

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 2446

03/17/2025

04/10/2025

04/22/2025

04/24/2025

05/01/2025

05/18/2025

05/20/2025

05/23/2025

Authored by Anderson, P. H., and Hansen, R.,
The bill was read for the first time and referred to the Committee on Agriculture Finance and Policy
Adoption of Report: Amended and re-referred to the Committee on Ways and Means
Adoption of Report: Placed on the General Register as Amended
Read for the Second Time
Calendar for the Day
Read for the Third Time
Passed by the House and transmitted to the Senate
Returned to the House as Amended by the Senate
Refused to concur and a Conference Committee was appointed
Conference Committee Report Adopted
Read Third Time as Amended by Conference and repassed by the House
Presented to Governor
Governor Approval

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A bill for an act

relating to state government; establishing a budget for the Department of
Agriculture, the Board of Animal Health, the Agricultural Utilization Research
Institute, and the Office of Broadband Development; making policy and technical
changes to agriculture provisions; modifying livestock marketing agency and
dealer licensing provisions; modifying food handler licensing provisions; modifying
the cottage foods licensing exemption; modifying and establishing fees; requiring
reports; transferring money; appropriating money; amending Minnesota Statutes
2024, sections 17.1017; 17.1018; 17.117, subdivisions 1, 3; 17.118, subdivisions
1, 2, 3; 17.133, subdivisions 1, 2; 17A.03, subdivisions 8, 10, 11, by adding a
subdivision; 17A.04, subdivisions 1, 2, 4, 6, 7, 8; 17A.06, subdivisions 2, 3; 17A.07;
17A.08; 17A.15; 18.79, subdivision 3; 18B.26, subdivision 8; 18B.37, subdivision
6; 18C.111, by adding a subdivision; 25.391, subdivisions 1, 2; 28A.03, subdivision
7, by adding subdivisions; 28A.04; 28A.05; 28A.06; 28A.07; 28A.0753, subdivision
3; 28A.08; 28A.081, subdivision 1; 28A.085, subdivision 1; 28A.14; 28A.151,
subdivision 2; 28A.152, subdivisions 1, 2, 3, 4, 5, by adding a subdivision; 28A.17;
32D.01, by adding a subdivision; 35.155, subdivision 12; 41A.16, subdivision 7;
41B.039, subdivision 2; 41B.0391, subdivisions 1, 2, 4, by adding a subdivision;
41B.04, subdivision 8; 41B.042, subdivision 4; 41B.043, subdivision 1b; 41B.045,
subdivision 2; 41B.047, subdivision 3; 41B.056, subdivision 1; 41B.057,
subdivisions 1, 3; 223.17, subdivision 3; 232.22, subdivision 3; Laws 2021, First
Special Session chapter 3, article 1, section 2, subdivision 4, as amended; Laws
2023, chapter 43, article 1, section 2, subdivision 4, as amended; proposing coding
for new law in Minnesota Statutes, chapter 32D; repealing Minnesota Statutes
2024, sections 35.68; 35.830; 239.77, subdivision 5.

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

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ARTICLE 1

APPROPRIATIONS

1.29

Section 1. AGRICULTURE APPROPRIATIONS.

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The sums shown in the columns marked "Appropriations" are appropriated to the agencies
and for the purposes specified in this article. The appropriations are from the general fund,
or another named fund, and are available for the fiscal years indicated for each purpose.

The figures "2026" and "2027" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively. "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium" is fiscal years 2026 and 2027.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2026</u>	<u>2027</u>

Sec. 2. DEPARTMENT OF AGRICULTURE

<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>58,957,000</u>	<u>\$</u>	<u>56,052,000</u>
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<u>Appropriations by Fund</u>			
		<u>2026</u>	<u>2027</u>
<u>General</u>		<u>58,558,000</u>	<u>55,653,000</u>
<u>Remediation</u>		<u>399,000</u>	<u>399,000</u>

The amounts that may be spent for each purpose are specified in the following subdivisions. Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, unless otherwise specified in this section, the commissioner of agriculture may use up to 7.5 percent of money appropriated for costs incurred to administer the Department of Agriculture's grant and financial assistance programs.

Subd. 2. Protection Services

<u>Appropriations by Fund</u>			
<u>General</u>		<u>20,828,000</u>	<u>21,207,000</u>
<u>Remediation</u>		<u>399,000</u>	<u>399,000</u>

(a) \$399,000 the first year and \$399,000 the second year are from the remediation fund for administrative funding of the voluntary cleanup program.

(b) \$639,000 the first year and \$639,000 the second year are for the soil health financial assistance program under Minnesota Statutes,

3.1 section 17.134. The commissioner may award
3.2 no more than \$50,000 of the appropriation
3.3 each year to a single recipient.
3.4 Notwithstanding Minnesota Statutes, section
3.5 16B.98, subdivision 14, the commissioner may
3.6 use up to 6.5 percent of this appropriation for
3.7 costs incurred to administer the program. Any
3.8 unencumbered balance does not cancel at the
3.9 end of the first year and is available in the
3.10 second year. Appropriations encumbered
3.11 under contract on or before June 30, 2027, for
3.12 soil health financial assistance grants are
3.13 available until June 30, 2029.

3.14 (c) \$275,000 the first year and \$250,000 the
3.15 second year are for compensation for livestock
3.16 destroyed or crippled by a wolf under
3.17 Minnesota Statutes, section 3.737. The first
3.18 year appropriation may be spent to compensate
3.19 for livestock that were destroyed or crippled
3.20 during fiscal year 2025. If the amount in the
3.21 first year is insufficient, the amount in the
3.22 second year is available in the first year. The
3.23 commissioner may use up to \$5,000 each year
3.24 to reimburse expenses incurred by university
3.25 extension educators to provide fair market
3.26 values of destroyed or crippled livestock. If
3.27 the commissioner receives federal money to
3.28 pay claims for destroyed or crippled livestock,
3.29 an equivalent amount of this appropriation
3.30 may be used to reimburse nonlethal prevention
3.31 methods performed by federal wildlife services
3.32 staff. The base for this appropriation is
3.33 \$175,000 in fiscal year 2028 and each year
3.34 thereafter.

4.1 (d) \$255,000 the first year and \$230,000 the
4.2 second year are for compensation for crop or
4.3 fence damage caused by elk under Minnesota
4.4 Statutes, section 3.7371. If the amount in the
4.5 first year is insufficient, the amount in the
4.6 second year is available in the first year. The
4.7 commissioner may use up to \$10,000 of the
4.8 appropriation each year to reimburse expenses
4.9 incurred by the commissioner or the
4.10 commissioner's approved agent to investigate
4.11 and resolve claims, as well as for costs
4.12 associated with training for approved agents.
4.13 The commissioner may use up to \$40,000 of
4.14 the appropriation each year for grants to
4.15 producers for measures to protect stored crops
4.16 from elk damage. If the commissioner
4.17 determines that claims made under Minnesota
4.18 Statutes, section 3.737 or 3.7371, are
4.19 unusually high, amounts appropriated for
4.20 either program may be transferred to the
4.21 appropriation for the other program. The base
4.22 for this appropriation is \$155,000 in fiscal year
4.23 2028 and each year thereafter.

4.24 (e) \$825,000 the first year and \$825,000 the
4.25 second year are to replace capital equipment
4.26 in the Department of Agriculture's analytical
4.27 laboratory.

4.28 (f) \$750,000 the first year and \$750,000 the
4.29 second year are for additional meat and poultry
4.30 inspection services. The commissioner is
4.31 encouraged to seek inspection waivers, match
4.32 federal money, and offer more online
4.33 inspections for the purposes of this paragraph.
4.34 This is a onetime appropriation.

5.1 (g) \$500,000 the first year and \$500,000 the
5.2 second year are for grants to counties to
5.3 support county agricultural inspectors. The
5.4 commissioner may use up to three percent of
5.5 the appropriation each year for administration.
5.6 This is a onetime appropriation. County
5.7 agricultural inspectors and county-designated
5.8 employees must annually submit an
5.9 application, on a form approved by the
5.10 commissioner, to be eligible for funding
5.11 during a given year. The commissioner must
5.12 equally divide available grant money among
5.13 eligible counties. To be eligible for grants
5.14 under this section, a county must employ a
5.15 county agricultural inspector or a
5.16 county-designated employee who:

5.17 (1) has attended training for new county
5.18 agricultural inspectors offered by the
5.19 commissioner;

5.20 (2) coordinates with the commissioner to
5.21 review applicable laws and enforcement
5.22 procedures;

5.23 (3) compiles and submits to the commissioner
5.24 local weed inspector annual report data;

5.25 (4) conducts an annual meeting and training
5.26 for local weed inspectors; and

5.27 (5) assists the commissioner with control
5.28 programs and other agricultural programs
5.29 when requested under Minnesota Statutes,
5.30 section 18.81, subdivision 1b, as directed by
5.31 the county board.

5.32 (h) \$250,000 the first year and \$250,000 the
5.33 second year are appropriated to establish and
5.34 administer the biofertilizer innovation and

6.1 efficiency program under Minnesota Statutes,
6.2 section 18C.113. The commissioner may use
6.3 up to 6.5 percent of this appropriation for costs
6.4 incurred to administer the program.

6.5 Notwithstanding Minnesota Statutes, section
6.6 16A.28, any unencumbered balance at the end
6.7 of fiscal year 2026 does not cancel and is
6.8 available until June 30, 2027. This is a onetime
6.9 appropriation.

6.10 (j) \$75,000 the first year is to conduct an
6.11 evaluation of the practice performance and
6.12 economic performance of the Olmsted County
6.13 groundwater protection and soil health
6.14 initiative, including the cover crop program,
6.15 alternative crops program, and haying,
6.16 grazing, and pasture enhancement program.

6.17 The evaluation must look at environmental
6.18 outcomes, include a cost-benefit analysis, and
6.19 be submitted to the chairs and ranking
6.20 minority members of the legislative
6.21 committees and divisions with jurisdiction
6.22 over agriculture policy and finance by June 1,
6.23 2027. The commissioner may contract with
6.24 an independent third party to conduct the
6.25 evaluation.

6.26 (k) \$420,000 the first year and \$924,000 the
6.27 second year are to support current services.

6.28 **Subd. 3. Agricultural Marketing and**
6.29 **Development**

22,851,000

22,601,000

6.30 (a) \$634,000 the first year and \$634,000 the
6.31 second year are for the continuation of the
6.32 dairy development and profitability
6.33 enhancement program, including dairy
6.34 profitability teams and dairy business planning

7.1 grants under Minnesota Statutes, section
7.2 32D.30.

7.3 (b) The commissioner may use funds
7.4 appropriated in this subdivision for annual
7.5 cost-share payments to resident farmers or
7.6 entities that sell, process, or package
7.7 agricultural products in this state for the costs
7.8 of organic certification. The commissioner
7.9 may allocate these funds for assistance to
7.10 persons transitioning from conventional to
7.11 organic agriculture.

7.12 (c) \$100,000 the first year and \$100,000 the
7.13 second year are for mental health outreach and
7.14 support to farmers, ranchers, farm workers
7.15 and employees, and others in the agricultural
7.16 community and profession and for farm and
7.17 farm worker safety grant and outreach
7.18 programs under Minnesota Statutes, section
7.19 17.1195. Mental health outreach and support
7.20 may include a 24-hour hotline, stigma
7.21 reduction, and education. Notwithstanding
7.22 Minnesota Statutes, section 16A.28, any
7.23 unencumbered balance does not cancel at the
7.24 end of the first year and is available in the
7.25 second year. The base for this appropriation
7.26 is \$50,000 in fiscal year 2028 and each year
7.27 thereafter.

7.28 (d) \$18,257,000 the first year and \$18,007,000
7.29 the second year are for the agricultural growth,
7.30 research, and innovation program under
7.31 Minnesota Statutes, section 41A.12. The base
7.32 for this appropriation is \$17,449,000 in fiscal
7.33 year 2028 and each year thereafter.

