~~, 18H.02, 27.01, 223.16, 231.01, 232.21, and 236.01, apply to this chapter.

(b) For purposes of this chapter, "associated rules" means rules adopted under this chapter, chapter 18G ~~or~~, 18H, 27, 223, 231, 232, or 236, or sections 21.80 to 21.92.

Sec. 12. Minnesota Statutes 2010, section 18J.02, is amended to read:

18J.02 DUTIES OF COMMISSIONER.

The commissioner shall administer and enforce this chapter, chapters 18G ~~and~~, 18H, 27, 223, 231, 232, and 236, sections 21.80 to 21.92, and associated rules.

Sec. 13. Minnesota Statutes 2010, section 18J.03, is amended to read:

18J.03 CIVIL LIABILITY.

A person regulated by this chapter, chapter 18G ~~or~~, 18H, 27, 223, 231, 232, or 236, or sections 21.80 to 21.92, is civilly liable for any violation of one of those statutes or associated rules by the person's employee or agent.

Sec. 14. Minnesota Statutes 2010, section 18J.04, subdivision 1, is amended to read:

Subdivision 1. **Access and entry.** The commissioner, upon presentation of official department credentials, must be granted immediate access at reasonable times to sites where a person manufactures, distributes, uses, handles, disposes of, stores, or transports seeds, plants, grain, household goods, general merchandise, produce, or other living or

7.1 nonliving products or other objects regulated under chapter 18G ~~or~~ 18H, 27, 223, 231,
7.2 232, or 236, sections 21.80 to 21.92, or associated rules.

7.3 Sec. 15. Minnesota Statutes 2010, section 18J.04, subdivision 2, is amended to read:

7.4 Subd. 2. **Purpose of entry.** (a) The commissioner may enter sites for:

7.5 (1) inspection of inventory and equipment for the manufacture, storage, handling,
7.6 distribution, disposal, or any other process regulated under chapter 18G ~~or~~ 18H, 27, 223,
7.7 231, 232, or 236, sections 21.80 to 21.92, or associated rules;

7.8 (2) sampling of sites, seeds, plants, products, grain, household goods, general
7.9 merchandise, produce, or other living or nonliving objects that are manufactured, stored,
7.10 distributed, handled, or disposed of at those sites and regulated under chapter 18G ~~or~~ 18H,
7.11 27, 223, 231, 232, or 236, sections 21.80 to 21.92, or associated rules;

7.12 (3) inspection of records related to the manufacture, distribution, storage, handling,
7.13 or disposal of seeds, plants, products, grain, household goods, general merchandise,
7.14 produce, or other living or nonliving objects regulated under chapter 18G ~~or~~ 18H, 27,
7.15 223, 231, 232, or 236, sections 21.80 to 21.92, or associated rules;

7.16 (4) investigating compliance with chapter 18G ~~or~~ 18H, 27, 223, 231, 232, or 236,
7.17 sections 21.80 to 21.92, or associated rules; or

7.18 (5) other purposes necessary to implement chapter 18G ~~or~~ 18H, 27, 223, 231, 232,
7.19 or 236, sections 21.80 to 21.92, or associated rules.

7.20 (b) The commissioner may enter any public or private premises during or after
7.21 regular business hours without notice of inspection when a suspected violation of chapter
7.22 18G ~~or~~ 18H, 27, 223, 231, 232, or 236, sections 21.80 to 21.92, or associated rules may
7.23 threaten public health or the environment.

7.24 Sec. 16. Minnesota Statutes 2010, section 18J.04, subdivision 3, is amended to read:

7.25 Subd. 3. **Notice of inspection samples and analyses.** (a) The commissioner shall
7.26 provide the owner, operator, or agent in charge with a receipt describing any samples
7.27 obtained. If requested, the commissioner shall split any samples obtained and provide
7.28 them to the owner, operator, or agent in charge. If an analysis is made of the samples,
7.29 a copy of the results of the analysis must be furnished to the owner, operator, or agent
7.30 in charge within 30 days after an analysis has been performed. If an analysis is not
7.31 performed, the commissioner must notify the owner, operator, or agent in charge within 30
7.32 days of the decision not to perform the analysis.

7.33 (b) The sampling and analysis must be done according to methods provided for
7.34 under applicable provisions of chapter 18G ~~or~~ 18H, 27, 223, 231, 232, or 236, sections

21.80 to 21.92, or associated rules. In cases not covered by those sections and methods or in cases where methods are available in which improved applicability has been demonstrated the commissioner may adopt appropriate methods from other sources.

Sec. 17. Minnesota Statutes 2010, section 18J.04, subdivision 4, is amended to read:

Subd. 4. **Inspection requests by others.** (a) A person who believes that a violation of chapter 18G ~~or~~ 18H, 27, 223, 231, 232, or 236, sections 21.80 to 21.92, or associated rules has occurred may request an inspection by giving notice to the commissioner of the violation. The notice must be in writing, state with reasonable particularity the grounds for the notice, and be signed by the person making the request.

(b) If after receiving a notice of violation the commissioner reasonably believes that a violation has occurred, the commissioner shall make a special inspection in accordance with the provisions of this section as soon as practicable, to determine if a violation has occurred.

(c) An inspection conducted pursuant to a notice under this subdivision may cover an entire site and is not limited to the portion of the site specified in the notice. If the commissioner determines that reasonable grounds to believe that a violation occurred do not exist, the commissioner must notify the person making the request in writing of the determination.

Sec. 18. Minnesota Statutes 2010, section 18J.05, subdivision 1, is amended to read:

Subdivision 1. **Enforcement required.** (a) A violation of chapter 18G ~~or~~ 18H, 27, 223, 231, 232, or 236, sections 21.80 to 21.92, or an associated rule is a violation of this chapter.

