

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 3599	Comm report: To pass as amended Second reading Rule 47, returned to Agriculture and Rural Economies See HF1010, Art. 4, Sec. 2 (vetoed) See SF1115, Sec. 3

A bill for an act

1.1 relating to agriculture; changing certain programs, requirements, fees, and duties;
1.2 amending Minnesota Statutes 2010, sections 18B.316, subdivision 6; 18G.07,
1.3 subdivision 1; 18G.10, subdivisions 5, 7, by adding a subdivision; 18H.07,
1.4 subdivisions 2, 3; 18H.10; 18H.14; 21.82, subdivisions 7, 8; 41A.105, by
1.5 adding a subdivision; 232.22, subdivisions 3, 4; 232.23, subdivision 10; 232.24,
1.6 subdivisions 1, 2; 236.02, subdivision 5, by adding a subdivision; 239.092;
1.7 239.093; repealing Minnesota Statutes 2010, sections 17B.01; 17B.02; 17B.03;
1.8 17B.04; 17B.041; 17B.0451; 17B.048; 17B.05; 17B.06; 17B.07; 17B.10;
1.9 17B.11; 17B.12; 17B.13; 17B.14; 17B.15, subdivisions 1, 3; 17B.16; 17B.17;
1.10 17B.18; 17B.20; 17B.22, subdivisions 1, 2; 17B.28; 17B.29; 232.24, subdivision
1.11 3; Minnesota Rules, parts 1505.0780; 1505.0810; 1562.0100, subparts 3, 4, 5, 6,
1.12 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25; 1562.0200;
1.13 1562.0700, subparts 1b, 3; 1562.0900; 1562.1300.

1.14
1.15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.16 Section 1. Minnesota Statutes 2010, section 18B.316, subdivision 6, is amended to read:

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

1.21 (b) A licensed agricultural pesticide dealer or a pesticide dealer may request an
1.22 exemption from paragraph (a). The request for exemption must be in writing to the
1.23 commissioner and must include verifiable information to justify that compliance with
1.24 paragraph (a) is an extreme business hardship for the licensed agricultural pesticide dealer
1.25 or pesticide dealer. The commissioner may approve or reject a request for exemption
1.26 based upon review of the submitted information. An approved exemption under this
1.27 paragraph is valid for one calendar year. The commissioner must maintain a list of those

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2.1 licensed agricultural pesticide dealers or pesticide dealers that have been granted an
2.2 exemption on the department's Web site.

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

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

2.9 Sec. 2. Minnesota Statutes 2010, section 18G.07, subdivision 1, is amended to read:

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

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

2.17 (1) accurate and up-to-date business name, address, and telephone number;

2.18 (2) a complete list of all Minnesota counties in which they work; and

2.19 (3) a nonrefundable fee of \$25 for initial application or renewing the registration.

2.20 (c) All persons and companies required to be registered under paragraph (a) must
2.21 register before conducting the activities specified in paragraph (a). Annual registration
2.22 expires December 31, must be renewed annually, and the renewal fee remitted by January
2.23 7 ~~1~~ of the year for which it is issued. In addition, a penalty of ten percent of the renewal fee
2.24 due must be charged for each month, or portion of a month, that the fee is delinquent up to
2.25 a maximum of 30 percent for any application for renewal postmarked after December 31.

2.26 Sec. 3. Minnesota Statutes 2010, section 18G.10, subdivision 5, is amended to read:

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

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

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

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

3.3 (e) Certificate fee for product value greater than \$250: the greater of \$75 or the
3.4 amount necessary to cover department costs, including research and processing costs, for
3.5 each phytosanitary or export certificate issued for any single shipment valued at more than
3.6 \$250 in addition to any mileage or inspection time charges that are assessed.

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

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

3.14 Sec. 4. Minnesota Statutes 2010, section 18G.10, subdivision 7, is amended to read:

3.15 Subd. 7. **Supplemental, additional, or other certificates and permits.** (a) The
3.16 commissioner may provide inspection, sampling, or certification services to ensure
3.17 that Minnesota plant treatment processes, plant products₂ or commodities meet import
3.18 requirements of other states or countries.

3.19 (b) The state plant regulatory official may issue permits and certificates verifying that
3.20 various Minnesota agricultural plant treatment processes, products₂ or commodities meet
3.21 specified plant health requirements, treatment requirements, or pest absence assurances
3.22 based on determinations by the commissioner.

3.23 Sec. 5. Minnesota Statutes 2010, section 18G.10, is amended by adding a subdivision
3.24 to read:

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

3.28 Sec. 6. Minnesota Statutes 2010, section 18H.07, subdivision 2, is amended to read:

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

- 3.32 (1) less than one-half acre, \$150;
3.33 (2) from one-half acre to two acres, \$200;

4.1 (3) over two acres up to five acres, \$300;

4.2 (4) over five acres up to ten acres, \$350;

4.3 (5) over ten acres up to 20 acres, \$500;

4.4 (6) over 20 acres up to 40 acres, \$650;

4.5 (7) over 40 acres up to 50 acres, \$800;

4.6 (8) over 50 acres up to 200 acres, \$1,100;

4.7 (9) over 200 acres up to 500 acres, \$1,500; and

4.8 (10) over 500 acres, \$1,500 plus \$2 for each additional acre.