7.34 (e) Except as provided in paragraph (f), the
7.35 commissioner may allocate the appropriation

8.1 in paragraph (d) each year among the
8.2 following areas: facilitating the startup,
8.3 modernization, improvement, or expansion of
8.4 livestock operations, including beginning and
8.5 transitioning livestock operations with
8.6 preference given to robotic dairy-milking
8.7 equipment; assisting value-added agricultural
8.8 businesses to begin or expand, to access new
8.9 markets, or to diversify, including aquaponics
8.10 systems, with preference given to hemp fiber
8.11 processing equipment; facilitating the startup,
8.12 modernization, or expansion of other
8.13 beginning and transitioning farms, including
8.14 by providing loans under Minnesota Statutes,
8.15 section 41B.056; sustainable agriculture
8.16 on-farm research and demonstration; the
8.17 development or expansion of food hubs and
8.18 other alternative community-based food
8.19 distribution systems; enhancing renewable
8.20 energy infrastructure and use; crop research,
8.21 including basic and applied turf seed research;
8.22 Farm Business Management tuition assistance;
8.23 supporting the commercialization of an
8.24 innovative material additive utilizing
8.25 agricultural coproducts or waste streams to
8.26 produce fiber-based barrier packaging to
8.27 reduce perfluoroalkyl and polyfluoroalkyl
8.28 substances (PFAS) and plastics in packaging
8.29 products; and good agricultural practices and
8.30 good handling practices certification
8.31 assistance. Notwithstanding Minnesota
8.32 Statutes, section 16B.98, subdivision 14, the
8.33 commissioner may use up to 7.5 percent of
8.34 the appropriation in paragraph (d) for costs
8.35 incurred to administer the program.

9.1 (f) Of the amount appropriated for the
9.2 agricultural growth, research, and innovation
9.3 program under Minnesota Statutes, section
9.4 41A.12:

9.5 (1) \$1,000,000 the first year and \$1,000,000
9.6 the second year are for distribution in equal
9.7 amounts to each of the state's county fairs to
9.8 preserve and promote Minnesota agriculture;

9.9 (2) \$3,000,000 the first year and \$3,000,000
9.10 the second year are for incentive payments
9.11 under Minnesota Statutes, sections 41A.16,
9.12 41A.17, 41A.18, and 41A.20. If this
9.13 appropriation exceeds the total amount for
9.14 which all producers are eligible in a fiscal
9.15 year, the balance of the appropriation is
9.16 available for other purposes under this
9.17 paragraph;

9.18 (3) \$2,750,000 the first year and \$2,750,000
9.19 the second year are for grants that enable retail
9.20 petroleum dispensers, fuel storage tanks, and
9.21 other equipment to dispense biofuels to the
9.22 public in accordance with the biofuel
9.23 replacement goals established under
9.24 Minnesota Statutes, section 239.7911. A retail
9.25 petroleum dispenser selling petroleum for use
9.26 in spark ignition engines for vehicle model
9.27 years after 2000 is eligible for grant money
9.28 under this clause if the retail petroleum
9.29 dispenser has no more than 20 retail petroleum
9.30 dispensing sites and each site is located in
9.31 Minnesota. The grant money must be used to
9.32 replace or upgrade equipment that does not
9.33 have the ability to be certified for E25. A grant
9.34 award must not exceed 65 percent of the cost
9.35 of the appropriate technology. A grant award

10.1 must not exceed \$200,000 per station. The
10.2 commissioner must cooperate with biofuel
10.3 stakeholders in the implementation of the grant
10.4 program. The commissioner, in cooperation
10.5 with any economic or community development
10.6 financial institution and any other entity with
10.7 which the commissioner contracts, must
10.8 submit a report on the biofuels infrastructure
10.9 financial assistance program by January 15
10.10 each year to the chairs and ranking minority
10.11 members of the legislative committees and
10.12 divisions with jurisdiction over agriculture
10.13 policy and finance. The annual report must
10.14 include but not be limited to a summary of the
10.15 following metrics: (i) the number and types
10.16 of projects financed; (ii) the amount of dollars
10.17 leveraged or matched per project; (iii) the
10.18 geographic distribution of financed projects;
10.19 (iv) any market expansion associated with
10.20 upgraded infrastructure; (v) the demographics
10.21 of the areas served; (vi) the costs of the
10.22 program; and (vii) the number of grants to
10.23 minority-owned or female-owned businesses;
10.24 (4) \$350,000 the first year and \$250,000 the
10.25 second year are for grants to facilitate the
10.26 startup, modernization, or expansion of meat,
10.27 poultry, egg, and milk processing facilities. A
10.28 grant award under this clause must not exceed
10.29 \$200,000;
10.30 (5) \$1,594,000 the first year and \$1,544,000
10.31 the second year are for providing more fruits,
10.32 vegetables, meat, poultry, grain, and dairy for
10.33 children in school and early childhood
10.34 education settings, including, at the
10.35 commissioner's discretion, providing grants

11.1 to reimburse schools and early childhood
11.2 education and child care providers for
11.3 purchasing equipment and agricultural
11.4 products. Of the amount appropriated,
11.5 \$150,000 each year is for a statewide
11.6 coordinator of farm-to-institution strategy and
11.7 programming. The coordinator must consult
11.8 with relevant stakeholders and provide
11.9 technical assistance and training for
11.10 participating farmers and eligible grant
11.11 recipients. The base for this appropriation is
11.12 \$1,636,000 in fiscal year 2028 and each year
11.13 thereafter. At the commissioner's discretion,
11.14 for state administration of federal cooperative
11.15 agreements for purchasing Minnesota grown
11.16 and raised foods for schools, child care
11.17 providers, food banks, and other institutions,
11.18 the commissioner may use an amount of state
11.19 funds equal to no more than 7.5 percent of the
11.20 total federal funds awarded to the state. The
11.21 commissioner shall expend any available
11.22 federal administrative funds awarded for this
11.23 purpose before using state funds;

11.24 (6) up to \$1,750,000 the first year and up to
11.25 \$1,750,000 the second year are for grants to
11.26 facilitate the development of urban agriculture,
11.27 including projects related to youth education,
11.28 community and economic development,
11.29 value-added processing, and vocational
11.30 training;

11.31 (7) \$1,000,000 the first year and \$1,000,000
11.32 the second year are for the food retail
11.33 improvement and development program under
11.34 Minnesota Statutes, section 17.1017;

12.1 (8) up to \$200,000 the first year and up to
12.2 \$200,000 the second year are for cooperative
12.3 development grants under Minnesota Statutes,
12.4 section 17.1016;

12.5 (9) \$250,000 the first year and \$150,000 the
12.6 second year are for the protecting livestock
12.7 grant program for producers to support the
12.8 installation of measures to prevent the
12.9 transmission of avian influenza. For the
12.10 appropriation in this clause, a grant applicant
12.11 must document a cost-share of 20 percent. An
12.12 applicant's cost-share amount may be reduced
12.13 up to \$2,000 to cover time and labor costs.
12.14 This is a onetime appropriation; and

12.15 (10) up to \$525,000 the first year and up to
12.16 \$525,000 the second year are to award AGRI
12.17 Works grants to institutions and organizations
12.18 to provide regional and statewide services.
12.19 Preference shall be given to legislatively
12.20 created entities and organizations that enhance
12.21 agricultural, horticultural, or rural community
12.22 and economic development, marketing, and
12.23 promotion, and research and education. A
12.24 grant award under this clause must not exceed
12.25 \$200,000. Grants made under this paragraph
12.26 are subject to the requirements in Minnesota
12.27 Statutes, sections 16B.98 and 16B.981. This
12.28 is a onetime appropriation.

12.29 (g) Notwithstanding Minnesota Statutes,
12.30 section 16A.28, the appropriation in paragraph
12.31 (d) does not cancel at the end of the second
12.32 year and is available until June 30, 2029.
12.33 Appropriations encumbered under contract on
12.34 or before June 30, 2029, for agricultural
12.35 growth, research, and innovation grants are

13.1 available until June 30, 2032. At the end of
13.2 fiscal year 2027, the commissioner must
13.3 prioritize any money resulting from canceled
13.4 contracts to be used for AGRI Works grants
13.5 under paragraph (f), clause (10).

13.6 **Subd. 4. Administration and Financial**
13.7 **Assistance**

14,879,000

11,845,000

13.8 (a) \$474,000 the first year and \$474,000 the
13.9 second year are for payments to county and
13.10 district agricultural societies and associations
13.11 under Minnesota Statutes, section 38.02,
13.12 subdivision 1. Aid payments to county and
13.13 district agricultural societies and associations
13.14 must be disbursed no later than July 15 each
13.15 year. These payments are the amount of aid
13.16 from the state for an annual fair held in the
13.17 previous calendar year.

13.18 (b) \$300,000 the first year and \$300,000 the
13.19 second year are for grants to the Minnesota
13.20 Agricultural Education and Leadership
13.21 Council for programs of the council under
13.22 Minnesota Statutes, chapter 41D. The base for
13.23 this appropriation is \$250,000 in fiscal year
13.24 2028 and each year thereafter.

13.25 (c) \$1,250,000 the first year and \$1,250,000
13.26 the second year are to award and administer
13.27 farm down payment assistance grants under
13.28 Minnesota Statutes, section 17.133, with
13.29 priority given to eligible applicants with no
13.30 more than \$100,000 in annual gross farm
13.31 product sales and eligible applicants who are
13.32 producers of industrial hemp, cannabis, or one
13.33 or more of the following specialty crops as
13.34 defined by the United States Department of
13.35 Agriculture for purposes of the specialty crop

14.1 block grant program: fruits and vegetables,
14.2 tree nuts, dried fruits, medicinal plants,
14.3 culinary herbs and spices, horticulture crops,
14.4 floriculture crops, and nursery crops.
14.5 Notwithstanding Minnesota Statutes, section
14.6 16A.28, any unencumbered balance at the end
14.7 of the first year does not cancel and is
14.8 available in the second year and appropriations
14.9 encumbered under contract by June 30, 2027,
14.10 are available until June 30, 2029. The base for
14.11 this appropriation is \$1,000,000 in fiscal year
14.12 2028 and each year thereafter.

14.13 (d) \$1,000,000 the first year and \$1,000,000
14.14 the second year are for the purchase of milk
14.15 for distribution to Minnesota's food shelves
14.16 and other charitable organizations that are
14.17 eligible to receive food from the food banks.
14.18 Milk purchased with grant money must be
14.19 acquired from Minnesota milk processors and
14.20 based on low-cost bids. The milk must be
14.21 allocated to each Feeding America food bank
14.22 serving Minnesota according to the formula
14.23 used in the distribution of United States
14.24 Department of Agriculture commodities under
14.25 The Emergency Food Assistance Program.
14.26 The commissioner may enter into contracts or
14.27 agreements with food banks for shared funding
14.28 or reimbursement of the direct purchase of
14.29 milk. Each food bank that receives funding
14.30 under this paragraph may use up to two
14.31 percent for administrative expenses.
14.32 Notwithstanding Minnesota Statutes, section
14.33 16A.28, any unencumbered balance the first
14.34 year does not cancel and is available the
14.35 second year.

- 15.1 (e) \$260,000 the first year and \$260,000 the
15.2 second year are for a pass-through grant to
15.3 Region Five Development Commission to
15.4 provide, in collaboration with Farm Business
15.5 Management, statewide mental health
15.6 counseling support to Minnesota farm
15.7 operators, families, and employees, and
15.8 individuals who work with Minnesota farmers
15.9 in a professional capacity. Region Five
15.10 Development Commission may use up to 7.5
15.11 percent of the grant awarded under this
15.12 paragraph for administration.
- 15.13 (f) \$1,000,000 the first year and \$1,000,000
15.14 the second year are to expand the Emerging
15.15 Farmers Office and provide services to
15.16 beginning and emerging farmers to increase
15.17 connections between farmers and market
15.18 opportunities throughout the state. This
15.19 appropriation may be used for grants,
15.20 translation services, training programs, or
15.21 other purposes in line with the
15.22 recommendations of the emerging farmer
15.23 working group established under Minnesota
15.24 Statutes, section 17.055, subdivision 1.
- 15.25 (g) \$137,000 the first year and \$203,000 the
15.26 second year are to support current services.
- 15.27 (h) \$337,000 the first year and \$337,000 the
15.28 second year are for farm advocate services.
15.29 Of these amounts, \$50,000 the first year and
15.30 \$50,000 the second year are for the
15.31 continuation of the farmland transition
15.32 programs and may be used for grants to
15.33 farmland access teams to provide technical
15.34 assistance to potential beginning farmers.
15.35 Farmland access teams must assist existing

16.1 farmers and beginning farmers with
16.2 transitioning farm ownership and farm
16.3 operation. Services provided by teams may
16.4 include but are not limited to mediation
16.5 assistance, designing contracts, financial
16.6 planning, tax preparation, estate planning, and
16.7 housing assistance.

16.8 (i) \$3,000,000 the first year is for transfer to
16.9 the Public Facilities Authority for a grant to
16.10 First District Association to acquire land for
16.11 and to design, engineer, construct, equip, and
16.12 furnish a wastewater treatment project. This
16.13 appropriation is in addition to the
16.14 appropriation in Laws 2023, chapter 71, article
16.15 1, section 15, subdivision 7. This appropriation
16.16 is available until the project is completed or
16.17 abandoned, subject to Minnesota Statutes,
16.18 section 16A.642.