(b) Upon the request of the commissioner, county attorneys, sheriffs, and other officers having authority in the enforcement of the general criminal laws must take action to the extent of their authority necessary or proper for the enforcement of chapter 18G ~~or~~ 18H, 27, 223, 231, 232, or 236, sections 21.80 to 21.92, or associated rules or valid orders, standards, stipulations, and agreements of the commissioner.

Sec. 19. Minnesota Statutes 2010, section 18J.05, subdivision 2, is amended to read:

Subd. 2. **Commissioner's discretion.** If minor violations of chapter 18G ~~or~~ 18H, 27, 223, 231, 232, or 236, sections 21.80 to 21.92, or associated rules occur or the commissioner believes the public interest will be best served by a suitable notice of warning in writing, this section does not require the commissioner to:

(1) report the violation for prosecution;

- 9.1 (2) institute seizure proceedings; or
- 9.2 (3) issue a withdrawal from distribution, stop-sale, or other order.

9.3 Sec. 20. Minnesota Statutes 2010, section 18J.05, subdivision 6, is amended to read:

9.4 Subd. 6. **Agent for service of process.** All persons licensed, permitted, registered,
9.5 or certified under chapter 18G ~~or~~₂ 18H, 27, 223, 231, 232, or 236, sections 21.80 to 21.92,
9.6 or associated rules must appoint the commissioner as the agent upon whom all legal
9.7 process may be served and service upon the commissioner is deemed to be service on the
9.8 licensee, permittee, registrant, or certified person.

9.9 Sec. 21. Minnesota Statutes 2010, section 18J.06, is amended to read:

9.10 **18J.06 FALSE STATEMENT OR RECORD.**

9.11 A person must not knowingly make or offer a false statement, record, or other
9.12 information as part of:

9.13 (1) an application for registration, license, certification, or permit under chapter 18G
9.14 ~~or~~₂ 18H, 27, 223, 231, 232, or 236, sections 21.80 to 21.92, or associated rules;

9.15 (2) records or reports required under chapter 18G ~~or~~₂ 18H, 27, 223, 231, 232, or 236,
9.16 sections 21.80 to 21.92, or associated rules; or

9.17 (3) an investigation of a violation of chapter 18G ~~or~~₂ 18H, 27, 223, 231, 232, or 236,
9.18 sections 21.80 to 21.92, or associated rules.

9.19 Sec. 22. Minnesota Statutes 2010, section 18J.07, subdivision 3, is amended to read:

9.20 Subd. 3. **Cancellation of registration, permit, license, certification.** The
9.21 commissioner may cancel or revoke a registration, permit, license, or certification
9.22 provided for under chapter 18G or 18H, sections 21.80 to 21.92, or associated rules or
9.23 refuse to register, permit, license, or certify under provisions of chapter 18G ~~or~~₂ 18H,
9.24 27, 223, 231, 232, or 236, sections 21.80 to 21.92, or associated rules if the registrant,
9.25 permittee, licensee, or certified person has used fraudulent or deceptive practices in the
9.26 evasion or attempted evasion of a provision of chapter 18G ~~or~~₂ 18H, 27, 223, 231, 232, or
9.27 236, sections 21.80 to 21.92, or associated rules.

9.28 Sec. 23. Minnesota Statutes 2010, section 18J.07, subdivision 4, is amended to read:

9.29 Subd. 4. **Service of order or notice.** (a) If a person is not available for service of an
9.30 order, the commissioner may attach the order to the facility, site, seed or seed container,
9.31 plant or other living or nonliving object regulated under chapter 18G ~~or~~₂ 18H, 27, 223,

10.1 231, 232, or 236, sections 21.80 to 21.92, or associated rules and notify the owner,
10.2 custodian, other responsible party, or registrant.

10.3 (b) The seed, seed container, plant, or other living or nonliving object regulated
10.4 under chapter 18G ~~or~~ 18H, 27, 223, 231, 232, or 236, sections 21.80 to 21.92, or
10.5 associated rules may not be sold, used, tampered with, or removed until released under
10.6 conditions specified by the commissioner, by an administrative law judge, or by a court.

10.7 Sec. 24. Minnesota Statutes 2010, section 18J.07, subdivision 5, is amended to read:

10.8 Subd. 5. **Unsatisfied judgments.** (a) An applicant for a license, permit, registration,
10.9 or certification under provisions of this chapter, chapter 18G ~~or~~ 18H, 27, 223, 231, 232, or
10.10 236, sections 21.80 to 21.92, or associated rules may not allow a final judgment against
10.11 the applicant for damages arising from a violation of those statutes or rules to remain
10.12 unsatisfied for a period of more than 30 days.

10.13 (b) Failure to satisfy, within 30 days, a final judgment resulting from a violation
10.14 of this chapter results in automatic suspension of the license, permit, registration, or
10.15 certification.

10.16 Sec. 25. Minnesota Statutes 2010, section 18J.08, subdivision 2, is amended to read:

10.17 Subd. 2. **Administrative review.** If a person notifies the commissioner that
10.18 the person intends to contest an order issued under this section, the state Office of
10.19 Administrative Hearings must conduct a hearing in accordance with the applicable
10.20 provisions of chapter 14 for hearings in contested cases. If a contested case hearing is
10.21 conducted, the associated costs of the Office of Administrative Hearings must be equitably
10.22 allocated among the parties as determined by the administrative law judge.

10.23 Sec. 26. Minnesota Statutes 2010, section 21.82, subdivision 7, is amended to read:

10.24 Subd. 7. **Vegetable seeds.** For vegetable seeds prepared for use in home gardens
10.25 or household plantings the requirements in paragraphs (a) to (p) apply. Vegetable seeds
10.26 packed for sale in commercial quantities to farmers, conservation groups, and other similar
10.27 entities are considered agricultural seeds and must be labeled accordingly.