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

4.13 (c) In addition to the fees in paragraphs (a) and (b), a firm found operating without a
4.14 nursery stock growers certificate after April 1 must pay a penalty equal to the required
4.15 nursery stock growers certificate fee.

4.16 Sec. 7. Minnesota Statutes 2010, section 18H.07, subdivision 3, is amended to read:

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

4.21 (1) gross sales up to \$5,000, \$150;

4.22 (2) gross sales over \$5,000 up to \$20,000, \$175;

4.23 (3) gross sales over \$20,000 up to \$50,000, \$300;

4.24 (4) gross sales over \$50,000 up to \$75,000, \$425;

4.25 (5) gross sales over \$75,000 up to \$100,000, \$550;

4.26 (6) gross sales over \$100,000 up to \$200,000, \$675; and

4.27 (7) gross sales over \$200,000, \$800.

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

4.32 (c) In addition to the fees in paragraphs (a) and (b), a firm found operating without
4.33 a nursery stock dealer certificate after April 1 must pay a penalty equal to the required
4.34 nursery stock dealer certificate fee.

5.1 Sec. 8. Minnesota Statutes 2010, section 18H.10, is amended to read:

5.2 **18H.10 STORAGE OF NURSERY STOCK.**

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

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

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

5.11 Sec. 9. Minnesota Statutes 2010, section 18H.14, is amended to read:

5.12 **18H.14 LABELING AND ADVERTISING OF NURSERY STOCK.**

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

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

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

5.27 Sec. 10. Minnesota Statutes 2010, section 21.82, subdivision 7, is amended to read:

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

5.32 (a) The label must contain the name of the kind or kind and variety for each seed
5.33 component in excess of five percent of the whole and the percentage by weight of each
5.34 in order of its predominance. If the variety of those kinds generally labeled as to variety

6.1 is not stated and it is not required to be stated, the label must show the name of the kind
6.2 and the words "variety not stated."

6.3 (b) The percentage that is hybrid must be at least 95 percent of the percentage of pure
6.4 seed shown unless the percentage of pure seed which is hybrid seed is shown separately.
6.5 If two or more kinds of varieties are present in excess of five percent and are named on
6.6 the label, each that is hybrid must be designated as hybrid on the label. Any one kind or
6.7 kind and variety that has pure seed that is less than 95 percent but more than 75 percent
6.8 hybrid seed as a result of incompletely controlled pollination in a cross must be labeled
6.9 to show the percentage of pure seed that is hybrid seed or a statement such as "contains
6.10 from 75 percent to 95 percent hybrid seed." No one kind or variety of seed may be labeled
6.11 as hybrid if the pure seed contains less than 75 percent hybrid seed. The word "hybrid"
6.12 must be shown on the label in conjunction with the kind.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7.15 Sec. 11. Minnesota Statutes 2010, section 21.82, subdivision 8, is amended to read:

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

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

7.23 (b) The percentage that is hybrid must be at least 95 percent of the percentage of pure
7.24 seed shown unless the percentage of pure seed which is hybrid seed is shown separately.
7.25 If two or more kinds of varieties are present in excess of five percent and are named on
7.26 the label, each that is hybrid must be designated as hybrid on the label. Any one kind or
7.27 kind and variety that has pure seed that is less than 95 percent but more than 75 percent
7.28 hybrid seed as a result of incompletely controlled pollination in a cross must be labeled
7.29 to show the percentage of pure seed that is hybrid seed or a statement such as "contains
7.30 from 75 percent to 95 percent hybrid seed." No one kind or variety of seed may be labeled
7.31 as hybrid if the pure seed contains less than 75 percent hybrid seed. The word "hybrid"
7.32 must be shown on the label in conjunction with the kind.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

8.32 Sec. 12. Minnesota Statutes 2010, section 41A.105, is amended by adding a
8.33 subdivision to read:

8.34 Subd. 1a. **Definitions.** For the purpose of this section:

8.35 (1) "biobutanol facility" means a facility at which biobutanol is produced; and

9.1 (2) "biobutanol" means fermentation isobutyl alcohol that is derived from
9.2 agricultural products, including potatoes, cereal grains, cheese whey, and sugar beets;
9.3 forest products; or other renewable resources, including residue and waste generated
9.4 from the production, processing, and marketing of agricultural products, forest products,
9.5 and other renewable resources.

9.6 Sec. 13. Minnesota Statutes 2010, section 232.22, subdivision 3, is amended to read:

9.7 Subd. 3. **Fees; grain buyers and storage account.** There is created in the
9.8 agricultural fund an account known as the grain buyers and storage account. The
9.9 commissioner shall set the fees for ~~inspections~~ examinations, certifications, and licenses
9.10 under sections 232.20 to 232.25 at levels necessary to pay the costs of administering and
9.11 enforcing sections 232.20 to 232.25. All money collected pursuant to sections 232.20
9.12 to 232.25 and chapters 233 and 236 shall be paid by the commissioner into the state
9.13 treasury and credited to the grain buyers and storage account and is appropriated to the
9.14 commissioner for the administration and enforcement of sections 232.20 to 232.25 and
9.15 chapters 233 and 236. All money collected pursuant to chapter 231 shall be paid by
9.16 the commissioner into the grain buyers and storage account and is appropriated to the
9.17 commissioner for the administration and enforcement of chapter 231.