16.19 (k) \$50,000 the first year is to be awarded as
16.20 a grant in a competitive bid process to an
16.21 entity that is not a for-profit entity to conduct
16.22 a study of market and workforce factors that
16.23 may contribute to the incorrect marking for
16.24 the installation of underground
16.25 telecommunications infrastructure that is
16.26 located within ten feet of existing underground
16.27 utilities or that crosses the existing
16.28 underground utilities. The study must include
16.29 recommendations to the legislature and be
16.30 submitted to the chairs and ranking minority
16.31 members of the legislative committees and
16.32 divisions with jurisdiction over agriculture
16.33 policy and finance by June 1, 2027.

16.34 (r) \$50,000 the first year is to conduct a study
16.35 and develop recommendations for establishing

17.1 an incentive-based program to support and
17.2 encourage agricultural retailers in promoting
17.3 4R nutrient management practices. The 4R
17.4 nutrient management practices include: the
17.5 right source of nutrients, at the right rate and
17.6 right time, in the right place.

17.7 (1) As part of the study, the department must
17.8 evaluate strategies for leveraging cost-share
17.9 programs, including the feasibility of
17.10 coordinating with the Agricultural Water
17.11 Quality Certification Program and other efforts
17.12 related to the state's Nutrient Reduction
17.13 Strategy.

17.14 (2) The commissioner must submit a report
17.15 detailing its findings, including potential
17.16 funding sources and proposal outlines for
17.17 funding requests where appropriate. The
17.18 commissioner must submit the report to the
17.19 chairs and ranking minority members of the
17.20 legislative committees with jurisdiction over
17.21 agriculture and environment by March 15,
17.22 2026.

17.23 (s) \$700,000 the first year and \$700,000 the
17.24 second year are for the local food purchasing
17.25 assistance grant program under article 3,
17.26 section 35. Notwithstanding Minnesota
17.27 Statutes, section 16A.28, any unencumbered
17.28 balance does not cancel at the end of the first
17.29 year and is available in the second year.

17.30 (t) The commissioner shall continue to
17.31 increase connections with ethnic minority and
17.32 immigrant farmers to farming opportunities
17.33 and farming programs throughout the state.

17.34 **Sec. 3. BOARD OF ANIMAL HEALTH** **\$** **6,675,000** **\$** **6,800,000**

18.1 \$265,000 the first year and \$390,000 the
18.2 second year are to maintain the current level
18.3 of service delivery.

18.4 **Sec. 4. AGRICULTURAL UTILIZATION**
18.5 **RESEARCH INSTITUTE**

\$ 4,388,000 \$ 4,434,000

18.6 \$45,000 the first year and \$91,000 the second
18.7 year are to maintain the current level of service
18.8 delivery.

18.9 **Sec. 5. TRANSFERS; ADMINISTRATION.**

18.10 Positions, salary money, and nonsalary administrative money may be transferred within
18.11 the Department of Agriculture as the commissioner of agriculture considers necessary, with
18.12 the advanced approval of the commissioner of management and budget. The commissioner
18.13 of agriculture shall report to the chairs and ranking minority members of the legislative
18.14 committees with jurisdiction over agriculture finance quarterly about the transfers made
18.15 under this section.

18.16 **Sec. 6. TRANSFERS.**

18.17 (a) The commissioner of agriculture, in consultation with the commissioner of
18.18 management and budget, must transfer \$1,500,000 in fiscal year 2026 from the general fund
18.19 to the agricultural emergency account established under Minnesota Statutes, section 17.041.

18.20 (b) Of the amount transferred to the agricultural emergency account under Minnesota
18.21 Statutes, section 17.041, up to \$750,000 may be used for the following purposes:

18.22 (1) to test milk, milk products, poultry products, and pet food before retail sale for the
18.23 presence of avian influenza;

18.24 (2) to transfer money to the commissioner of health for biomonitoring for the presence
18.25 of avian influenza in agricultural workers, farm workers, and poultry or livestock processing
18.26 employees who volunteer to participate; and

18.27 (3) to transfer money to the Board of Regents of the University of Minnesota to develop
18.28 rapid testing, quantification, and human exposure risk assessment models for avian influenza
18.29 in urban wastewater treatment processes, drinking water treatment processes, and public
18.30 and private wells.

18.31 Prior to using or transferring money under this paragraph, the commissioner of agriculture
18.32 must communicate the intended use and the estimated amount of money to the chairs and

19.1 ranking minority members of the house of representatives and senate committees with
19.2 jurisdiction over agriculture finance.

19.3 (c) The commissioner of agriculture, in consultation with the commissioner of
19.4 management and budget, must transfer \$100,000 in fiscal year 2026 and \$100,000 in fiscal
19.5 year 2027 from the general fund to the pollinator research account established under
19.6 Minnesota Statutes, section 18B.051. The commissioner of management and budget must
19.7 include a transfer of \$100,000 each year from the general fund to the pollinator research
19.8 account established under Minnesota Statutes, section 18B.051, in each forecast prepared
19.9 under Minnesota Statutes, section 16A.103, from the effective date of this section through
19.10 the February 2027 forecast.

19.11 (d) The commissioner of agriculture, in consultation with the commissioner of
19.12 management and budget, must transfer \$186,000 in fiscal year 2026 and \$186,000 in fiscal
19.13 year 2027 from the general fund to the Minnesota grown account under Minnesota Statutes,
19.14 section 17.102, subdivision 4. The transferred money may be used as grants for Minnesota
19.15 grown promotion under Minnesota Statutes, section 17.102. Notwithstanding Minnesota
19.16 Statutes, section 16A.28, the appropriations encumbered under contract on or before June
19.17 30, 2027, for Minnesota grown grants in this paragraph are available until June 30, 2029.
19.18 The commissioner of management and budget must include a transfer of \$186,000 each
19.19 year from the general fund to the Minnesota grown account established under Minnesota
19.20 Statutes, section 17.102, subdivision 4, in each forecast prepared under Minnesota Statutes,
19.21 section 16A.103, from the effective date of this section through the February 2027 forecast.

19.22 (e) The commissioner of agriculture, in consultation with the commissioner of
19.23 management and budget, must transfer \$10,677,000 in fiscal year 2026 and \$10,677,000 in
19.24 fiscal year 2027 from the general fund to the agriculture research, education, extension, and
19.25 technology transfer account under Minnesota Statutes, section 41A.14, subdivision 3, for
19.26 purposes of the agriculture research, education, extension, and technology transfer grant
19.27 program under Minnesota Statutes, section 41A.14. The commissioner of agriculture shall
19.28 transfer money each year to the Board of Regents of the University of Minnesota for purposes
19.29 of Minnesota Statutes, section 41A.14, subdivision 1, clauses (1) and (2), and must
19.30 supplement and not supplant existing sources and levels of funding. The commissioner may
19.31 use up to one percent of this transfer for costs incurred to administer this program. Of the
19.32 amount transferred for the agriculture research, education, extension, and technology transfer
19.33 grant program under Minnesota Statutes, section 41A.14:

20.1 (1) \$600,000 in fiscal year 2026 and \$600,000 in fiscal year 2027 are for the Minnesota
20.2 Agricultural Experiment Station's agriculture rapid response fund under Minnesota Statutes,
20.3 section 41A.14, subdivision 1, clause (2);

20.4 (2) up to \$1,000,000 in fiscal year 2026 and up to \$1,000,000 in fiscal year 2027 are for
20.5 research on avian influenza, salmonella, and other turkey related diseases and disease
20.6 prevention measures;

20.7 (3) \$2,500,000 in fiscal year 2026 and \$2,500,000 in fiscal year 2027 are for grants to
20.8 the Minnesota Agricultural Education Leadership Council to enhance agricultural education
20.9 with priority given to Farm Business Management challenge grants. This allocation is
20.10 \$2,250,000 in fiscal year 2028 and each year thereafter;

20.11 (4) \$350,000 in fiscal year 2026 and \$350,000 in fiscal year 2027 are for potato research;

20.12 (5) \$802,000 in fiscal year 2026 and \$802,000 in fiscal year 2027 are to fund the Forever
20.13 Green Initiative and protect Minnesota's natural resources while increasing the efficiency,
20.14 profitability, and productivity of Minnesota farmers by incorporating perennial and winter
20.15 annual crops into existing agricultural practices. By February 1 each year, the dean of the
20.16 College of Food, Agricultural and Natural Resource Sciences must submit a report to the
20.17 chairs and ranking minority members of the legislative committees with jurisdiction over
20.18 agriculture finance and policy and higher education detailing uses of the money in this
20.19 clause, including administrative costs, and the achievements this money contributed to;

20.20 (6) \$200,000 in fiscal year 2026 and \$200,000 in fiscal year 2027 are for research on
20.21 natural stands of wild rice;

20.22 (7) \$250,000 in fiscal year 2026 and \$250,000 in fiscal year 2027 are for the cultivated
20.23 wild rice forward selection project at the North Central Research and Outreach Center,
20.24 including a tenure track or research associate plant scientist;

20.25 (8) \$290,000 in fiscal year 2026 is for the Board of Regents of the University of
20.26 Minnesota for purposes of research on crop contamination and exposure to prions deposited
20.27 by animals infected with chronic wasting disease. This is a onetime allocation; and

20.28 (9) \$75,000 in fiscal year 2026 and \$75,000 in fiscal year 2027 are for grants to the
20.29 Southwest Minnesota State University Foundation to support the Minnesota Agriculture
20.30 and Rural Leadership program. This is a onetime allocation.

20.31 The commissioner of management and budget must include a transfer of \$10,352,000 each
20.32 year from the general fund to the agriculture research, education, extension, and technology
20.33 transfer account under Minnesota Statutes, section 41A.14, subdivision 3, in each forecast

21.1 prepared under Minnesota Statutes, section 16A.103, from the effective date of this section
21.2 through the February 2027 forecast.

21.3 (f) The commissioner of agriculture, in consultation with the commissioner of
21.4 management and budget, must transfer \$1,425,000 in fiscal year 2026 and \$1,425,000 in
21.5 fiscal year 2027 from the general fund to the agricultural and environmental revolving loan
21.6 account established under Minnesota Statutes, section 17.117, subdivision 5a, for low-interest
21.7 or no-interest loans issued through the agriculture best management practices loan program
21.8 under Minnesota Statutes, section 17.117. The commissioner of management and budget
21.9 must include a transfer of \$1,425,000 each year from the general fund to the agricultural
21.10 and environmental revolving loan account under Minnesota Statutes, section 17.117,
21.11 subdivision 5a, in each forecast prepared under Minnesota Statutes, section 16A.103, from
21.12 the effective date of this section through the February 2027 forecast.

21.13 (g) The commissioner of agriculture, in consultation with the commissioner of
21.14 management and budget, must transfer \$500,000 in fiscal year 2026 from the grain indemnity
21.15 account under Minnesota Statutes, section 223.24, subdivision 1, in the agricultural fund
21.16 to the grain buyers and storage account under Minnesota Statutes, section 232.22, subdivision
21.17 3, in the agricultural fund.

21.18 **Sec. 7. CANCELLATIONS.**

21.19 (a) \$3,000,000 of the appropriation in fiscal year 2024 from the general fund for green
21.20 fertilizer production facilities under Laws 2023, chapter 60, article 10, section 4, is canceled
21.21 to the general fund by June 30, 2025.

21.22 (b) \$1,000,000 of the fiscal year 2025 general fund appropriation for the agricultural
21.23 growth, research, and innovation program under Minnesota Statutes, section 41A.12, that
21.24 was allocated for Dairy Assistance, Investment, Relief Initiative (DAIRI) grants under Laws
21.25 2024, chapter 126, article 1, section 1, subdivision 4, paragraph (d), clause (6), is canceled
21.26 to the general fund by June 30, 2025.