10.28 (a) The label must contain the name of the kind or kind and variety for each seed
10.29 component in excess of five percent of the whole and the percentage by weight of each
10.30 in order of its predominance. If the variety of those kinds generally labeled as to variety
10.31 is not stated and it is not required to be stated, the label must show the name of the kind
10.32 and the words "variety not stated."

11.1 (b) The percentage that is hybrid must be at least 95 percent of the percentage of pure
11.2 seed shown unless the percentage of pure seed which is hybrid seed is shown separately.
11.3 If two or more kinds of varieties are present in excess of five percent and are named on
11.4 the label, each that is hybrid must be designated as hybrid on the label. Any one kind or
11.5 kind and variety that has pure seed that is less than 95 percent but more than 75 percent
11.6 hybrid seed as a result of incompletely controlled pollination in a cross must be labeled
11.7 to show the percentage of pure seed that is hybrid seed or a statement such as "contains
11.8 from 75 percent to 95 percent hybrid seed." No one kind or variety of seed may be labeled
11.9 as hybrid if the pure seed contains less than 75 percent hybrid seed. The word "hybrid"
11.10 must be shown on the label in conjunction with the kind.

11.11 (c) Blends must be listed on the label using the term "blend" in conjunction with
11.12 the kind.

11.13 (d) Mixtures shall be listed on the label using the term "mixture," "mix," or "mixed."

11.14 (e) The label must show a lot number or other lot identification.

11.15 (f) The origin may be omitted from the label.

11.16 (g) The label must show the year for which the seed was packed for sale listed as
11.17 "packed for (year)" for seed with a percentage of germination that exceeds the standard last
11.18 established by the commissioner, the percentage of germination and the calendar month
11.19 and year that the percentages were determined by test, or the calendar month and year the
11.20 germination test was completed and the statement "sell by (month and year listed here),"
11.21 which may be no more than 12 months from the date of test, exclusive of the month of test.

11.22 (h) For vegetable seeds which germinate less than the standard last established by
11.23 the commissioner, the label must show:

11.24 (1) a percentage of germination, exclusive of hard or dormant seed or both;

11.25 (2) a percentage of hard or dormant seed or both, if present; and

11.26 (3) the words "below standard" in not less than eight point type and the month and
11.27 year the percentages were determined by test.

11.28 (i) The net weight of the contents or a statement indicating the number of seeds in
11.29 the container or both, must appear on either the container or the label, ~~except that for~~
11.30 ~~containers with contents of 200 seeds or less a statement indicating the number of seeds in~~
11.31 ~~the container may be listed along with or in lieu of the net weight of contents.~~

11.32 (j) The heading for and percentage by weight of pure seed may be omitted from a
11.33 label if the total is more than 90 percent.

11.34 (k) The heading for and percentage by weight of weed seed may be omitted from a
11.35 label if they are not present in the seed.

12.1 (l) The heading "noxious weed seeds" may be omitted from a label if they are not
12.2 present in the seed.

12.3 (m) The heading for and percentage by weight of other crop seed may be omitted
12.4 from a label if it is less than five percent.

12.5 (n) The heading for and percentage by weight of inert matter may be omitted from a
12.6 label if it is less than ten percent.

12.7 (o) The label must contain the name and address of the person who labeled the
12.8 seed or who sells the seed in this state or a code number that has been registered with
12.9 the commissioner.

12.10 (p) The labeling requirements for vegetable seeds prepared for use in home gardens
12.11 or household plantings when sold outside their original containers are met if the seed is
12.12 weighed from a properly labeled container in the presence of the purchaser.

12.13 Sec. 27. Minnesota Statutes 2010, section 21.82, subdivision 8, is amended to read:

12.14 Subd. 8. **Flower seeds.** For flower and wildflower seeds prepared for use in home
12.15 gardens or household plantings, the requirements in paragraphs (a) to (l) apply. Flower
12.16 and wildflower seeds packed for sale in commercial quantities to farmers, conservation
12.17 groups, and other similar entities are considered agricultural seeds and must be labeled
12.18 accordingly.

12.19 (a) The label must contain the name of the kind and variety or a statement of type
12.20 and performance characteristics as prescribed by rule.

12.21 (b) The percentage that is hybrid must be at least 95 percent of the percentage of pure
12.22 seed shown unless the percentage of pure seed which is hybrid seed is shown separately.
12.23 If two or more kinds of varieties are present in excess of five percent and are named on
12.24 the label, each that is hybrid must be designated as hybrid on the label. Any one kind or
12.25 kind and variety that has pure seed that is less than 95 percent but more than 75 percent
12.26 hybrid seed as a result of incompletely controlled pollination in a cross must be labeled
12.27 to show the percentage of pure seed that is hybrid seed or a statement such as "contains
12.28 from 75 percent to 95 percent hybrid seed." No one kind or variety of seed may be labeled
12.29 as hybrid if the pure seed contains less than 75 percent hybrid seed. The word "hybrid"
12.30 must be shown on the label in conjunction with the kind.

12.31 (c) Blends must be listed on the label using the term "blend" in conjunction with
12.32 the kind.

12.33 (d) Mixtures must be listed on the label using the term "mixture," "mix," or "mixed."

12.34 (e) The label must contain the lot number or other lot identification.

12.35 (f) The origin may be omitted from the label.

(g) The label must contain the year for which the seed was packed for sale listed as "packed for (year)" for seed with a percentage of germination that exceeds the standard last established by the commissioner, the percentage of germination and the calendar month and year that the percentages were determined by test, or the calendar month and year the germination test was completed and the statement "sell by (month and year listed here)," which may be no more than 12 months from the date of test, exclusive of the month of test.