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

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

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

9.24	Bushel Capacity	Examination
9.25		Fee
9.26	Less than 150,001	\$ 300
9.27	150,001 to 250,000	\$ 425
9.28	250,001 to 500,000	\$ 545
9.29	500,001 to 750,000	\$ 700
9.30	750,001 to 1,000,000	\$ 865
9.31	1,000,001 to 1,200,000	\$ 1,040
9.32	1,200,001 to 1,500,000	\$ 1,205
9.33	1,500,001 to 2,000,000	\$ 1,380
9.34	More than 2,000,000	\$ 1,555

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

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

10.3 Sec. 14. Minnesota Statutes 2010, section 232.22, subdivision 4, is amended to read:

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

10.12 (1) \$10,000 for storages with annual average storage liability is more than \$0 but
10.13 not more than \$25,000;

10.14 (2) \$20,000 for storages with annual average storage liability is more than \$25,001
10.15 but not more than \$50,000;

10.16 (3) \$30,000 for storages with annual average storage liability is more than \$50,001
10.17 but not more than \$75,000;

10.18 (4) \$50,000 for storages with annual average storage liability is more than \$75,001
10.19 but not more than \$100,000;

10.20 (5) \$75,000 for storages with annual average storage liability is more than \$100,001
10.21 but not more than \$200,000;

10.22 (6) \$125,000 for storages with annual average storage liability is more than \$200,001
10.23 but not more than \$300,000;

10.24 (7) \$175,000 for storages with annual average storage liability is more than \$300,001
10.25 but not more than \$400,000;

10.26 (8) \$225,000 for storages with annual average storage liability is more than \$400,001
10.27 but not more than \$500,000;

10.28 (9) \$275,000 for storages with annual average storage liability is more than \$500,001
10.29 but not more than \$600,000;

10.30 (10) \$325,000 for storages with annual average storage liability is more than
10.31 \$600,001 but not more than \$700,000;

10.32 (11) \$425,000 for storages with annual average storage liability is more than
10.33 \$800,001 but not more than \$900,000;

10.34 (12) \$475,000 for storages with annual average storage liability is more than
10.35 \$900,001 but not more than \$1,000,000; and

11.1 (13) \$500,000 for storages with annual average storage liability is more than
11.2 \$1,000,000.

11.3 (b) Bonds must be continuous until canceled. To cancel a bond, a surety must provide
11.4 90 days' written notice of the bond's termination date to the licensee and the commissioner.

11.5 Sec. 15. Minnesota Statutes 2010, section 232.23, subdivision 10, is amended to read:

11.6 Subd. 10. **Delivery of grain.** (a) On the redemption of a grain warehouse receipt
11.7 and payment of all lawful charges, the grain represented by the receipt is immediately
11.8 deliverable to the depositor or the depositor's order, and is not subject to any further charge
11.9 for storage after demand for delivery has been made and proper facilities for receiving and
11.10 shipping the grain have been provided. If delivery has not commenced within 48 hours
11.11 after demand has been made and proper facilities have been provided, the public grain
11.12 warehouse operator issuing the grain warehouse receipt is liable to the owner in damages
11.13 not exceeding two cents per bushel for each day's delay, unless the public grain warehouse
11.14 operator makes delivery to different owners in the order demanded as rapidly as it can be
11.15 done through ordinary diligence, or unless insolvency has occurred.

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

11.28 Sec. 16. Minnesota Statutes 2010, section 232.24, subdivision 1, is amended to read:

11.29 Subdivision 1. **Schedule of inspection examination.** A licensee under sections
11.30 232.20 to 232.25 is subject to two ~~audits~~ examinations annually conducted by the
11.31 commissioner or the agricultural marketing service of the United States Department of
11.32 Agriculture. The commissioner may, by rule, authorize one ~~audit~~ examination to be
11.33 conducted by a qualified nongovernmental unit.

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12.1 Sec. 17. Minnesota Statutes 2010, section 232.24, subdivision 2, is amended to read:

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

12.5 Sec. 18. Minnesota Statutes 2010, section 236.02, is amended by adding a subdivision
12.6 to read:

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

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

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

12.16 Sec. 19. Minnesota Statutes 2010, section 236.02, subdivision 5, is amended to read:

12.17 Subd. 5. **Bond Bonding.** ~~A license may not be issued for the operation of a~~
12.18 ~~grain bank until the applicant has filed with the department a bond in a sum set by the~~
12.19 ~~department. The bond may not be less than \$1,500 for each license and must at all times~~
12.20 ~~be large enough to protect the holders of outstanding grain bank receipts. Bonds must be~~
12.21 ~~filed annually and cover the period of the grain bank license.~~ (a) Before a license is issued,
12.22 the applicant for a grain bank operator's license shall file with the commissioner a bond in
12.23 a penal sum prescribed by the commissioner based on the annual average liability as stated
12.24 on the statement of grain in storage report and applying the following amounts:

12.25 (1) \$1,500 for storages with average annual storage liability is more than \$0 but not
12.26 more than \$5,000;