21.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

22.1 Sec. 8. Laws 2021, First Special Session chapter 3, article 1, section 2, subdivision 4, as
22.2 amended by Laws 2022, chapter 95, article 1, section 1, is amended to read:

22.3	Subd. 4. Agriculture, Bioenergy, and Bioproduct		
22.4	Advancement	25,343,000	27,257,000

22.5 (a) \$9,300,000 the first year and \$9,300,000
22.6 the second year are for transfer to the
22.7 agriculture research, education, extension, and
22.8 technology transfer account under Minnesota
22.9 Statutes, section 41A.14, subdivision 3. Of
22.10 these amounts: at least \$600,000 the first year
22.11 and \$600,000 the second year are for the
22.12 Minnesota Agricultural Experiment Station's
22.13 agriculture rapid response fund under
22.14 Minnesota Statutes, section 41A.14,
22.15 subdivision 1, clause (2); \$2,000,000 the first
22.16 year and \$2,000,000 the second year are for
22.17 grants to the Minnesota Agriculture Education
22.18 Leadership Council to enhance agricultural
22.19 education with priority given to Farm Business
22.20 Management challenge grants; \$350,000 the
22.21 first year and \$350,000 the second year are
22.22 for potato breeding; and \$450,000 the first
22.23 year and \$450,000 the second year are for the
22.24 cultivated wild rice breeding project at the
22.25 North Central Research and Outreach Center
22.26 to include a tenure track/research associate
22.27 plant breeder. The commissioner shall transfer
22.28 the remaining funds in this appropriation each
22.29 year to the Board of Regents of the University
22.30 of Minnesota for purposes of Minnesota
22.31 Statutes, section 41A.14. Of the amount
22.32 transferred to the Board of Regents, up to
22.33 \$1,000,000 each year is for research on avian
22.34 influenza, salmonella, and other turkey-related
22.35 diseases. By January 15, 2023, entities
22.36 receiving grants for potato breeding and wild

23.1 rice breeding are requested to report to the
23.2 chairs and ranking minority members of the
23.3 legislative committees with jurisdiction over
23.4 agriculture and higher education regarding the
23.5 use of the grant money and to provide an
23.6 update on the status of research and related
23.7 accomplishments.

23.8 To the extent practicable, money expended
23.9 under Minnesota Statutes, section 41A.14,
23.10 subdivision 1, clauses (1) and (2), must
23.11 supplement and not supplant existing sources
23.12 and levels of funding. The commissioner may
23.13 use up to one percent of this appropriation for
23.14 costs incurred to administer the program.

23.15 (b) \$16,028,000 the first year and \$17,928,000
23.16 the second year are for the agricultural growth,
23.17 research, and innovation program under
23.18 Minnesota Statutes, section 41A.12. Except
23.19 as provided below, the commissioner may
23.20 allocate the appropriation each year among
23.21 the following areas: facilitating the start-up,
23.22 modernization, improvement, or expansion of
23.23 livestock operations including beginning and
23.24 transitioning livestock operations with
23.25 preference given to robotic dairy-milking
23.26 equipment; providing funding not to exceed
23.27 \$800,000 each year to develop and enhance
23.28 farm-to-school markets for Minnesota farmers
23.29 by providing more fruits, vegetables, meat,
23.30 grain, and dairy for Minnesota children in
23.31 school and child care settings including, at the
23.32 commissioner's discretion, reimbursing
23.33 schools for purchases from local farmers;
23.34 assisting value-added agricultural businesses
23.35 to begin or expand, to access new markets, or

24.1 to diversify, including aquaponics systems;
24.2 providing funding not to exceed \$600,000
24.3 each year for urban youth agricultural
24.4 education or urban agriculture community
24.5 development of which \$10,000 each year is
24.6 for transfer to the emerging farmer account
24.7 under Minnesota Statutes, section 17.055,
24.8 subdivision 1a; providing funding not to
24.9 exceed \$450,000 each year for the good food
24.10 access program under Minnesota Statutes,
24.11 section 17.1017; facilitating the start-up,
24.12 modernization, or expansion of other
24.13 beginning and transitioning farms including
24.14 by providing loans under Minnesota Statutes,
24.15 section 41B.056; sustainable agriculture
24.16 on-farm research and demonstration;
24.17 development or expansion of food hubs and
24.18 other alternative community-based food
24.19 distribution systems; enhancing renewable
24.20 energy infrastructure and use; crop research;
24.21 Farm Business Management tuition assistance;
24.22 and good agricultural practices and good
24.23 handling practices certification assistance. The
24.24 commissioner may use up to 6.5 percent of
24.25 this appropriation for costs incurred to
24.26 administer the program.

24.27 Of the amount appropriated for the agricultural
24.28 growth, research, and innovation program
24.29 under Minnesota Statutes, section 41A.12:

24.30 (1) \$1,000,000 the first year and \$1,000,000
24.31 the second year are for distribution in equal
24.32 amounts to each of the state's county fairs to
24.33 preserve and promote Minnesota agriculture;

24.34 (2) \$4,500,000 the first year and \$5,750,000
24.35 the second year are for incentive payments

25.1 under Minnesota Statutes, sections 41A.16,
25.2 41A.17, 41A.18, and 41A.20. Notwithstanding
25.3 Minnesota Statutes, section 16A.28, the first
25.4 year appropriation is available until June 30,
25.5 2023, and the second year appropriation is
25.6 available until June 30, 2024. If this
25.7 appropriation exceeds the total amount for
25.8 which all producers are eligible in a fiscal
25.9 year, the balance of the appropriation is
25.10 available for other purposes under this
25.11 paragraph. The base appropriation under this
25.12 clause is \$5,750,000 in fiscal year 2024 and
25.13 thereafter;

25.14 (3) \$3,000,000 the first year and \$3,000,000
25.15 the second year are for grants that enable retail
25.16 petroleum dispensers, fuel storage tanks, and
25.17 other equipment to dispense biofuels to the
25.18 public in accordance with the biofuel
25.19 replacement goals established under
25.20 Minnesota Statutes, section 239.7911. A retail
25.21 petroleum dispenser selling petroleum for use
25.22 in spark ignition engines for vehicle model
25.23 years after 2000 is eligible for grant money
25.24 under this clause if the retail petroleum
25.25 dispenser has no more than 10 retail petroleum
25.26 dispensing sites and each site is located in
25.27 Minnesota. The grant money must be used to
25.28 replace or upgrade equipment that does not
25.29 have the ability to be certified for E25. A grant
25.30 award must not exceed 65 percent of the cost
25.31 of the appropriate technology. A grant award
25.32 must not exceed \$200,000 per station. The
25.33 commissioner must cooperate with biofuel
25.34 stakeholders in the implementation of the grant
25.35 program. The commissioner, in cooperation
25.36 with any economic or community development

26.1 financial institution and any other entity with
26.2 which it contracts, must submit a report on the
26.3 biofuels infrastructure financial assistance
26.4 program by January 15 of each year to the
26.5 chairs and ranking minority members of the
26.6 legislative committees and divisions with
26.7 jurisdiction over agriculture policy and
26.8 finance. The annual report must include but
26.9 not be limited to a summary of the following
26.10 metrics: (i) the number and types of projects
26.11 financed; (ii) the amount of dollars leveraged
26.12 or matched per project; (iii) the geographic
26.13 distribution of financed projects; (iv) any
26.14 market expansion associated with upgraded
26.15 infrastructure; (v) the demographics of the
26.16 areas served; (vi) the costs of the program;
26.17 and (vii) the number of grants to
26.18 minority-owned or female-owned businesses;

26.19 (4) \$750,000 the first year and \$1,400,000 the
26.20 second year are for grants to facilitate the
26.21 start-up, modernization, or expansion of meat,
26.22 poultry, egg, and milk processing facilities. A
26.23 grant award under this clause must not exceed
26.24 \$200,000. Any unencumbered balance at the
26.25 end of the second year does not cancel until
26.26 June 30, 2024, and may be used for other
26.27 purposes under this paragraph. The base
26.28 appropriation under this clause is \$250,000 in
26.29 fiscal year 2024 and thereafter; and

26.30 (5) \$1,400,000 the first year and \$1,400,000
26.31 the second year are for livestock investment
26.32 grants under Minnesota Statutes, section
26.33 17.118. Any unencumbered balance at the end
26.34 of the second year does not cancel until June
26.35 30, 2024, and may be used for other purposes

27.1 under this paragraph. The appropriations under
27.2 this clause are onetime.

27.3 Notwithstanding Minnesota Statutes, section
27.4 16A.28, ~~any unencumbered balance does not~~
27.5 ~~cancel at the end of the first year and is~~
27.6 ~~available for the second year, and this~~
27.7 appropriation does not cancel at the end of the
27.8 second year and is available until June 30,
27.9 2029. Appropriations encumbered under
27.10 contract on or before June 30, ~~2023~~ 2029, for
27.11 agricultural growth, research, and innovation
27.12 grants are available until June 30, ~~2026~~ 2032.

27.13 The base amount for the agricultural growth,
27.14 research, and innovation program is
27.15 \$17,553,000 in fiscal year 2024 and
27.16 \$17,553,000 in fiscal year 2025, and includes
27.17 funding for incentive payments under
27.18 Minnesota Statutes, sections 41A.16, 41A.17,
27.19 41A.18, and 41A.20.

27.20 (c) \$15,000 the first year and \$29,000 the
27.21 second year are to maintain the current level
27.22 of service delivery.

27.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

27.24 Sec. 9. Laws 2023, chapter 43, article 1, section 2, subdivision 4, as amended by Laws
27.25 2024, chapter 126, article 1, section 1, is amended to read:

27.26	Subd. 4. Agriculture, Bioenergy, and Bioproduct	34,034,000	38,159,000
27.27	Advancement		

27.28 (a) \$10,702,000 the first year and \$10,702,000
27.29 the second year are for the agriculture
27.30 research, education, extension, and technology
27.31 transfer program under Minnesota Statutes,
27.32 section 41A.14. Except as provided below,
27.33 the appropriation each year is for transfer to
27.34 the agriculture research, education, extension,

28.1 and technology transfer account under
28.2 Minnesota Statutes, section 41A.14,
28.3 subdivision 3, and the commissioner shall
28.4 transfer funds each year to the Board of
28.5 Regents of the University of Minnesota for
28.6 purposes of Minnesota Statutes, section
28.7 41A.14. To the extent practicable, money
28.8 expended under Minnesota Statutes, section
28.9 41A.14, subdivision 1, clauses (1) and (2),
28.10 must supplement and not supplant existing
28.11 sources and levels of funding. The
28.12 commissioner may use up to one percent of
28.13 this appropriation for costs incurred to
28.14 administer the program.

28.15 Of the amount appropriated for the agriculture
28.16 research, education, extension, and technology
28.17 transfer grant program under Minnesota
28.18 Statutes, section 41A.14:

28.19 (1) \$600,000 the first year and \$600,000 the
28.20 second year are for the Minnesota Agricultural
28.21 Experiment Station's agriculture rapid
28.22 response fund under Minnesota Statutes,
28.23 section 41A.14, subdivision 1, clause (2);

28.24 (2) up to \$1,000,000 the first year and up to
28.25 \$1,000,000 the second year are for research
28.26 on avian influenza, salmonella, and other
28.27 turkey-related diseases and disease prevention
28.28 measures;

28.29 (3) \$2,250,000 the first year and \$2,250,000
28.30 the second year are for grants to the Minnesota
28.31 Agricultural Education Leadership Council to
28.32 enhance agricultural education with priority
28.33 given to Farm Business Management
28.34 challenge grants;

29.1 (4) \$450,000 the first year is for the cultivated
29.2 wild rice breeding project at the North Central
29.3 Research and Outreach Center to include a
29.4 tenure track/research associate plant breeder;

29.5 (5) \$350,000 the first year and \$350,000 the
29.6 second year are for potato breeding;

29.7 (6) \$802,000 the first year and \$802,000 the
29.8 second year are to fund the Forever Green
29.9 Initiative and protect the state's natural
29.10 resources while increasing the efficiency,
29.11 profitability, and productivity of Minnesota
29.12 farmers by incorporating perennial and
29.13 winter-annual crops into existing agricultural
29.14 practices. The base for the allocation under
29.15 this clause is \$802,000 in fiscal year 2026 and
29.16 each year thereafter. By February 1 each year,
29.17 the dean of the College of Food, Agricultural
29.18 and Natural Resource Sciences must submit
29.19 a report to the chairs and ranking minority
29.20 members of the legislative committees with
29.21 jurisdiction over agriculture finance and policy
29.22 and higher education detailing uses of the
29.23 funds in this paragraph, including
29.24 administrative costs, and the achievements
29.25 these funds contributed to;

29.26 (7) \$350,000 each year is for farm-scale winter
29.27 greenhouse research and development
29.28 coordinated by University of Minnesota
29.29 Extension Regional Sustainable Development
29.30 Partnerships. The allocation in this clause is
29.31 onetime;

29.32 (8) \$200,000 the second year is for research
29.33 on natural stands of wild rice; and

30.1 (9) \$250,000 the second year is for the
30.2 cultivated wild rice forward selection project
30.3 at the North Central Research and Outreach
30.4 Center, including a tenure track or research
30.5 associate plant scientist.