(h) For flower seeds which germinate less than the standard last established by the commissioner, the label must show:

(1) percentage of germination exclusive of hard or dormant seed or both;

(2) percentage of hard or dormant seed or both, if present; and

(3) the words "below standard" in not less than eight point type and the month and year this percentage was determined by test.

(i) The label must show the net weight of contents or a statement indicating the number of seeds in the container, or both, on either the container or the label, ~~except that for containers with contents of 200 seeds or less a statement indicating the number of seeds in the container may be listed along with or in lieu of the net weight of contents.~~

(j) The heading for and percentage by weight of pure seed may be omitted from a label if the total is more than 90 percent.

(k) The heading for and percentage by weight of weed seed may be omitted from a label if they are not present in the seed.

(l) The heading "noxious weed seeds" may be omitted from a label if they are not present in the seed.

(m) The heading for and percentage by weight of other crop seed may be omitted from a label if it is less than five percent.

(n) The heading for and percentage by weight of inert matter may be omitted from a label if it is less than ten percent.

(o) The label must show the name and address of the person who labeled the seed or who sells the seed within this state, or a code number which has been registered with the commissioner.

Sec. 28. Minnesota Statutes 2010, section 35.0661, subdivision 2, is amended to read:

Subd. 2. **Quarantine zones.** Upon an emergency declaration by the governor under subdivision 1, the board or any licensed veterinarian designated by the board may establish quarantine zones of control in any area where a specific animal is deemed by a licensed veterinarian as likely to be infected with the disease based on an actual veterinary examination or laboratory testing. Quarantine zones of control to restrict the movement of

14.1 livestock must be the smallest size practicable to prevent the spread of disease and must
14.2 exist for the shortest duration consistent with effective disease control. ~~A quarantine zone~~
14.3 ~~of control must not extend beyond a radius of three miles from an animal deemed as likely~~
14.4 ~~to be infected with the disease, unless the board has adopted a rule regarding a specific~~
14.5 ~~disease requiring a larger quarantine zone of control.~~

14.6 Sec. 29. Minnesota Statutes 2010, section 35.0661, subdivision 3, is amended to read:

14.7 Subd. 3. **Restrictions on movement out of quarantine zones.** (a) The board may
14.8 issue orders restricting the movement of persons, ~~livestock~~, machinery, and personal
14.9 property ~~out of zones~~ off infected premises designated by the board as quarantined under
14.10 subdivision 2. The executive director of the board or any licensed veterinarian designated
14.11 by the board may issue the orders. An order may be issued upon a determination that
14.12 reasonable cause exists to believe that the movement of persons or personal property out
14.13 of a quarantine zone will reasonably threaten to transport a dangerous, infectious, or
14.14 communicable disease outside of the quarantine zone.

14.15 (b) The order must be served upon any person subject to the order. The restrictions
14.16 sought by the board on movement out of a quarantine zone must be limited to the greatest
14.17 extent possible consistent with the paramount disease control objectives as determined by
14.18 the board. An order under this section may be served on any day at any time. The order
14.19 must include a notice of the person's rights under this section, including the ability to enter
14.20 into an agreement to abide by disease control measures under paragraph (c) and the right
14.21 to request a court hearing under paragraph (d).

14.22 (c) No person may be restricted by an order under this subdivision for longer than 72
14.23 hours, exclusive of Saturdays, Sundays, and legal holidays, so long as the person agrees to
14.24 abide by the disease control measures established by the board. The person shall sign an
14.25 acknowledgment form prepared by the board evidencing the person's agreement to abide
14.26 by the disease control measures established by the board.

14.27 (d) A person whose movements are restricted by an order under this subdivision may
14.28 seek a district court hearing on the order at any time after it is served on the person. The
14.29 hearing may be held by electronic means as soon as possible. The subject of the order may:

14.30 (1) contest imposition of the order on grounds that it is an abuse of the board's
14.31 discretion under this section; or

14.32 (2) seek a variance from it to allow movement of a person inconsistent with the
14.33 order, upon a showing that the person would otherwise suffer irreparable harm.

14.34 Sec. 30. Minnesota Statutes 2010, section 223.17, subdivision 6, is amended to read:

Subd. 6. **Financial statements.** ~~For the purpose of fixing or changing the amount of a required bond or for any other proper reason, The commissioner shall~~ may require an annual financial statement from a licensee which has been prepared in accordance with generally accepted accounting principles and which meets the following requirements:

(a) The financial statement shall include, but not be limited to the following: (1) a balance sheet; (2) a statement of income (profit and loss); (3) a statement of retained earnings; (4) a statement of changes in financial position; and (5) a statement of the dollar amount of grain purchased in the previous fiscal year of the grain buyer.

(b) The financial statement shall be accompanied by a compilation report of the financial statement that is prepared by a grain commission firm or a management firm approved by the commissioner or by an independent public accountant, in accordance with standards established by the American Institute of Certified Public Accountants. Grain buyers purchasing less than 150,000 bushels of grain per calendar year may submit a financial statement prepared by a public accountant who is not an employee or a relative within the third degree of kindred according to civil law.

(c) The financial statement shall be accompanied by a certification by the chief executive officer or the chief executive officer's designee of the licensee, under penalty of perjury, that the financial statement accurately reflects the financial condition of the licensee for the period specified in the statement.

Only one financial statement must be filed for a chain of warehouses owned or operated as a single business entity, unless otherwise required by the commissioner. Any grain buyer having a net worth in excess of \$500,000,000 need not file the financial statement required by this subdivision but must provide the commissioner with a certified net worth statement. All financial statements filed with the commissioner are private or nonpublic data as provided in section 13.02.