12.27 (2) \$3,000 for storages with average annual storage liability is more than \$5,001 but
12.28 not more than \$10,000;

12.29 (3) \$8,000 for storages with average annual storage liability is more than \$10,001
12.30 but not more than \$25,000;

12.31 (4) \$15,000 for storages with average annual storage liability is more than \$25,001
12.32 but not more than \$50,000;

12.33 (5) \$35,000 for storages with average annual storage liability is more than \$50,001
12.34 but not more than \$100,000;

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13.1 (6) \$75,000 for storages with average annual storage liability is more than \$100,001
13.2 but not more than \$200,000;

13.3 (7) \$125,000 for storages with average annual storage liability is more than \$200,001
13.4 but not more than \$300,000; and

13.5 (8) \$150,000 for storages with average annual storage liability is more than \$300,001.

13.6 (b) Bonds must be continuous until canceled. To cancel a bond, a surety must provide
13.7 90 days' written notice of the bond's termination date to the licensee and the commissioner.

13.8 Bonds must run to the state of Minnesota and be for the benefit of all persons storing
13.9 grain in a grain bank. They must be conditioned upon the faithful performance by the
13.10 grain bank operator of the law relating to the operation of grain banks by the grain bank
13.11 operator and related rules of the department. ~~The department may require increases in~~
13.12 ~~the amounts of bonds as it considers necessary for the protection of grain bank receipt~~
13.13 ~~holders.~~ The surety of grain bank bonds must be a corporate surety company authorized to
13.14 transact business in Minnesota.

13.15 Sec. 20. Minnesota Statutes 2010, section 239.092, is amended to read:

13.16 **239.092 SALE FROM BULK.**

13.17 (a) Bulk sales of commodities, when the buyer and seller are not both present to
13.18 witness the measurement, must be accompanied by a delivery ticket containing the
13.19 following information:

13.20 (1) the name and address of the person who weighed or measured the commodity;

13.21 (2) the date delivered;

13.22 (3) the quantity delivered;

13.23 (4) the count of individually wrapped packages delivered, if more than one is
13.24 included in the quantity delivered;

13.25 (5) the quantity on which the price is based, if different than the quantity delivered;

13.26 and

13.27 (6) the identity of the commodity in the most descriptive terms commercially
13.28 practicable, including representations of quality made in connection with the sale.

13.29 (b) This section is not intended to conflict with the bulk sale requirements of the
13.30 Department of Agriculture. If a conflict occurs, the law and rules of the Department of
13.31 Agriculture govern.

13.32 (c) Firewood sold or distributed ~~across state boundaries or more than 100 miles from~~
13.33 ~~its origin~~ must include delivery ticket information regarding the harvest locations of
13.34 the wood by county or counties and state.

14.1 (d) Paragraph (c) may be enforced using the authority granted in this chapter or
14.2 section 18J.05 or 84D.13.

14.3 Sec. 21. Minnesota Statutes 2010, section 239.093, is amended to read:

14.4 **239.093 INFORMATION REQUIRED WITH PACKAGE.**

14.5 (a) A package offered, exposed, or held for sale must bear a clear and conspicuous
14.6 declaration of:

14.7 (1) the identity of the commodity in the package, unless the commodity can be easily
14.8 identified through the wrapper or container;

14.9 (2) the net quantity in terms of weight, measure, or count;

14.10 (3) the name and address of the manufacturer, packer, or distributor, if the packages
14.11 were not produced on the premises where they are offered, exposed, or held for sale; and

14.12 (4) the unit price, if the packages are part of a lot containing random weight
14.13 packages of the same commodity.

14.14 (b) This section is not intended to conflict with the packaging requirements of the
14.15 Department of Agriculture. If a conflict occurs, the laws and rules of the Department of
14.16 Agriculture govern.

14.17 (c) Firewood sold or distributed ~~across state boundaries or more than 100 miles from~~
14.18 ~~its origin~~ must include information regarding the harvest locations of the wood by county
14.19 or counties and state on each label or wrapper.

14.20 (d) Paragraph (c) may be enforced using the authority granted in this chapter or
14.21 section 18J.05 or 84D.13.

14.22 Sec. 22. **REPEALER.**

14.23 (a) Minnesota Statutes 2010, sections 17B.01; 17B.02; 17B.03; 17B.04; 17B.041;
14.24 17B.0451; 17B.048; 17B.05; 17B.06; 17B.07; 17B.10; 17B.11; 17B.12; 17B.13; 17B.14;
14.25 17B.15, subdivisions 1 and 3; 17B.16; 17B.17; 17B.18; 17B.20; 17B.22, subdivisions 1
14.26 and 2; 17B.28; 17B.29; and 232.24, subdivision 3, are repealed.

14.27 (b) Minnesota Rules, parts 1505.0780; 1505.0810; 1562.0100, subparts 3, 4, 5,
14.28 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, and 25; 1562.0200;
14.29 1562.0700, subparts 1b and 3; 1562.0900; and 1562.1300, are repealed.

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17B.01 CITATION.

Sections 17B.01 to 17B.29 may be cited as the Minnesota Grain Inspection, Weighing, Sampling, and Analysis Act.

17B.02 DEFINITIONS.