30.6 (b) The base for the agriculture research,
30.7 education, extension, and technology transfer
30.8 program is \$10,352,000 in fiscal year 2026
30.9 and \$10,352,000 in fiscal year 2027.

30.10 (c) \$23,332,000 the first year is for the
30.11 agricultural growth, research, and innovation
30.12 program under Minnesota Statutes, section
30.13 41A.12. Except as provided below, the
30.14 commissioner may allocate this appropriation
30.15 among the following areas: facilitating the
30.16 start-up, modernization, improvement, or
30.17 expansion of livestock operations, including
30.18 beginning and transitioning livestock
30.19 operations with preference given to robotic
30.20 dairy-milking equipment; assisting
30.21 value-added agricultural businesses to begin
30.22 or expand, to access new markets, or to
30.23 diversify, including aquaponics systems, with
30.24 preference given to hemp fiber processing
30.25 equipment; facilitating the start-up,
30.26 modernization, or expansion of other
30.27 beginning and transitioning farms, including
30.28 by providing loans under Minnesota Statutes,
30.29 section 41B.056; sustainable agriculture
30.30 on-farm research and demonstration; the
30.31 development or expansion of food hubs and
30.32 other alternative community-based food
30.33 distribution systems; enhancing renewable
30.34 energy infrastructure and use; crop research,
30.35 including basic and applied turf seed research;

31.1 Farm Business Management tuition assistance;
31.2 and good agricultural practices and good
31.3 handling practices certification assistance. The
31.4 commissioner may use up to 6.5 percent of
31.5 this appropriation for costs incurred to
31.6 administer the program.

31.7 Of the amount appropriated for the agricultural
31.8 growth, research, and innovation program
31.9 under Minnesota Statutes, section 41A.12:

31.10 (1) \$1,000,000 the first year is for distribution
31.11 in equal amounts to each of the state's county
31.12 fairs to preserve and promote Minnesota
31.13 agriculture;

31.14 (2) \$5,750,000 the first year is for incentive
31.15 payments under Minnesota Statutes, sections
31.16 41A.16, 41A.17, 41A.18, and 41A.20.

31.17 Notwithstanding Minnesota Statutes, section
31.18 16A.28, the first year appropriation is
31.19 available until June 30, 2025. If this
31.20 appropriation exceeds the total amount for
31.21 which all producers are eligible in a fiscal
31.22 year, the balance of the appropriation is
31.23 available for other purposes under this
31.24 paragraph;

31.25 (3) \$3,375,000 the first year is for grants that
31.26 enable retail petroleum dispensers, fuel storage
31.27 tanks, and other equipment to dispense
31.28 biofuels to the public in accordance with the
31.29 biofuel replacement goals established under
31.30 Minnesota Statutes, section 239.7911. A retail
31.31 petroleum dispenser selling petroleum for use
31.32 in spark ignition engines for vehicle model
31.33 years after 2000 is eligible for grant money
31.34 under this clause if the retail petroleum
31.35 dispenser has no more than 10 retail petroleum

32.1 dispensing sites and each site is located in
32.2 Minnesota. The grant money must be used to
32.3 replace or upgrade equipment that does not
32.4 have the ability to be certified for E25. A grant
32.5 award must not exceed 65 percent of the cost
32.6 of the appropriate technology. A grant award
32.7 must not exceed \$200,000 per station. The
32.8 commissioner must cooperate with biofuel
32.9 stakeholders in the implementation of the grant
32.10 program. The commissioner, in cooperation
32.11 with any economic or community development
32.12 financial institution and any other entity with
32.13 which the commissioner contracts, must
32.14 submit a report on the biofuels infrastructure
32.15 financial assistance program by January 15 of
32.16 each year to the chairs and ranking minority
32.17 members of the legislative committees and
32.18 divisions with jurisdiction over agriculture
32.19 policy and finance. The annual report must
32.20 include but not be limited to a summary of the
32.21 following metrics: (i) the number and types
32.22 of projects financed; (ii) the amount of dollars
32.23 leveraged or matched per project; (iii) the
32.24 geographic distribution of financed projects;
32.25 (iv) any market expansion associated with
32.26 upgraded infrastructure; (v) the demographics
32.27 of the areas served; (vi) the costs of the
32.28 program; and (vii) the number of grants to
32.29 minority-owned or female-owned businesses;
32.30 (4) \$1,250,000 the first year is for grants to
32.31 facilitate the start-up, modernization, or
32.32 expansion of meat, poultry, egg, and milk
32.33 processing facilities. A grant award under this
32.34 clause must not exceed \$200,000. Any
32.35 unencumbered balance at the end of the second
32.36 year does not cancel until June 30, 2026, and

33.1 may be used for other purposes under this
33.2 paragraph;

33.3 (5) \$1,150,000 the first year is for providing
33.4 more fruits, vegetables, meat, poultry, grain,
33.5 and dairy for children in school and early
33.6 childhood education settings, including, at the
33.7 commissioner's discretion, providing grants
33.8 to reimburse schools and early childhood
33.9 education and child care providers for
33.10 purchasing equipment and agricultural
33.11 products. Organizations must participate in
33.12 the National School Lunch Program or the
33.13 Child and Adult Care Food Program to be
33.14 eligible. Of the amount appropriated, \$150,000
33.15 is for a statewide coordinator of
33.16 farm-to-institution strategy and programming.
33.17 The coordinator must consult with relevant
33.18 stakeholders and provide technical assistance
33.19 and training for participating farmers and
33.20 eligible grant recipients;

33.21 (6) \$2,000,000 the first year is for urban youth
33.22 agricultural education or urban agriculture
33.23 community development;

33.24 (7) \$1,000,000 the first year is for the good
33.25 food access program under Minnesota
33.26 Statutes, section 17.1017; and

33.27 (8) \$225,000 the first year is to provide grants
33.28 to secondary career and technical education
33.29 programs for the purpose of offering
33.30 instruction in meat cutting and butchery.
33.31 Notwithstanding Minnesota Statutes, section
33.32 16B.98, subdivision 14, the commissioner may
33.33 use up to 6.5 percent of this appropriation for
33.34 administrative costs. This is a onetime

34.1 appropriation. Grants may be used for costs,
34.2 including but not limited to:

34.3 (i) equipment required for a meat cutting
34.4 program;

34.5 (ii) facility renovation to accommodate meat
34.6 cutting; and

34.7 (iii) training faculty to teach the fundamentals
34.8 of meat processing.

34.9 A grant recipient may be awarded a grant of
34.10 up to \$75,000 and may use up to ten percent
34.11 of the grant for faculty training. Priority may
34.12 be given to applicants who are coordinating
34.13 with meat cutting and butchery programs at
34.14 Minnesota State Colleges and Universities
34.15 institutions or with local industry partners.

34.16 By January 15, 2025, the commissioner must
34.17 report to the chairs and ranking minority
34.18 members of the legislative committees with
34.19 jurisdiction over agriculture finance and
34.20 education finance by listing the grants made
34.21 under this paragraph by county and noting the
34.22 number and amount of grant requests not
34.23 fulfilled. The report may include additional
34.24 information as determined by the
34.25 commissioner, including but not limited to
34.26 information regarding the outcomes produced
34.27 by these grants. If additional grants are
34.28 awarded under this paragraph that were not
34.29 covered in the report due by January 15, 2025,
34.30 the commissioner must submit an additional
34.31 report to the chairs and ranking minority
34.32 members of the legislative committees with
34.33 jurisdiction over agriculture finance and

35.1 education finance regarding all grants issued
35.2 under this paragraph by November 1, 2025.

35.3 Notwithstanding Minnesota Statutes, section
35.4 16A.28, any unencumbered balance does not
35.5 cancel at the end of the first year and is
35.6 available for the second year, and
35.7 appropriations encumbered under contract on
35.8 or before June 30, 2025, for agricultural
35.9 growth, research, and innovation grants are
35.10 available until June 30, 2028.

35.11 (d) \$27,457,000 the second year is for the
35.12 agricultural growth, research, and innovation
35.13 program under Minnesota Statutes, section
35.14 41A.12. Except as provided below, the
35.15 commissioner may allocate this appropriation
35.16 among the following areas: facilitating the
35.17 start-up, modernization, improvement, or
35.18 expansion of livestock operations, including
35.19 beginning and transitioning livestock
35.20 operations with preference given to robotic
35.21 dairy-milking equipment; assisting
35.22 value-added agricultural businesses to begin
35.23 or expand, to access new markets, or to
35.24 diversify, including aquaponics systems, with
35.25 preference given to hemp fiber processing
35.26 equipment; facilitating the start-up,
35.27 modernization, or expansion of other
35.28 beginning and transitioning farms, including
35.29 by providing loans under Minnesota Statutes,
35.30 section 41B.056; sustainable agriculture
35.31 on-farm research and demonstration; the
35.32 development or expansion of food hubs and
35.33 other alternative community-based food
35.34 distribution systems; enhancing renewable
35.35 energy infrastructure and use; crop research,

36.1 including basic and applied turf seed research;
36.2 Farm Business Management tuition assistance;
36.3 and good agricultural practices and good
36.4 handling practices certification assistance. The
36.5 commissioner may use up to 6.5 percent of
36.6 this appropriation for costs incurred to
36.7 administer the program.

36.8 Of the amount appropriated for the agricultural
36.9 growth, research, and innovation program
36.10 under Minnesota Statutes, section 41A.12:

36.11 (1) \$1,000,000 the second year is for
36.12 distribution in equal amounts to each of the
36.13 state's county fairs to preserve and promote
36.14 Minnesota agriculture;

36.15 (2) \$5,750,000 the second year is for incentive
36.16 payments under Minnesota Statutes, sections
36.17 41A.16, 41A.17, 41A.18, and 41A.20.

36.18 Notwithstanding Minnesota Statutes, section
36.19 16A.28, this appropriation is available until
36.20 June 30, 2027. If this appropriation exceeds
36.21 the total amount for which all producers are
36.22 eligible in a fiscal year, the balance of the
36.23 appropriation is available for other purposes
36.24 under this paragraph. The base under this
36.25 clause is \$3,000,000 in fiscal year 2026 and
36.26 each year thereafter;

36.27 (3) \$3,375,000 the second year is for grants
36.28 that enable retail petroleum dispensers, fuel
36.29 storage tanks, and other equipment to dispense
36.30 biofuels to the public in accordance with the
36.31 biofuel replacement goals established under
36.32 Minnesota Statutes, section 239.7911. A retail
36.33 petroleum dispenser selling petroleum for use
36.34 in spark ignition engines for vehicle model
36.35 years after 2000 is eligible for grant money

37.1 under this clause if the retail petroleum
37.2 dispenser has no more than ten retail
37.3 petroleum dispensing sites and each site is
37.4 located in Minnesota. The grant money must
37.5 be used to replace or upgrade equipment that
37.6 does not have the ability to be certified for
37.7 E25. A grant award must not exceed 65
37.8 percent of the cost of the appropriate
37.9 technology. A grant award must not exceed
37.10 \$200,000 per station. The commissioner must
37.11 cooperate with biofuel stakeholders in the
37.12 implementation of the grant program. The
37.13 commissioner, in cooperation with any
37.14 economic or community development
37.15 financial institution and any other entity with
37.16 which the commissioner contracts, must
37.17 submit a report on the biofuels infrastructure
37.18 financial assistance program by January 15 of
37.19 each year to the chairs and ranking minority
37.20 members of the legislative committees and
37.21 divisions with jurisdiction over agriculture
37.22 policy and finance. The annual report must
37.23 include but not be limited to a summary of the
37.24 following metrics: (i) the number and types
37.25 of projects financed; (ii) the amount of money
37.26 leveraged or matched per project; (iii) the
37.27 geographic distribution of financed projects;
37.28 (iv) any market expansion associated with
37.29 upgraded infrastructure; (v) the demographics
37.30 of the areas served; (vi) the costs of the
37.31 program; and (vii) the number of grants to
37.32 minority-owned or female-owned businesses.
37.33 The base under this clause is \$3,000,000 for
37.34 fiscal year 2026 and each year thereafter;
37.35 (4) \$1,250,000 the second year is for grants
37.36 to facilitate the start-up, modernization, or

38.1 expansion of meat, poultry, egg, and milk
38.2 processing facilities. A grant award under this
38.3 clause must not exceed \$200,000. Any
38.4 unencumbered balance at the end of the second
38.5 year does not cancel until June 30, 2027, and
38.6 may be used for other purposes under this
38.7 paragraph. The base under this clause is
38.8 \$250,000 in fiscal year 2026 and each year
38.9 thereafter;