Sec. 31. Minnesota Statutes 2010, section 223.17, subdivision 9, is amended to read:

Subd. 9. **Defaults; violations.** It is a violation of this chapter if the commissioner finds, after an investigation is conducted, that a complaint is valid or that a licensee is in violation of the provisions of this chapter, ~~the commissioner may immediately suspend the license, in which case the licensee shall surrender the license to the commissioner. Within 15 days, the licensee may request an administrative hearing subject to chapter 14 to determine whether the license should be revoked. If no request is made within 15 days, the commissioner shall revoke the license.~~

Sec. 32. Minnesota Statutes 2010, section 231.36, is amended to read:

231.36 FALSIFICATION OR DESTRUCTION OF ACCOUNTS.

Any person is in violation of this chapter who ~~shall~~:

(1) willfully ~~make any~~ makes a false entry in the account or in any record or memorandum kept by a warehouse operator or household goods warehouse operator; ~~or who shall~~;

(2) willfully ~~destroy~~ destroys, ~~mutilate~~ mutilates, ~~alter~~ alters, or by any other means or device, ~~falsify~~ falsifies a record of any such account, record, or memorandum; ~~or who shall~~;

(3) willfully ~~neglect~~ neglects or ~~fail~~ fails to make full, true, and correct entries in such accounts, records, or memoranda, of all facts and transactions appertaining to the business of the warehouse operator or household goods warehouse operator; ~~or shall keep any~~

(4) keeps accounts or records with the intent to evade the provisions of this chapter; ~~is guilty of a gross misdemeanor and, upon conviction, is subject to imprisonment not exceeding one year or to a fine not exceeding \$3,000, or both.~~

Sec. 33. Minnesota Statutes 2010, section 231.38, is amended to read:

231.38 PENALTY FOR TRANSACTING BUSINESS WITHOUT A LICENSE.

Any person who shall transact the business of a warehouse operator or household goods warehouse operator, except for the purpose of winding up the same under the supervision of the department, without first procuring a license and giving a bond or providing proof of insurance as provided for in this chapter and any licensed warehouse operator or household goods warehouse operator who shall operate any warehouse without obtaining the permit herein provided for or who shall continue to transact such business after such license has expired or the required insurance has lapsed or such bond may have become void or found insufficient security for the penal sum in which it is executed by the department approving the same is ~~guilty of a gross misdemeanor and, upon conviction, shall be fined in a sum not less than \$100 nor more than \$3,000 for each and every day the business is carried on before the license or permit, as the case may be, is issued or after the expiration of such license or permit or after receiving notice from the department that the insurance has lapsed or bond has become void or has been found insufficient security; and the operation of such warehouse operator or household goods warehouse operator may be enjoined upon complaint of the department before a court of competent jurisdiction in violation of this chapter.~~

17.1 A warehouse operator or household goods warehouse operator has 30 days after a
17.2 license or permit has expired or insurance has lapsed or bond become void or been found
17.3 insufficient before the penalty in this section applies.

17.4 Sec. 34. Minnesota Statutes 2010, section 231.39, is amended to read:

17.5 **231.39 PERSONS VIOLATING ACT OR ORDER; PENALTY.**

17.6 Any warehouse operator or household goods warehouse operator and each person
17.7 who, either individually or acting as an officer, agent, or employee of a warehouse
17.8 operator or household goods warehouse operator, violates or fails to comply with any
17.9 provisions of this chapter, or fails to observe, obey, or comply with any order, decision,
17.10 rule, direction, or requirement or any part or portion thereof of the department made or
17.11 issued under authority of this chapter or who procures, aids, or abets any warehouse
17.12 operator or household goods warehouse operator in the violation of this chapter or in
17.13 the failure to observe, obey, or comply ~~with this chapter or any such order, decision,~~
17.14 ~~rule, direction, or requirement or any part or portion thereof in a case in which a penalty~~
17.15 ~~is not otherwise provided for in this chapter is guilty of a gross misdemeanor and, upon~~
17.16 ~~conviction, shall be punished by a fine not exceeding \$3,000 or by imprisonment not~~
17.17 ~~exceeding one year or both~~ is in violation of this chapter.

17.18 ~~Each violation of this chapter, or of any order, decision, rule, direction, or~~
17.19 ~~requirement of the department, or any part or portion thereof, by any warehouse operator~~
17.20 ~~or household goods warehouse operator is a separate and distinct offense.~~

17.21 ~~In construing and enforcing the provisions of this chapter relating to penalties, the~~
17.22 ~~act, omission, or failure of any officer, agent, or employee of any warehouse operator~~
17.23 ~~or household goods warehouse operator, acting within the scope of official duties or~~
17.24 ~~employment, shall in each case be and be deemed to be the act, omission, or failure of~~
17.25 ~~such warehouse operator or household goods warehouse operator.~~

17.26 Sec. 35. Minnesota Statutes 2010, section 232.22, subdivision 3, is amended to read:

17.27 Subd. 3. **Fees; grain buyers and storage account.** There is created in the
17.28 agricultural fund an account known as the grain buyers and storage account. The
17.29 commissioner shall set the fees for ~~inspections~~ examinations, certifications, and licenses
17.30 under sections 232.20 to 232.25 at levels necessary to pay the costs of administering and
17.31 enforcing sections 232.20 to 232.25. All money collected pursuant to sections 232.20
17.32 to 232.25 and chapters 233 and 236 shall be paid by the commissioner into the state
17.33 treasury and credited to the grain buyers and storage account and is appropriated to the
17.34 commissioner for the administration and enforcement of sections 232.20 to 232.25 and

chapters 233 and 236. All money collected pursuant to chapter 231 shall be paid by the commissioner into the grain buyers and storage account and is appropriated to the commissioner for the administration and enforcement of chapter 231.