Subdivision 1. **Scope.** As used in sections 17B.01 to 17B.29, the terms defined in this section have the meanings given them.

Subd. 2. **Department.** "Department" means the Minnesota Department of Agriculture.

Subd. 3. **Commissioner.** "Commissioner" means the commissioner of agriculture or the commissioner's authorized representative.

Subd. 3a. **Discount.** "Discount" means an offer or purchase price for grain that is lower than the base or standard price offered by a buyer at a certain time and at a specified location. A discount price represents the lower than normal value of the grain because of inferior quality as determined by measurement of grade, dockage, test weight, or other factors.

Subd. 4. **Person.** "Person" means any individual, firm, copartnership, cooperative, company, association, and corporation, or their lessees, trustees, or receivers.

Subd. 5. **Premium.** "Premium" means an offer or a purchase price for corn, soybeans, or wheat that exceeds the base or standard price offered by a buyer at a certain time and at a specified location. A premium price represents the higher than normal value of the grain because of superior quality as determined by measurement of grade, dockage, test weight, or other factors.

Subd. 6. **Test equipment.** "Test equipment" means the mechanical and electronic devices commonly used in measurement of grain qualities including protein content, moisture content, and test weight.

Subd. 7. **Test equipment operator.** "Test equipment operator" means a person assigned by the management of an elevator or grain storage facility who is chiefly responsible for the preparation and analysis of grain samples for protein content, test weight, moisture content, and other qualities upon which price is determined.

17B.03 GRAIN WEIGHING, SAMPLING, ANALYSIS; LABORATORY EVALUATION.

Subdivision 1. **Commissioner's powers.** The commissioner of agriculture shall exercise general supervision over the inspection, grading, weighing, sampling, and analysis of grain subject to the provisions of the United States Grain Standards Act of 1976 and the rules promulgated thereunder by the United States Department of Agriculture. This activity may take place within or outside the state of Minnesota. Scale testing must be performed at export locations or, upon request from and with the consent of the delegated authority, at domestic locations. Fees for the testing of scales and weighing equipment shall be fixed by the commissioner and must be uniform with those charged by the Division of Weights and Measures of the Department of Commerce.

Subd. 2. **Samples.** The commissioner also may accept upon request samples drawn by and certified to by contracting parties for inspection, analysis and grading by state laboratory personnel.

Subd. 3. **Laboratories.** The commissioner may establish a procedure to be used in evaluating grain testing laboratories and their laboratory procedures and methodology to the end that such laboratory procedures and methodology may be uniform with state procedures and methodology.

17B.04 STATE INSPECTION AND WEIGHING.

Subdivision 1. **Furnishing service.** The commissioner, upon proper application for state inspection or weighing of grain by any person interested at any point within the state, may furnish such service, if the commissioner deems it expedient; provided, such person first agrees to pay all costs of the service. Rules governing state inspection and weighing at other terminals shall apply at such points.

Subd. 2. **Shipper to affix tags.** Every shipper of grain shall fasten upon the inside of each car shipped a card giving the number and initials or other distinctive mark of such car, the date of shipment, and the exact weight of the grain in such car, as claimed by the shipper. If the shipper fails to do so, the official weight shall be prima facie evidence of the quantity of grain shipped in such car.

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Subd. 3. **Samples to be furnished; fees.** The commissioner is hereby authorized to furnish persons entitled thereto, when requested by them, samples of grain from any car from which samples are taken for inspection and grading. The fees for the furnishing of such samples shall be fixed by the commissioner.

17B.041 REVIEW OF ACCURACY OF TEST EQUIPMENT AND TEST EQUIPMENT OPERATORS.

Subdivision 1. **Periodic review; equipment and operators.** The commissioner shall implement, by rule, a program for the periodic review of protein analysis, test weight, dockage testing devices, moisture testing equipment, and other equipment used to determine qualities upon which price is determined, and the operators of the equipment. If a review is performed by department personnel at the site of the test equipment, the review must consist of the performance of routine tests and analysis on one or more samples of grain by the principal operator of the test equipment.

Subd. 2. **Tagging of out-of-compliance test equipment.** Personnel of the department who perform an on-site review of test equipment and operators shall prohibit the further use of test equipment that fails to meet and maintain acceptable tolerance levels established by rule.

Subd. 3. **Follow-up review upon request.** The commissioner shall arrange for a follow-up review within seven business days of a periodic review if a follow-up review is requested by the test equipment operator.

Subd. 4. **Request for commissioner to schedule a review.** A purchaser or seller of grain may request the commissioner to perform a review of the test equipment and test equipment operator that is used to test the grain. A signed request must be submitted to the commissioner and upon receipt of a request, the commissioner shall schedule a review at a reasonable time considering other duties and responsibilities of the department personnel.

Subd. 5. **State not liable.** The state is not liable to a seller or purchaser of grain for losses resulting from erroneous tests or analysis by test equipment or test equipment operators, whether reviewed by the department or not, if the commissioner and the department have exercised due care in the scheduling and conduct of reviews under subdivisions 1 and 3.

17B.0451 GRAIN QUALITY; PREMIUMS; DISCOUNTS.