38.10 (5) \$1,275,000 the second year is for providing
38.11 more fruits, vegetables, meat, poultry, grain,
38.12 and dairy for children in school and early
38.13 childhood education settings, including, at the
38.14 commissioner's discretion, providing grants
38.15 to reimburse schools and early childhood
38.16 education and child care providers for
38.17 purchasing equipment and agricultural
38.18 products. Organizations must participate in
38.19 the National School Lunch Program or the
38.20 Child and Adult Care Food Program to be
38.21 eligible. Of the amount appropriated, \$150,000
38.22 is for a statewide coordinator of
38.23 farm-to-institution strategy and programming.
38.24 The coordinator must consult with relevant
38.25 stakeholders and provide technical assistance
38.26 and training for participating farmers and
38.27 eligible grant recipients. The base under this
38.28 clause is \$1,294,000 in fiscal year 2026 and
38.29 each year thereafter;

38.30 (6) \$4,000,000 the second year is for Dairy
38.31 Assistance, Investment, Relief Initiative
38.32 (DAIRI) grants and other forms of financial
38.33 assistance to Minnesota dairy farms that enroll
38.34 in coverage under a federal dairy risk
38.35 protection program and produced no more

39.1 than 16,000,000 pounds of milk in 2022. The
39.2 commissioner must make DAIRI payments
39.3 based on the amount of milk produced in
39.4 2022, up to 5,000,000 pounds per participating
39.5 farm, at a rate determined by the commissioner
39.6 within the limits of available funding. Any
39.7 unencumbered balance on June 30, 2026, may
39.8 be used for other purposes under this
39.9 paragraph. The allocation in this clause is
39.10 onetime;

39.11 (7) \$2,000,000 the second year is for urban
39.12 youth agricultural education or urban
39.13 agriculture community development;

39.14 (8) \$1,000,000 the second year is for the good
39.15 food access program under Minnesota
39.16 Statutes, section 17.1017; and

39.17 (9) \$225,000 the second year is for the
39.18 protecting livestock grant program for
39.19 producers to support the installation of
39.20 measures to prevent the transmission of avian
39.21 influenza. For the appropriation in this
39.22 paragraph, a grant applicant must document
39.23 a cost-share of 20 percent. An applicant's
39.24 cost-share amount may be reduced up to
39.25 \$2,000 to cover time and labor costs.

39.26 Notwithstanding Minnesota Statutes, section
39.27 16B.98, subdivision 14, the commissioner may
39.28 use up to 6.5 percent of this appropriation for
39.29 administrative costs. This appropriation is
39.30 available until June 30, 2027. This is a onetime
39.31 appropriation.

39.32 (e) Notwithstanding Minnesota Statutes,
39.33 section 16A.28, ~~this~~ the appropriation in
39.34 paragraph (d) does not cancel at the end of the
39.35 second year and is available until June 30,

40.1 2027. Appropriations encumbered under
40.2 contract on or before June 30, 2027, for
40.3 agricultural growth, research, and innovation
40.4 grants are available until June 30, 2030.

40.5 ~~(e)~~ (f) The base for the agricultural growth,
40.6 research, and innovation program is
40.7 \$17,582,000 in fiscal year 2026 and each year
40.8 thereafter and includes \$200,000 each year for
40.9 cooperative development grants.

40.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

40.11 **ARTICLE 2**
40.12 **BROADBAND**

40.13 Section 1. **BROADBAND DEVELOPMENT APPROPRIATIONS.**

40.14 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
40.15 and for the purposes specified in this article. The appropriations are from the general fund,
40.16 or another named fund, and are available for the fiscal years indicated for each purpose.
40.17 The figures "2026" and "2027" used in this article mean that the appropriations listed under
40.18 them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively.
40.19 "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium"
40.20 is fiscal years 2026 and 2027.

40.21		<u>APPROPRIATIONS</u>			
40.22		<u>Available for the Year</u>			
40.23		<u>Ending June 30</u>			
40.24			<u>2026</u>		<u>2027</u>
40.25	Sec. 2. <u>DEPARTMENT OF EMPLOYMENT</u>				
40.26	<u>AND ECONOMIC DEVELOPMENT</u>	<u>\$</u>	<u>1,001,000</u>	<u>\$</u>	<u>1,001,000</u>
40.27	<u>\$1,001,000 each year is for the Office of</u>				
40.28	<u>Broadband Development.</u>				

ARTICLE 3**POLICY PROVISIONS**

Section 1. Minnesota Statutes 2024, section 17.1017, is amended to read:

17.1017 GOOD FOOD ACCESS RETAIL IMPROVEMENT AND DEVELOPMENT PROGRAM.

Subdivision 1. **Definitions.** (a) For purposes of this section, unless the language or context indicates that a different meaning is intended, the following terms have the meanings given them.

(b) "Account" means the ~~good food access~~ retail improvement and development account established in subdivision 3.

(c) "Commissioner" means the commissioner of agriculture.

(d) "Economic or community development financial institution (ECDFI)" means a lender, including but not limited to a community development financial institution (CDFI), an economic development district (EDD), a political subdivision of the state, a microenterprise firm, or a nonprofit community lending organization that has previous experience lending to a food retailer, producer, or another healthy food enterprise ~~in an underserved community in a low-income or moderate-income area, as defined in this section; has been in existence and operating prior to January 1, 2014;~~ has demonstrated the ability to raise matching capital and in-kind services to leverage appropriated money; has the demonstrated ability to underwrite loans and grants; and has partnered previously with nonprofit healthy food access, public health, or related governmental departments or community organizations.

(e) "Farmers' market" means an association of three or more persons who assemble at a defined location that is open to the public for the purpose of selling directly to the consumer the products of a farm or garden occupied and cultivated by the person selling the product.

(f) "Financing" means loans, including low-interest loans, zero-interest loans, forgivable loans, and other types of financial assistance other than grants.

(g) "Food hub" means a centrally located facility with a business management structure that facilitates the aggregation, storage, processing, distribution, marketing, and sale of locally or regionally produced food products, and which may include a small-scale retail grocery operation.

~~(h) "Good Food Access Program Advisory Committee" means the Good Food Access Program Advisory Committee under section 17.1018.~~

42.1 (h) "Food Retail Improvement and Development Program Advisory Committee" means
42.2 the Food Retail Improvement and Development Program Advisory Committee under section
42.3 17.1018.

42.4 (i) "Grocery store" means a for-profit, not-for-profit, or cooperative self-service retail
42.5 establishment that sells primarily meat, fish, seafood, fruits, vegetables, dry groceries, and
42.6 dairy products and may also sell household products, sundries, and other products. Grocery
42.7 store includes a supermarket or a large-, mid-, or small-scale retail grocery establishment
42.8 and may include a mobile food market or a delivery service operation.

42.9 (j) "Low-income area" means a census tract as reported in the most recently completed
42.10 decennial census published by the United States Bureau of the Census that has a poverty
42.11 rate of at least 20 percent or in which the median family income does not exceed 80 percent
42.12 of the greater of the statewide or metropolitan median family income.

42.13 (k) "Moderate-income area" means a census tract as reported in the most recently
42.14 completed decennial census published by the United States Bureau of the Census in which
42.15 the median family income is between 81 percent and 95 percent of the median family income
42.16 for that area.

42.17 (l) "Mobile food market" means a self-contained for-profit, not-for-profit, or cooperative
42.18 retail grocery operation located in a movable new or renovated truck, bus, or other vehicle
42.19 that is used to store, prepare, display, and sell primarily meat, fish, seafood, fruits, vegetables,
42.20 dry groceries, and dairy products and may also be used to sell a nominal supply of cooking
42.21 utensils and equipment and other household products and sundries.

42.22 (m) "Program" means the ~~good food access~~ retail improvement and development program
42.23 established in this section.

42.24 (n) "Small food retailer" means a small-scale retail food outlet, other than a grocery store
42.25 as defined in this section. Small food retailer includes, but is not limited to, a corner store,
42.26 convenience store, farmers' market, mobile food market, and a retail food outlet operated
42.27 by an emergency food program or food hub.

42.28 (o) "Technical assistance" means needs-based project assistance provided through the
42.29 program, including sustainability-focused individualized guidance, presentations, workshops,
42.30 trainings, printed materials, mentorship opportunities, peer-to-peer opportunities, or other
42.31 guidance and resources on relevant topics such as business planning, sales projections, cash
42.32 flow, succession planning, financing, fundraising, marketing, food preparation
42.33 demonstrations, and workforce training.

(p) "Underserved community" means ~~a census tract that is federally designated as a food desert by the United States Department of Agriculture, or a census tract in a low-income or moderate-income area that includes a substantial subpopulation such as the elderly or the disabled that has low supermarket access, regardless of distance, due to lack of transportation~~ geographic area or group of people whose food access needs are not met by existing retail options, including a low-income and moderate-income area, a census tract that is federally designated as a food desert by the United States Department of Agriculture, an area where there is a limited number of grocery stores, or a group of people with particular needs such as the aging population, people with disabilities, or people with special dietary needs or preferences, or as otherwise defined by the commissioner.

Subd. 2. **Program established.** (a) A ~~good food access~~ retail improvement and development program is established within the Department of Agriculture to increase the availability of and access to affordable, nutritious, and culturally appropriate food, including fresh fruits and vegetables, for underserved communities ~~in low-income and moderate-income areas~~ by providing financial support and sustainable public-private projects to open, renovate, or expand the operations of grocery stores and small food retailers; expanding access to credit and reducing barriers to investment in underserved communities ~~in low- and moderate-income areas~~; and to provide technical assistance, primarily for small food retailers with demonstrated need, to increase availability and sustainable sales of affordable, nutritious, and culturally appropriate food, including fresh fruits and vegetables, to underserved communities in low-income and moderate-income areas. The commissioner, in cooperation with public and private partners, shall establish and implement the program as provided in this section.

(b) The ~~good food access~~ retail improvement and development program shall be comprised of state or private grants, loans, or other types of financial and technical assistance for the establishment, construction, expansion of operations, or renovation of grocery stores and small food retailers to increase the availability of and access to affordable fresh produce and other nutritious, culturally appropriate food to underserved communities ~~in low-income and moderate-income areas~~.

Subd. 3. **Good Food access** retail improvement and development account. A ~~good food access~~ retail improvement and development account is established in the agricultural fund. The account consists of money appropriated by the legislature to the commissioner, as provided by law, and any other money donated, allotted, transferred, or otherwise provided to the account. Money in the account, including interest, is appropriated to the commissioner

for the purposes of this section, and shall be used, to the extent practicable, to leverage other forms of public and private financing or financial assistance for the projects.

Subd. 4. Program administration. (a) The commissioner shall be the administrator of the account for auditing purposes and shall establish program requirements and a competitive process for projects applying for financial and technical assistance.

(b) The commissioner may receive money or other assets from any source, including but not limited to philanthropic foundations and financial investors, for deposit into the account.

(c) Through issuance of requests for proposals, the commissioner may contract with one or more qualified economic or community development financial institutions to manage the financing component of the program and with one or more qualified organizations or public agencies with financial or other program-related expertise to manage the provision of technical assistance to project grantees.

(d) Money in the account at the close of each fiscal year shall remain in the account and shall not cancel. In each biennium, the commissioner shall determine the appropriate proportion of money to be allocated to loans, grants, technical assistance, and any other types of financial assistance.

(e) To encourage public-private, cross-sector collaboration and investment in the account and program and to ensure that the program intent is maintained throughout implementation, the commissioner shall convene and maintain the ~~Good Food Access~~ Retail Improvement and Development Program Advisory Committee.

(f) The commissioner, in cooperation with the ~~Good Food Access~~ Retail Improvement and Development Program Advisory Committee, shall manage the program, establish program criteria, facilitate leveraging of additional public and private investment, and promote the program statewide.

(g) The commissioner, in cooperation with the ~~Good Food Access~~ Retail Improvement and Development Program Advisory Committee, shall establish annual monitoring and accountability mechanisms for all projects receiving financing or other financial or technical assistance through this program.

Subd. 5. Eligible projects. (a) The commissioner, in cooperation with the program partners and advisers, shall establish project eligibility guidelines and application processes to be used to review and select project applicants for financing or other financial or technical

assistance. All projects must ~~be located in~~ serve an underserved community ~~or must serve primarily underserved communities in low-income and moderate-income areas.~~

(b) Projects eligible for financing include, but are not limited to, new construction, renovations, expansions of operations, and infrastructure upgrades of grocery stores and small food retailers to improve the availability of and access to affordable, nutritious food, including fresh fruits and vegetables, and build capacity in areas of greatest need.