The fees for a license to store grain are as follows:

(a) For a license to store grain, \$110 for each home rule charter or statutory city or town in which a public grain warehouse is operated.

(b) A person with a license to store grain in a public grain warehouse is subject to an examination fee for each licensed location, based on the following schedule for one examination:

Bushel Capacity	Examination Fee
Less than 150,001	\$ 300
150,001 to 250,000	\$ 425
250,001 to 500,000	\$ 545
500,001 to 750,000	\$ 700
750,001 to 1,000,000	\$ 865
1,000,001 to 1,200,000	\$ 1,040
1,200,001 to 1,500,000	\$ 1,205
1,500,001 to 2,000,000	\$ 1,380
More than 2,000,000	\$ 1,555

(c) The fee for the second examination is \$55 per hour per examiner for warehouse operators who choose to have it performed by the commissioner.

(d) A penalty amount not to exceed ten percent of the fees due may be imposed by the commissioner for each month for which the fees are delinquent.

Sec. 36. Minnesota Statutes 2010, section 232.22, subdivision 4, is amended to read:

Subd. 4. **Bonding.** (a) Before a license is issued, the applicant for a public grain warehouse operator's license shall file with the commissioner a bond in a penal sum prescribed by the commissioner. ~~The penal sum on a condition one bond shall be established by rule by the commissioner pursuant to the requirements of chapter 14 for all grain outstanding on grain warehouse receipts. The penal sum on a condition two bond shall not be less than \$10,000 for each location up to a maximum of five locations. based on 50 percent of the net liability as stated on the statement of grain in storage report and applying the following amounts:~~

(1) \$10,000 for storages with 50 percent of peak monthly storage liability is more than \$0 but not more than \$25,000;

(2) \$20,000 for storages with 50 percent of peak monthly storage liability is more than \$25,001 but not more than \$50,000;

(3) \$30,000 for storages with 50 percent of peak monthly storage liability is more than \$50,001 but not more than \$75,000;

(4) \$50,000 for storages with 50 percent of peak monthly storage liability is more than \$75,001 but not more than \$100,000;

(5) \$75,000 for storages with 50 percent of peak monthly storage liability is more than \$100,001 but not more than \$200,000;

(6) \$125,000 for storages with 50 percent of peak monthly storage liability is more than \$200,001 but not more than \$300,000;

(7) \$175,000 for storages with 50 percent of peak monthly storage liability is more than \$300,001 but not more than \$400,000;

(8) \$225,000 for storages with 50 percent of peak monthly storage liability is more than \$400,001 but not more than \$500,000;

(9) \$275,000 for storages with 50 percent of peak monthly storage liability is more than \$500,001 but not more than \$600,000;

(10) \$325,000 for storages with 50 percent of peak monthly storage liability is more than \$600,001 but not more than \$700,000;

(11) \$425,000 for storages with 50 percent of peak monthly storage liability is more than \$800,001 but not more than \$900,000;

(12) \$475,000 for storages with 50 percent of peak monthly storage liability is more than \$900,001 but not more than \$1,000,000; and

(13) \$500,000 for storages with 50 percent of peak monthly storage liability is more than \$1,000,000.

(b) Bonds must be continuous until canceled. To cancel a bond, a surety must provide 90 days' written notice of the bond's termination date to the licensee and the commissioner.

Sec. 37. Minnesota Statutes 2010, section 232.22, subdivision 5, is amended to read:

Subd. 5. **Statement of grain in storage; reports.** (a) All public grain warehouse operators must by ~~the tenth day of each month~~ February 15 of each year file with the commissioner on ~~forms~~ a form approved by the commissioner a report showing the highest monthly net liability of all grain outstanding on grain warehouse receipts ~~as of the close of business on the last day of that occurred during the preceding month calendar year~~. This report shall be used for the purpose of establishing the penal sum of the bond.

(b) Warehouse operators that are at a maximum bond and want to continue at maximum bond do not need to file this report.

~~(b) If~~ (c) It is a violation of this chapter for any public grain warehouse operator willfully neglects or refuses to fail to file the report required in clause (a) for two

~~consecutive months, the commissioner may immediately suspend the person's license and the licensee must surrender the license to the commissioner. Within 15 days the licensee may request an administrative hearing subject to chapter 14 to determine if the license should be revoked. If no request is made within 15 days the commissioner shall revoke the license.~~

~~(c)~~ (d) Every public grain warehouse operator shall keep in a place of safety complete and accurate records and accounts relating to any grain warehouse operated. The records shall reflect each commodity received and shipped daily, the balance remaining in the grain warehouse at the close of each business day, a listing of all unissued grain warehouse receipts in the operator's possession, a record of all grain warehouse receipts issued which remain outstanding and a record of all grain warehouse receipts which have been returned for cancellation. Copies of grain warehouse receipts or other documents evidencing ownership of grain by a depositor, or other liability of the grain warehouse operator, shall be retained as long as the liability exists but must be kept for a minimum of three years.

~~(d)~~ (e) Every public grain warehouse operator must maintain in the grain warehouse at all times grain of proper grade and sufficient quantity to meet delivery obligations on all outstanding grain warehouse receipts.

Sec. 38. Minnesota Statutes 2010, section 232.23, subdivision 5, is amended to read:

Subd. 5. **Void agreements; penalty.** A provision or agreement in a grain warehouse receipt not contained in subdivision 4 is void. The failure to issue a grain warehouse receipt, as directed, or the issuance of slips, memoranda or other forms of receipt embracing a different grain warehouse or storage contract is a ~~misdemeanor~~ violation, and no slip, memorandum or other form of receipt is admissible as evidence in any civil action. Nothing in sections 232.20 to 232.25 requires or compels any person operating a flour, cereal or feed mill or malthouse doing a manufacturing business, to receive, store or purchase at the mill or malthouse any kind of grain.