Subdivision 1. **Corn; weight.** A purchaser of corn who provides a discount for corn that falls below the standard test weight for corn must offer an equal or greater premium for corn that has a test weight higher than the standard test weight.

Subd. 2. **Soybeans; weight.** A purchaser of soybeans who provides a discount for soybeans that fall below the standard test weight for soybeans must offer an equal or greater premium for soybeans that have a test weight higher than the standard test weight.

Subd. 3. **Wheat; weight.** A purchaser of wheat who provides a discount for wheat that falls below the standard test weight for wheat must offer an equal or greater premium for wheat that has a test weight higher than the standard test weight.

Subd. 4. **Corn; foreign material.** A purchaser of corn who provides a discount for corn that falls below the standard for foreign material for corn must offer an equal or greater premium for corn that has less foreign material than the standard. For corn, foreign material includes broken corn and foreign material.

Subd. 5. **Soybeans; foreign material.** A purchaser of soybeans who provides a discount for soybeans that fall below the standard for foreign material for soybean must offer an equal or greater premium for soybeans that have less foreign material than the standard.

Subd. 6. **Wheat; foreign material.** A purchaser of wheat who provides a discount for wheat that falls below the standard for foreign material for wheat must offer an equal or greater premium for wheat that has less foreign material than the standard.

Subd. 7. **Corn; damage.** A purchaser of corn who provides a discount for corn that falls below the standard for total damaged kernels for corn must offer an equal or greater premium for corn that has less total damaged kernels than the standard.

Subd. 8. **Soybeans; damage.** A purchaser of soybeans who provides a discount for soybeans that fall below the standard for total damaged kernels for soybeans must offer an equal or greater premium for soybeans that have less total damaged kernels than the standard.

Subd. 9. **Wheat; damage.** A purchaser of wheat who provides a discount for wheat that falls below the standard for total damaged kernels for wheat must offer an equal or greater premium for wheat that has less total damaged kernels than the standard.

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Subd. 10. **Effective date.** Subdivision 1, 2, 3, 4, 5, 6, 7, 8, or 9 is effective 30 days after at least three states representing 30 percent or more of the national production of that grain according to the current United States Department of Agriculture crop production summary requires that a premium be paid for the grain based on the factors provided in the section. Subdivision 1, 2, 3, 4, 5, 6, 7, 8, or 9 applies to purchasers of grain in this state 30 days after the commissioner publishes notice in the State Register that the subdivision is effective. The commissioner must notify affected licensed purchasers of grain that subdivision 1, 2, 3, 4, 5, 6, 7, 8, or 9 is effective by ten days after notice is published in the State Register.

17B.048 LOADS MAY BE AVERAGED.

Subdivision 1. **Loads averaged by mutual agreement.** A purchaser and a seller of grain may, by mutual agreement, average the measurements from multiple loads of acceptable quality grain with respect to those factors used to determine price.

Subd. 2. **Notice to be posted.** A business licensed to buy or receive grain must post the following notice in a conspicuous place. The notice must be at least 8-1/2 by 11 inches in size with letters at least one-half inch in size stating: "UNDER MINNESOTA STATUTES, SECTION 17B.048, A PURCHASER AND A SELLER OF GRAIN MAY, BY MUTUAL AGREEMENT, AVERAGE THE MEASUREMENTS FROM MULTIPLE LOADS OF ACCEPTABLE QUALITY GRAIN WITH RESPECT TO THOSE FACTORS USED TO DETERMINE PRICE." The commissioner shall provide copies of the notice to each business licensed to buy or receive grain.

17B.05 DISPUTES ON GRADES, DOCKAGE; STATE ARBITRATION.

(a) If a disagreement arises between a person receiving and a person delivering grain in this state as to the proper grade, dockage, moisture content, protein content, or other factors used in establishing the market price of the grain, an average sample of the grain in dispute may be taken by either or both of the parties interested. The commissioner shall prescribe a procedure for taking samples and having the samples certified by both the person receiving and the person delivering the grain as being true samples of the grain in dispute on the day the grain is delivered and sampled. Samples must be forwarded prepaid in suitable air-tight containers, with the names and addresses of the person receiving and the person delivering the grain, to the head of the Grain Inspection Division of the department. The head of the Grain Inspection Division shall examine samples submitted, and determine the proper grade, dockage, moisture content, protein content, and other factors used in establishing the market price of the samples of grain in accordance with the inspection rules and the standards established by the United States Department of Agriculture and the state of Minnesota. The test results must be based on the arithmetic mean of the samples submitted. If a person requesting the inspection asks for determination of some but not all of the factors that affect market price, the department shall perform only the requested tests on the samples. A person requesting the inspection must pay the required fee before the results of the inspection are released. The fee charged must be the same as that required for similar services rendered by the Grain Inspection Division. Payment for the grain involved in a disagreement must be made on the basis of grade, dockage, moisture content, protein content, and other market pricing factors certified by the department on samples submitted. An appeal of the determination made by the department may be made as provided under the United States Grain Standards Act, United States Code, title 7, section 79, subsection (c), and the Code of Federal Regulations, title 7, sections 800.125 to 800.140. A person receiving or delivering grain that is subject to this section is liable for damages resulting from not abiding by the determination made by the department. A person who violates this section is subject to penalties prescribed in section 17B.29.