(c) Projects eligible for other types of financial assistance such as grants or technical assistance are primarily projects throughout the state, including, but not limited to, feasibility studies, new construction, renovations, expansion of operations, and infrastructure upgrades of small food retailers.

Subd. 6. **Qualifications for receipt of financing and other financial or technical assistance.** (a) An applicant for receipt of financing through an economic or community development financial institution, or an applicant for a grant or other financial ~~or technical~~ assistance, may be a for-profit or not-for-profit entity, including, but not limited to, a sole proprietorship, limited liability company, corporation, cooperative, nonprofit organization, or nonprofit community development organization. Each applicant must:

(1) demonstrate community engagement in and support for the project;

(2) demonstrate the capacity to successfully implement the project;

(3) demonstrate a viable plan for long-term sustainability, including the ability to increase the availability of and access to affordable, nutritious, and culturally appropriate food, including fresh fruits and vegetables, for underserved communities ~~in low-income and moderate-income areas~~; and

(4) demonstrate the ability to repay the debt, to the extent that the financing requires repayment.

(b) Each applicant must also agree to comply with the following conditions for a period of at least five years, except as otherwise specified in this section:

(1) accept Supplemental Nutrition Assistance Program (SNAP) benefits;

(2) allocate at least 30 percent of retail space for the sale of affordable, nutritious, and culturally appropriate foods, including fruits and vegetables, low-fat and nonfat dairy, fortified dairy substitute beverages such as soy-based or nut-based dairy substitute beverages, whole grain-rich staple foods, meats, poultry, fish, seafood, and other proteins, consistent with nutrition standards in national guidelines described in the current United States Department of Agriculture Dietary Guidelines for Americans; and

(3) comply with all data collection and reporting requirements established by the commissioner; ~~and,~~

~~(4) promote the hiring, training, and retention of local or regional residents from low-income and moderate-income areas that reflect area demographics, including communities of color.~~

(c) A selected project that is a small food retailer is not subject to the allocation agreement under paragraph (b), clause (2), and may use financing, grants, or other financial or technical assistance for refrigeration, displays, or onetime capital expenditures for the promotion and sale of perishable foods, including a combination of affordable, nutritious, and culturally appropriate fresh or frozen dairy, dairy substitute products, produce, meats, poultry, and fish, consistent with nutrition standards in national guidelines described in the current United States Department of Agriculture Dietary Guidelines for Americans.

Subd. 7. **Additional selection criteria.** In determining which qualified projects to finance, and in determining which qualified projects to provide with grants or other types of financial or technical assistance, the commissioner, in cooperation with any entities with which the commissioner contracts for those purposes and the ~~Good Food Access~~ Retail Improvement and Development Program Advisory Committee, ~~shall~~ may also consider:

(1) the level of need in the area to be served;

(2) the degree to which the project requires an investment of public support, or technical assistance where applicable, to move forward, build capacity, create community impact, or be competitive;

(3) the likelihood that the project will have positive economic and health impacts on the underserved community, including creation and retention of jobs for local or regional residents ~~from low-income and moderate-income areas~~ that reflect area demographics, including Indigenous communities and communities of color;

(4) the degree to which the project will participate in state and local health department initiatives to educate consumers on nutrition, promote healthy eating and healthy weight, and support locally grown food products through programs such as Minnesota Grown; and

(5) any other criteria that the commissioner, in cooperation with public and private partners, determines to be consistent with the purposes of this chapter.

Subd. 8. **Eligible costs.** Financing for project loans, including low-interest, zero-interest, and forgivable loans, grants, and other financial or technical assistance, may be used to support one or more of the following purposes:

47.1 (1) site acquisition and preparation;

47.2 (2) predevelopment costs, including but not limited to feasibility studies, market studies,
47.3 and appraisals;

47.4 (3) construction and build-out costs;

47.5 (4) equipment and furnishings;

47.6 (5) workforce or retailer training; and

47.7 (6) working capital.

47.8 Subd. 9. **Legislative report.** The commissioner, in cooperation with any economic or
47.9 community development financial institution and any other entity with which it contracts,
47.10 shall submit an annual report on the good food access program by January 15 of each year
47.11 to the chairs and ranking minority members of the house of representatives and senate
47.12 committees and divisions with jurisdiction over agriculture policy and finance. The annual
47.13 report shall include, but not be limited to, a summary of the following metrics:

47.14 (1) the number and types of projects financed;

47.15 (2) the amount of dollars leveraged or matched per project;

47.16 (3) the geographic distribution of financed projects;

47.17 (4) the number and types of technical assistance recipients;

47.18 ~~(5) any market or commodity expansion associated with increased access;~~

47.19 ~~(6)~~ (5) the demographics of the areas served;

47.20 ~~(7)~~ (6) the costs of the program;

47.21 ~~(8)~~ (7) the number of SNAP ~~and WIC~~ dollars spent;

47.22 ~~(9)~~ (8) any increase in retail square footage;

47.23 ~~(10)~~ (9) the number of loans or grants to ~~minority-owned or female-owned businesses~~
47.24 businesses owned by women and Black, Indigenous, or Persons of Color; and

47.25 ~~(11)~~ (10) measurable economic and health outcomes, including, but not limited to,
47.26 increases in sales and consumption of locally sourced and other fresh fruits and vegetables,
47.27 the number of construction and retail jobs retained or created, and any health initiatives
47.28 associated with the program.

48.1 Sec. 2. Minnesota Statutes 2024, section 17.1018, is amended to read:

48.2 **17.1018 GOOD FOOD ACCESS RETAIL IMPROVEMENT AND**
48.3 **DEVELOPMENT PROGRAM ADVISORY COMMITTEE.**

48.4 Subdivision 1. **Definitions.** As used in this section, the following terms have the meanings
48.5 given them:

48.6 (1) "program" means the good food access program under section 17.1017; and

48.7 (2) "commissioner" means the commissioner of agriculture.

48.8 Subd. 2. **Creation.** The ~~Good Food Access~~ Retail Improvement and Development
48.9 Program Advisory Committee consists of the following members, appointed by the
48.10 commissioner of agriculture, unless otherwise specified:

48.11 (1) the commissioners of health; employment and economic development; and ~~human~~
48.12 ~~services~~ children, youth, and families, or their respective designees;

48.13 (2) one person representing the grocery industry;

48.14 (3) two people representing economic or community development, one rural member
48.15 and one urban or suburban member;

48.16 (4) two people representing political subdivisions of the state;

48.17 (5) one person designated by the Council for Minnesotans of African Heritage;

48.18 (6) one person designated by the Minnesota Indian Affairs Council;

48.19 (7) one person designated by the Council on Asian Pacific Minnesotans;

48.20 (8) one person designated by the ~~Chicago-Latino Affairs~~ Council on Latino Affairs;

48.21 (9) one person designated by the Minnesota Farmers Union;

48.22 (10) one person representing public health experts;

48.23 (11) one person representing philanthropic foundations;

48.24 (12) one person representing economic or community development financial institutions;

48.25 (13) one person representing the University of Minnesota Regional Sustainable
48.26 Development Partnerships;

48.27 (14) two people representing organizations engaged in addressing food security, one
48.28 representative from a statewide hunger relief organization and one from a community-based
48.29 organization;

49.1 (15) one person representing immigrant farmer-led organizations;

49.2 (16) one person representing small business technical assistance with experience in food
49.3 retail; and

49.4 (17) up to four additional members with economic development, health equity, financial,
49.5 or other relevant expertise.

49.6 At least half of the members must reside in or their organizations must serve rural
49.7 Minnesota. The commissioner may remove members and fill vacancies as provided in
49.8 section 15.059, subdivision 4.

49.9 Subd. 3. **Duties.** The advisory committee must advise the commissioner of agriculture
49.10 on managing the program, establishing program criteria, establishing project eligibility
49.11 guidelines, establishing application processes and additional selection criteria, establishing
49.12 annual monitoring and accountability mechanisms, facilitating leveraging of additional
49.13 public and private investments, and promoting the program statewide.

49.14 Subd. 4. **Meetings.** The commissioner must convene the advisory committee at least
49.15 two times per year to achieve the committee's duties.

49.16 Subd. 5. **Administrative support.** The commissioner of agriculture must provide staffing,
49.17 meeting space, and administrative services for the advisory committee.

49.18 Subd. 6. **Chair.** The commissioner of agriculture or the commissioner's designee shall
49.19 serve as chair of the committee.

49.20 Subd. 7. **Compensation.** The public members of the advisory committee serve without
49.21 compensation or payment of expenses.

49.22 Subd. 8. **Expiration.** The advisory committee does not expire.

49.23 Sec. 3. Minnesota Statutes 2024, section 17.117, subdivision 1, is amended to read:

49.24 Subdivision 1. **Purpose.** The purpose of the agriculture best management practices loan
49.25 program is to provide low or no interest financing to farmers, agriculture supply businesses,
49.26 ~~rural~~ landowners, and water-quality cooperatives for the implementation of agriculture and
49.27 other best management practices that reduce environmental pollution.

49.28 Sec. 4. Minnesota Statutes 2024, section 17.117, subdivision 3, is amended to read:

49.29 Subd. 3. **Appropriations.** Up to ~~\$140,000,000~~ \$280,000,000 of the balance in the clean
49.30 water revolving fund in section 446A.07, as determined by the Public Facilities Authority,
49.31 is appropriated to the commissioner for the establishment of this program. In addition, the

50.1 commissioner may receive appropriations from the legislature and grants or funds from
50.2 other sources for implementation of the program.

50.3 Sec. 5. Minnesota Statutes 2024, section 17.118, subdivision 1, is amended to read:

50.4 Subdivision 1. **Establishment.** The commissioner may award a livestock investment
50.5 grant to ~~a person~~ an eligible applicant who raises livestock in this state equal to ~~ten percent~~
50.6 ~~of the first \$500,000 of qualifying expenditures, provided the person makes qualifying~~
50.7 ~~expenditures of at least \$4,000~~ 50 percent of the first \$20,000 of qualifying expenditures
50.8 and 25 percent of the next \$220,000 of qualifying expenditures. The commissioner may
50.9 award multiple livestock investment grants to a person over the life of the program and shall
50.10 give preference to applicants who have not previously received a grant under this section.

50.11 Sec. 6. Minnesota Statutes 2024, section 17.118, subdivision 2, is amended to read:

50.12 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this
50.13 subdivision have the meanings given ~~them~~.

50.14 (b) "Livestock" means animals raised for the production of fiber, meat, and animal
50.15 by-products for sale or as breeding stock, including but not limited to beef cattle, dairy
50.16 cattle, swine, poultry, goats, mules, farmed Cervidae, Ratitae, bison, sheep, horses,
50.17 aquaculture, and llamas.

50.18 (c) "Qualifying expenditures" means the amount spent for:

50.19 (1) the acquisition, construction, or improvement of buildings or facilities for the
50.20 production of livestock or livestock products;

50.21 (2) the development of pasture for use by livestock including, but not limited to, the
50.22 acquisition, development, or improvement of:

50.23 (i) lanes used by livestock that connect pastures to a central location;

50.24 (ii) watering systems for livestock on pasture including water lines, booster pumps, and
50.25 well installations;

50.26 (iii) livestock stream crossing stabilization; and

50.27 (iv) fences; or

50.28 (3) the acquisition of equipment for livestock housing, confinement, feeding, and waste
50.29 management including, but not limited to, the following:

50.30 (i) freestall barns;

- 51.1 (ii) watering facilities;
- 51.2 (iii) feed storage and handling equipment;
- 51.3 (iv) milking parlors;
- 51.4 (v) robotic equipment;
- 51.5 (vi) scales;
- 51.6 (vii) milk storage and cooling facilities;
- 51.7 (viii) bulk tanks;
- 51.8 (ix) computer hardware and software and associated equipment used to monitor the
- 51.9 productivity and feeding of livestock;
- 51.10 (x) manure pumping and storage facilities;
- 51.11 (xi) swine farrowing facilities;
- 51.12 (xii) swine and cattle finishing barns;
- 51.13 (xiii) calving facilities;
- 51.14 (xiv) digesters;
- 51.15 (xv) equipment used to produce energy;
- 51.16 (xvi) on-farm processing facilities equipment;
- 51.17 (xvii) fences, including but not limited to farmed Cervidae perimeter fences required
- 51.18 under section 35.155, subdivision 4; and
- 51.19 (xviii) livestock pens and corrals and sorting, restraining, and loading chutes.

51.20 Except for qualifying pasture development expenditures under clause (2), qualifying
51.21 expenditures only include amounts that are allowed to be capitalized and deducted under
51.22 either section 167 or 179 of the Internal Revenue Code in computing federal taxable income.
51.23 Qualifying expenditures do not include an amount paid to refinance existing debt.