Sec. 39. Minnesota Statutes 2010, section 232.23, subdivision 10, is amended to read:

Subd. 10. **Delivery of grain.** ~~(a)~~ On the redemption of a grain warehouse receipt and payment of all lawful charges, the grain represented by the receipt is immediately deliverable to the depositor or the depositor's order, and is not subject to any further charge for storage after demand for delivery has been made and proper facilities for receiving and shipping the grain have been provided. If delivery has not commenced within 48 hours after demand has been made and proper facilities have been provided, the public grain warehouse operator issuing the grain warehouse receipt is liable to the owner in damages

not exceeding two cents per bushel for each day's delay, unless the public grain warehouse operator makes delivery to different owners in the order demanded as rapidly as it can be done through ordinary diligence, or unless insolvency has occurred.

~~(b) If a disagreement arises between the person receiving and the person delivering the grain at a public grain warehouse in this state as to the proper grade or dockage of any grain, an average sample of at least three quarts of the grain in dispute may be taken by either or both of the persons interested. The sample shall be certified by both the owner and the public grain warehouse operator as being true samples of the grain in dispute on the delivery day. The samples shall be forwarded in a suitable airtight container by parcel post or express, prepaid, with the name and address of both parties, to the head of the grain inspection program of the Department of Agriculture, who shall, upon request, examine the grain, and determine what grade or dockage the samples of grain are entitled to under the inspection rules. Before the results of the inspection are released to the person requesting the inspection, the person shall pay the required fee. The fee shall be the same as that required for similar services rendered by the grain inspection program.~~

Sec. 40. Minnesota Statutes 2010, section 232.24, subdivision 1, is amended to read:

Subdivision 1. **Schedule of inspection examination.** A licensee under sections 232.20 to 232.25 is subject to two ~~audits~~ examinations annually conducted by the commissioner or the agricultural marketing service of the United States Department of Agriculture. The commissioner may, by rule, authorize one ~~audit~~ examination to be conducted by a qualified nongovernmental unit.

Sec. 41. Minnesota Statutes 2010, section 232.24, subdivision 2, is amended to read:

Subd. 2. **Financial reports.** A licensee under sections 232.20 to 232.25 upon request must provide to the commissioner a copy of the financial reports of an audit conducted by a qualified nongovernmental unit containing information the commissioner requires.

Sec. 42. Minnesota Statutes 2010, section 236.02, is amended by adding a subdivision to read:

Subd. 4a. **Statement of grain in storage; reports.** (a) Annually by February 15 each grain bank operator must file with the commissioner on a form approved by the commissioner a report showing the highest monthly net liability of all grain outstanding on grain bank receipts that occurred during the preceding calendar year. This report must be used for the purpose of establishing the sum of the bond.

22.1 (b) Grain bank operators that are at maximum bond and want to continue at
22.2 maximum bond do not need to file this report.

22.3 (c) It is a violation of this chapter for a public grain bank operator to fail to file
22.4 the report required in clause (a).

22.5 Sec. 43. Minnesota Statutes 2010, section 236.02, subdivision 5, is amended to read:

22.6 Subd. 5. **Bond Bonding.** ~~A license may not be issued for the operation of a~~
22.7 ~~grain bank until the applicant has filed with the department a bond in a sum set by the~~
22.8 ~~department. The bond may not be less than \$1,500 for each license and must at all times~~
22.9 ~~be large enough to protect the holders of outstanding grain bank receipts. Bonds must be~~
22.10 ~~filed annually and cover the period of the grain bank license.~~ (a) Before a license is issued,
22.11 the applicant for a grain bank operator's license shall file with the commissioner a bond in
22.12 a penal sum prescribed by the commissioner based on 50 percent of the net liability as
22.13 stated on the statement of grain in storage report and applying the following amounts:

22.14 (1) \$1,500 for storages with 50 percent of peak monthly storage liability is more
22.15 than \$0 but not more than \$5,000;

22.16 (2) \$3,000 for storages with 50 percent of peak monthly storage liability is more
22.17 than \$5,001 but not more than \$10,000;

22.18 (3) \$8,000 for storages with 50 percent of peak monthly storage liability is more
22.19 than \$10,001 but not more than \$25,000;

22.20 (4) \$15,000 for storages with 50 percent of peak monthly storage liability is more
22.21 than \$25,001 but not more than \$50,000;

22.22 (5) \$35,000 for storages with 50 percent of peak monthly storage liability is more
22.23 than \$50,001 but not more than \$100,000;

22.24 (6) \$75,000 for storages with 50 percent of peak monthly storage liability is more
22.25 than \$100,001 but not more than \$200,000;

22.26 (7) \$125,000 for storages with 50 percent of peak monthly storage liability is more
22.27 than \$200,001 but not more than \$300,000; and

22.28 (8) \$150,000 for storages with 50 percent of peak monthly storage liability is more
22.29 than \$300,001.

22.30 (b) Bonds must be continuous until canceled. To cancel a bond, a surety must provide
22.31 90 days' written notice of the bond's termination date to the licensee and the commissioner.

22.32 Bonds must run to the state of Minnesota and be for the benefit of all persons storing
22.33 grain in a grain bank. They must be conditioned upon the faithful performance by the
22.34 grain bank operator of the law relating to the operation of grain banks by the grain bank
22.35 operator and related rules of the department. ~~The department may require increases in~~

23.1 ~~the amounts of bonds as it considers necessary for the protection of grain bank receipt~~
23.2 ~~holders.~~ The surety of grain bank bonds must be a corporate surety company authorized to
23.3 transact business in Minnesota.