(b) A licensed business that uses test equipment as defined in section 17B.02 to perform tests or analysis on grain to be purchased or placed in storage must post at the place of business a notice informing persons selling or delivering grain of their right to have a representative sample of the grain forwarded to the Grain Inspection Division for analysis. The commissioner shall provide copies of the notice to each business licensed to buy or receive grain. The business must display the notice in a conspicuous location as prescribed by the commissioner.

17B.06 BOARD OF GRAIN STANDARDS.

There is hereby created a Board of Grain Standards. The board shall consist of the head of the grain inspection program of the department and two principal assistants selected by the

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commissioner for terms specified by the commissioner. This board shall have jurisdiction over all grain standards hereafter established in Minnesota.

17B.07 OFFICIAL TITLE OF BOARD; MEETINGS.

The official title of the board shall be "The Minnesota Board of Grain Standards" and it shall have jurisdiction over all grain appeal cases brought before it.

The board shall meet as needed and shall establish the grades of all grain subject to state inspection which shall be known as the "Minnesota grades," and all grain received at any public warehouse shall be graded accordingly. Such grades shall not be changed without the concurrence of at least two members of the board. At the time of establishing Minnesota grades, the board also shall adopt such rules, in accordance with the Administrative Procedure Act, as it deems necessary for the enforcement of this section and section 17B.06. In establishing the grades, in addition to the physical qualities of the grain, there shall be taken into consideration the milling and bread-producing quality of all grain products used as human food. The board shall determine the grade, and dockage, if any, of all grain in all cases where appeals from the decisions of the chief inspector have been taken and for such purpose they may request fresh samples of such grain to be furnished directly to the board.

17B.10 STANDARD SAMPLES.

The commissioner shall furnish standard samples of grain of each Minnesota grade to any grain warehouse operator in the state, upon request and payment of the actual cost thereof.

17B.11 DUTY OF INSPECTORS.

The commissioner shall inspect and grade all grain received at any terminal warehouse when requested to do so by any person having a contractual or other financial interest in such grain as the owner, seller, purchaser, warehouse operator, or carrier or otherwise. The commissioner shall provide inspection service for interhouse transfers or when grain is "run for grade" within a house if requested by the warehouse operator. All rights and privileges covering reinspection and appeal in all such cases are hereby preserved to all interested parties.

17B.12 APPEALS; PROCEDURE.

Any owner, consignee, or shipper of grain, or any warehouse operator, who is dissatisfied with the inspection of grain may appeal to the Board of Grain Standards by filing a notice of appeal with the commissioner and paying a fee to be fixed by the commissioner. The commissioner shall promptly transmit the notice to the Board of Grain Standards. The decision of the board fixing the grade of the grains is final.

17B.13 WEIGHERS, RESTRICTIONS, BONDING.

Subdivision 1. **Export and other terminal points.** The commissioner shall appoint at each designated export terminal point weighers as may be necessary to control the weighing of all grain received at or shipped from each designated export terminal point, except when the shipment is specifically exempted by the administrator of the federal grain inspection service. These weighers shall have the supervision or control of the other weighing of grain at other terminal points when requested by the operator of the facility desiring the service.

Subd. 2. **Licensed persons.** The commissioner may hire as official inspection personnel any individual who is licensed to perform functions of official inspection under the United States Grain Standards Act.

17B.14 RECORDS AND CERTIFICATES.

Subdivision 1. **Furnishing of certificates; evidence.** Every weigher shall keep such records as may be prescribed by the commissioner, and shall furnish to any person for whom weighing is done a signed certificate, showing the amount of each weight, the number and initial letter or other distinctive mark of each car weighed, the place and date of weighing, and the contents of the car. Such certificate shall be prima facie evidence of the facts therein certified.

Subd. 2. **Certificates; inspection; weighing.** Every person operating any elevator, building, or place in this state for the purchase, storage, or deposit of any grain or other farm commodity shall be entitled to receive from, and shall demand of, the officer whose duty it is

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to issue the same the official certificate of inspection in duplicate, together with the weighing certificate in duplicate, for any grain or other farm commodity shipped from such elevator, building, or place, and inspected and weighed as provided by the laws of this state.

Subd. 3. **Duplicate to be delivered to buyer.** Within ten days from the delivery of any certificate, as provided in subdivision 2, the person receiving the same shall deliver to the local buyer at the place where such grain or other farm commodity is purchased, stored, or deposited, one of the duplicate certificates and the same shall be retained by such local buyer in the buyer's office or place of business for 30 days thereafter and be subject to examination by any person desiring to inspect same.

Subd. 4. **Failure to deliver; penalty.** Any person mentioned in subdivision 2 who shall fail to deliver any certificate mentioned in subdivision 2 within the time and as provided in subdivision 3 shall be guilty of a misdemeanor; and the weight and grade of the grain or other farm commodity, as shown by the records of the local buyer, shall be taken as a basis of settlement between the local buyer of any such grain or farm commodity and the person failing to deliver the certificate.

17B.15 FEES FOR INSPECTION AND WEIGHING; DEDICATED ACCOUNT.

Subdivision 1. **Administration; appropriation.** The fees for inspection and weighing shall be fixed by the commissioner and be a lien upon the grain. The commissioner shall set fees for all inspection and weighing in an amount adequate to pay the expenses of carrying out and enforcing the purposes of sections 17B.01 to 17B.22, including the portion of general support costs and statewide indirect costs of the agency attributable to that function, with a reserve sufficient for up to six months. The commissioner shall review the fee schedule twice each year. Fee adjustments are not subject to chapter 14. Payment shall be required for services rendered.

All fees collected and all fines and penalties for violation of any provision of this chapter shall be deposited in the grain inspection and weighing account, which is created in the agricultural fund for carrying out the purpose of sections 17B.01 to 17B.22. The money in the account, including interest earned on the account, is annually appropriated to the commissioner of agriculture to administer the provisions of sections 17B.01 to 17B.22. When money from any other account is used to administer sections 17B.01 to 17B.22, the commissioner shall notify the chairs of the Agriculture, Environment and Natural Resources Finance, and Ways and Means Committees of the house of representatives; the Agriculture and Rural Development and Finance Committees of the senate; and the Finance Division of the Environment and Natural Resources Committee of the senate.

Subd. 3. **Minimum charge.** The schedule of fees shall provide that any elevator, mill, or other business requesting a weighing or inspection service, shall pay a minimum charge per hour for each employee requested or assigned. Any fees earned by the employee shall be credited against the charge made therefor. The minimum charge shall be assessed only after taking into consideration all fees earned and all hours charged. When deemed necessary by the commissioner, a charge for actual overtime costs may be made.

17B.16 QUALIFICATIONS.

No inspector, sampler, nor weigher shall during that person's term of service be in any way interested in the handling, storing, shipping, purchasing, or selling of grain or any of its products, nor in the employment of any person engaged therein, nor shall the inspector, sampler, or weigher be a member of any board of trade or organization of like character.

17B.17 REMOVAL OF EMPLOYEE.

Upon written complaint filed with the commissioner, charging any inspector, sampler, or weigher with official misconduct, inefficiency, incompetency, or neglect of duty, the commissioner shall investigate such charge and, if it be sustained, remove such employee.

17B.18 OBSTRUCTING WEAHER.

Any person who shall obstruct any state weigher in the performance of the weigher's official duties, by preventing proper access to the scales used in weighing grain or otherwise, is guilty of a misdemeanor.

17B.20 BREAKING OF SEALS; PENALTY; EXAMINATION OF CARS.

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Subdivision 1. **Who may break seals.** No person shall knowingly break the seal on any car of grain subject to state inspection prior to delivery thereof, except the employees of the department, and the owner of the grain, or the owner's authorized agent, under rules prescribed by the commissioner.

Subd. 2. **Unauthorized breaking of seals; misdemeanor.** Any person who, without legal authority, shall break or remove any seal upon any car loaded with grain, or otherwise break or enter such car, shall be guilty of a misdemeanor.

Subd. 3. **Examination of cars.** An employee of the department before opening the doors of any cars containing grain, upon their arrival at any of the several places designated by law as terminal points in this state, for the purposes of inspecting the same, shall first ascertain the condition of such cars and determine whether any leakages have occurred while the cars were in transit; also whether or not the doors were properly secured and sealed, making a record of such facts in all cases and recording the same in a proper book to be kept for the purpose. After such examination shall have been made and recorded and the inspection of such grain has been made, the above mentioned employee shall securely close and reseal such car doors as have been opened, using a special seal of the department for the purpose. A record of all original seals broken by the employee and the time when broken, a record of all state seals substituted therefor and the time when such state seals were substituted, together with a full description of the seals, with their numbers, shall be made by the employee.

17B.22 EMPLOYEE; MISCONDUCT; PERSONATION.

Subdivision 1. **Falsely acting as inspector.** Any person not duly appointed and qualified who shall assume to act as a state inspector of grain shall be guilty of a misdemeanor.

Subd. 2. **Misconduct of employees.** Any employee of the department who shall knowingly or carelessly inspect or weigh any grain improperly, or give any false certificate of inspection or weight, or accept money or other consideration directly or indirectly for any neglect or improper performance of duty or who shall be guilty of any neglect of duty, and any person who shall improperly influence or attempt to influence any such officer in the performance of an official duty shall be guilty of a gross misdemeanor.

17B.28 ENFORCEMENT; RULES.

The commissioner shall enforce the provisions of Laws 1974, chapter 548 including semiannual adjustment of the fees for services rendered and shall promulgate, in the manner provided by law, such rules as the commissioner deems necessary or desirable to carry out the provisions of sections 17B.01 to 17B.29. Until such rules are promulgated, the rules of the Public Service Commission, chapter five, PSC 150 to 169, as amended, promulgated pursuant to Minnesota Statutes, sections 14.05 to 14.28, and not inconsistent with sections 17B.01 to 17B.29, shall remain in full force and effect and shall be enforced by the commissioner until amended or repealed by the commissioner in accordance with the Administrative Procedure Act.

17B.29 PENALTIES.

Any person who shall violate any of the provisions of sections 17B.01 to 17B.29 where no specific penalty is prescribed shall be guilty of a gross misdemeanor.

232.24 SCHEDULE OF INSPECTION, FINANCIAL REPORTS.

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.