23.4 Sec. 44. **APPROPRIATIONS AVAILABLE UNTIL SPENT.**

23.5 The appropriations in Laws 2009, chapter 172, article 2, section 2, paragraph (d), for
23.6 research and pilot projects related to ways agricultural practices contribute to restoring
23.7 impaired waters and assist with the development of total maximum daily load plans,
23.8 are available until spent.

23.9 Sec. 45. **REPEALER.**

23.10 (a) Minnesota Statutes 2010, sections 27.19, subdivisions 2 and 3; 27.20; 223.18;
23.11 231.035; 231.28; 232.24, subdivision 3; 232.25; and 236.09, are repealed.

23.12 (b) Minnesota Rules, parts 1505.0780; 1505.0810; 1562.0100, subparts 3, 4, 5,
23.13 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, and 25; 1562.0200;
23.14 1562.0700, subparts 1b and 3; 1562.0900; and 1562.1300, are repealed.

27.19 VIOLATIONS, PENALTIES.

Subd. 2. **Civil penalty.** (a) A person who violates a provision of this chapter or rules adopted under this chapter is subject to a civil penalty not to exceed \$500 per violation.

(b) In addition, the person's license may be suspended, revoked, or canceled by the commissioner, upon ten days' notice and opportunity to be heard. Action under this subdivision is a civil penalty.

(c) A civil penalty amount received by the commissioner under this section must be deposited in the wholesale produce dealer account.

Subd. 3. **Criminal penalty.** (a) A person who willfully violates a provision of this chapter or rules adopted under this chapter is guilty of a misdemeanor.

(b) Upon conviction, or upon conviction in a federal court for violation of the federal statutes relative to fraudulent use of the mails or in any court of other criminal acts under a federal food or drug statute or a statute of this state administered by the commissioner of agriculture pertaining to the conduct of the person's business, the commissioner may immediately revoke and cancel the license of the person convicted, without further hearing.

27.20 ENFORCEMENT.

The commissioner shall be charged with the enforcement of the provisions of sections 27.01 to 27.14 and 27.19 and of the rules made and published thereunder. Upon complaint made it shall be the duty of the county attorney to prosecute all cases arising in the attorney's county for violation of sections 27.01 to 27.14 and 27.19, or of the rules made and published thereunder. The commissioner and duly authorized agents and inspectors appointed by the commissioner for the purpose of enforcing the provisions of sections 27.01 to 27.14 and 27.19 shall have the power of police officers in this enforcement.

223.18 PENALTY.

A person buying grain without first obtaining a grain buyer's license is guilty of a misdemeanor. Each day of operation without a grain buyer's license constitutes a separate offense. In case of license revocation, no new license shall be granted to the person whose license was revoked nor to anyone either directly or indirectly engaged with the person in the licensed business for two years. A grain dealer who withholds records from the commissioner, keeps or files records knowing them to be false, alters records fraudulently, or presents records to the commissioner knowing them to be false, is guilty of a gross misdemeanor.

231.035 INSPECTION AUTHORITY.

The commissioner or the commissioner's designee may, upon presentation of appropriate credentials and during regular working hours or at other reasonable times, inspect premises including equipment and stored goods subject to and for reasons relating to the commissioner's enforcement and licensing authority; request information from persons with information relevant to an inspection; and inspect relevant papers and records relating to the storage of goods.

231.28 FAILURE TO OBEY ORDER OR LAW.

If a warehouse operator or household goods warehouse operator fails to obey any law of this state or any order of the department, the department may, upon verified petition alleging such failure, apply to the district court of the county in which the operator's principal place of business is located for the enforcement of such law or order or other appropriate relief. The court, upon such notice as it may direct, shall hear such matter as in case of an appeal from an order. On the hearing, the findings of fact upon which the order is based shall be prima facie evidence of the merits therein stated, and the court may grant any provisional or other relief, ordinary or extraordinary, legal or equitable, which the nature of the case may require, and may impose a fine of not more than \$50 for each day's failure to obey any writ, process, or order of the court, in addition to all other penalties or forfeitures provided by law. A temporary mandatory or restraining order may be made in such proceedings, notwithstanding any undetermined issue of fact, upon such terms as to security as the court may direct.

232.24 SCHEDULE OF INSPECTION, FINANCIAL REPORTS.

APPENDIX

Repealed Minnesota Statutes: 11-3206

Subd. 3. **Inspection, sampling.** The commissioner or the commissioner's authorized agent shall sample, inspect, and grade grains received or distributed from grain warehouses at such time and place and to such an extent as the commissioner may deem necessary to determine whether sampling, inspection, and grading conducted by the warehouse operator conforms with the standards set by the Board of Grain Standards. The commissioner may obtain any additional information the commissioner deems necessary and is authorized to enter upon any public or private premises during regular business hours in order to carry out the provisions of this subdivision.

232.25 PENALTY.

A person who violates the provisions of sections 232.20 to 232.25 is guilty of a misdemeanor. The department may, if it finds after a hearing that any of the provisions of sections 232.20 to 232.25 have been violated by a person holding a license to operate a public grain warehouse, suspend or revoke the license. In case of revocation, no new license shall be granted to the person whose license was revoked nor to any one either directly or indirectly engaged in the licensed business for two years.

236.09 PENALTIES FOR VIOLATIONS.

A person who violates sections 236.01 to 236.09 or rules made by the department under sections 236.01 to 236.09 is guilty of a misdemeanor. If the department finds after a hearing that a person licensed to operate a grain bank in this state has violated sections 236.01 to 236.09 or rules made under sections 236.01 to 236.09, the department may suspend or revoke the license. In case of a revocation, no new license may be granted to the person whose license is revoked nor to anyone directly or indirectly engaged in that business for one year.