51.24 Sec. 7. Minnesota Statutes 2024, section 17.118, subdivision 3, is amended to read:

51.25 Subd. 3. **Eligibility.** To be eligible for a livestock investment grant, ~~a person~~ an applicant
51.26 must:

- 51.27 (1) be a resident of Minnesota, a unit of Tribal government, or an entity specifically
- 51.28 defined in section 500.24, subdivision 2, that is eligible to own farmland and operate a farm
- 51.29 in this state under section 500.24;

52.1 (2) be the principal operator of the farm;

52.2 (3) hold a feedlot registration, if required; and

52.3 (4) apply to the commissioner on forms prescribed by the commissioner including a
52.4 statement of the qualifying expenditures made during the qualifying period along with any
52.5 proof or other documentation the commissioner may require.

52.6 Sec. 8. Minnesota Statutes 2024, section 17.133, subdivision 1, is amended to read:

52.7 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
52.8 the meanings given.

52.9 (b) "Eligible farmer" means an individual who at the time that the grant is awarded:

52.10 (1) is a resident of Minnesota who intends to acquire farmland located within the state
52.11 and provide the majority of the day-to-day physical labor and management of the farm;

52.12 (2) grosses no more than \$250,000 per year from the sale of farm products;

52.13 (3) has not, and whose spouse has not, at any time had a direct or indirect ownership
52.14 interest in farmland; and

52.15 (4) is not, and whose spouse is not, ~~related by blood or marriage to an owner~~ a family
52.16 member of the owner of the farmland that the individual intends to acquire. "Family member"
52.17 has the meaning given in section 267(c)(4) of the Internal Revenue Code.

52.18 (c) "Farm down payment" means an initial, partial payment required by a lender or seller
52.19 to purchase farmland.

52.20 (d) "Incubator farm" means a farm where:

52.21 (1) individuals are given temporary, exclusive, and affordable access to small parcels
52.22 of land, infrastructure, and often training, for the purpose of honing skills and launching a
52.23 farm business; and

52.24 (2) a majority of the individuals farming the small parcels of land grow industrial hemp,
52.25 cannabis, or one or more of the following specialty crops as defined by the United States
52.26 Department of Agriculture for purposes of the specialty crop block grant program: fruits
52.27 and vegetables, tree nuts, dried fruits, medicinal plants, culinary herbs and spices, horticulture
52.28 crops, floriculture crops, and nursery crops.

52.29 (e) "Limited land access" means farming without ownership of land and:

(1) the individual or the individual's child rents or leases the land, with the term of each rental or lease agreement not exceeding three years in duration, from a person who is not related to the individual or the individual's spouse by blood or marriage; or

(2) the individual rents the land from an incubator farm.

(f) "Limited market access" means the individual has gross sales of no more than \$100,000 per year from the sale of farm products.

Sec. 9. Minnesota Statutes 2024, section 17.133, subdivision 2, is amended to read:

Subd. 2. **Grants.** The commissioner may award farm down payment assistance grants of up to ~~\$15,000~~ \$20,000 per eligible farmer. Each award must be matched with at least \$8,000 of other funding. Grants under this subdivision may be awarded by a randomized selection process after applications are collected over a period of no less than 30 calendar days. An eligible farmer must commit to own and farm the land purchased with assistance provided under this section for at least five years. For each year that a grant recipient does not own and farm the land during the five-year period, the grant recipient must pay a penalty to the commissioner equal to 20 percent of the grant amount.

Sec. 10. Minnesota Statutes 2024, section 18.79, subdivision 3, is amended to read:

Subd. 3. **Entry upon land.** To administer and enforce sections 18.76 to 18.91, an inspector or county-designated employee shall contact a landowner through direct communication prior to entering upon the land for a noxious weed inspection. If a landowner cannot be contacted, an inspector or county-designated employee may enter upon land without consent of the owner and without being subject to an action for trespass or any damages. For the purposes of this subdivision, "direct communication" may include contact with the landowner through an in-person visit, phone call, voice mail, text message, mail, or email. A landowner cannot refuse an inspector or county-designated employee having probable cause to conduct an inspection for noxious weeds on their lands. Within five business days of a completed inspection, the inspector or county-designated employee shall provide the landowner with a copy of the inspection report, including further actions if applicable.

Sec. 11. Minnesota Statutes 2024, section 18B.26, subdivision 8, is amended to read:

Subd. 8. **PFAS prohibitions.** (a) Beginning January 1, 2026, the commissioner may not register a ~~cleaning~~ product in the categories listed in section 116.943, subdivision 5, paragraph

54.1 (a), if the product contains intentionally added PFAS unless the commissioner determines
54.2 that the use of PFAS is a currently unavoidable use.

54.3 (b) Beginning January 1, 2032, the commissioner may not register a pesticide product
54.4 that contains intentionally added PFAS unless the commissioner determines that the use of
54.5 PFAS is a currently unavoidable use.

54.6 Sec. 12. Minnesota Statutes 2024, section 18B.37, subdivision 6, is amended to read:

54.7 Subd. 6. **Access to pesticide application information.** (a) A physician ~~licensed to~~
54.8 ~~practice in Minnesota,~~ physician assistant, or nurse practitioner, or a Minnesota licensed
54.9 veterinarian, may submit a request to the commissioner for access to available information
54.10 on the application of pesticides by a commercial or noncommercial pesticide applicator
54.11 related to a course of diagnosis, care, or treatment of a patient under the care of the physician
54.12 or veterinarian. For purposes of this subdivision, the physician, physician assistant, or nurse
54.13 practitioner making the request must be licensed to practice in Minnesota.

54.14 (b) A request for pesticide application information under this subdivision must include
54.15 available details as to the specific location of a known or suspected application that occurred
54.16 on one or more specified dates and times. The request must also include information on
54.17 symptoms displayed by the patient that prompted the physician or veterinarian to suspect
54.18 pesticide exposure. The request must indicate that any information discovered will become
54.19 part of the confidential patient record and will not be released publicly.

54.20 (c) Upon receipt of a request under paragraph (a), the commissioner, in consultation
54.21 with the commissioner of health, shall promptly review the information contained in the
54.22 request and determine if release of information held by the department may be beneficial
54.23 for the medical diagnosis, care, and treatment of the patient.

54.24 (d) The commissioner may release to the requester available information on the pesticide.
54.25 The commissioner shall withhold nonessential information such as total acres treated, the
54.26 specific amount of pesticides applied, and the identity of the applicator or property owner.

54.27 Sec. 13. Minnesota Statutes 2024, section 18C.111, is amended by adding a subdivision
54.28 to read:

54.29 Subd. 6. **Fertilizers and fertilizer by-products.** The commissioner may coordinate the
54.30 protection of public health and the environment from the unreasonable adverse effects of
54.31 fertilizers and fertilizer by-products among state agencies and local governments and may
54.32 assist other state agencies and local governments in providing such protection.

55.1 Sec. 14. Minnesota Statutes 2024, section 25.391, subdivision 1, is amended to read:

55.2 Subdivision 1. **Exemption.** The provisions of this chapter do not apply to ~~an individual~~
55.3 a person who prepares and sells home-processed pet treats for dogs and cats, provided the
55.4 following conditions are met:

55.5 (1) the person is an individual, a sole proprietorship, a single-member limited liability
55.6 company owned by one individual, or a limited liability company owned by two individuals
55.7 residing at the same residence;

55.8 (2) the person does not hold a commercial feed license under section 25.341;

55.9 (3) the individual person is registered with the commissioner under section 28A.152,
55.10 subdivision 4;

55.11 ~~(2)~~ (4) the pet treats are not potentially hazardous food, as defined in Minnesota Rules,
55.12 part 4626.0020, subpart 62, that is safe for human consumption and for consumption by the
55.13 intended species;

55.14 ~~(3)~~ (5) the pet treats are baked or dehydrated;

55.15 ~~(4)~~ (6) the individual person displays at the point of sale a clearly legible sign or placard
55.16 stating, "These products are homemade and not subject to state inspection."; and

55.17 ~~(5)~~ (7) each individual pet treat package is labeled with the following: (i) the name and
55.18 registration number or address of the individual preparing the pet treat; (ii) the date on which
55.19 the pet treat was prepared; (iii) the ingredients listed; and (iv) the statement "These products
55.20 are homemade and not subject to state inspection."

55.21 **EFFECTIVE DATE.** This section is effective August 1, 2027.

55.22 Sec. 15. Minnesota Statutes 2024, section 25.391, subdivision 2, is amended to read:

55.23 Subd. 2. **Direct sales to consumers.** ~~An individual~~ A person qualifying for the exemption
55.24 under subdivision 1 may sell the exempt pet treats to consumers in accordance with section
55.25 28A.152, except that pet treats may also be delivered by mail or commercial delivery.

55.26 **EFFECTIVE DATE.** This section is effective August 1, 2027.

Sec. 16. Minnesota Statutes 2024, section 32D.01, is amended by adding a subdivision to read:

Subd. 12a. **Milk marketer.** "Milk marketer" means any person who collects or procures milk from dairy producers in Minnesota or markets milk on behalf of Minnesota dairy producers. Milk marketer does not include:

(1) a person who only brokers a contract between a milk producer and a milk contractor but does not become a party to the contract, take control of the milk, or accept payment on behalf of the milk producer;

(2) a person who only buys or sells milk on a board of trade or commodity exchange;

(3) a person who collects milk solely from their own farm, for use in their own dairy plant; or

(4) a person who only sells milk direct to the end consumer, from their own farm.

Sec. 17. **[32D.31] MILK MARKETING LICENSE.**

Subdivision 1. **License requirement and eligibility.** A current milk marketing license is required for any milk marketer who procures more than 700,000 pounds of milk annually from Minnesota farms. Before a milk marketing license is issued, the commissioner must determine that the applicant meets the relevant licensing requirements.

Subd. 2. **Application.** An applicant for a milk marketing license must apply on a form provided by the commissioner. An applicant must also submit:

(1) a report of the total milk payroll obligations that the applicant incurred during the applicant's last completed fiscal year. If the applicant has not yet operated as a milk marketer in Minnesota, the applicant shall estimate the total milk payroll obligations that the applicant will incur during the applicant's first complete fiscal year;

(2) a report of any milk payroll obligations to dairy producers that were unpaid during the applicant's last completed fiscal year and the payroll amount; and

(3) the total amount of hundredweights procured, collected, or marketed from Minnesota milk producers during the applicant's last completed fiscal year.

Subd. 3. **Term of license; transferability.** A milk marketing license issued by the commissioner expires on December 31 of each year, must be renewed annually, and is not transferable.

Subd. 4. **Fees and penalties.** (a) The fee for a milk marketing license is:

57.1 (1) \$100 for an initial license; and

57.2 (2) \$250 annually for a license renewal.

57.3 (b) The fee must be paid to the commissioner before the commissioner issues an initial
57.4 or renewal license. If a person has not applied for a milk marketing license renewal before
57.5 January 1, a late fee of \$100 must be imposed. After January 1, 2026, any person who
57.6 requires a milk marketing license and conducts activities subject to licensing within 365
57.7 days prior to obtaining a milk marketing license must pay a penalty of \$250 to receive the
57.8 person's initial license.

57.9 Subd. 5. **License requirements.** An applicant for a milk marketing license must:

57.10 (1) complete monthly procurement payments under section 32D.11, if applicable;

57.11 (2) provide, upon request of the commissioner, a list of dairy producers from whom the
57.12 applicant collects milk;

57.13 (3) provide dairy field service as described in section 32D.02, subdivision 6;

57.14 (4) submit associated farm inspection fees as required under sections 32D.06 and 32D.08;

57.15 (5) provide, upon the request of the commissioner, a financial statement to demonstrate
57.16 that sufficient financial resources are available to satisfy payroll obligations for milk that
57.17 is procured or collected from Minnesota dairy producers; and

57.18 (6) satisfy all contractual payments and agreements made with any Minnesota dairy
57.19 producer that maintains a permit or certification as required under section 32D.05 or 32D.07.
57.20 A person's failure to pay dairy producers in accordance with contracts may result in the
57.21 revocation or suspension of the person's milk marketing license.

57.22 Subd. 6. **Permit requirement.** (a) A person conducting the following activities must
57.23 hold a valid milk marketing permit:

57.24 (1) any activities subject to a milk marketing license; or

57.25 (2) if the person is a Minnesota milk producer, marketing milk on the producer's own
57.26 behalf.

57.27 (b) An applicant must apply for a milk marketing permit on a form provided by the
57.28 commissioner. A milk marketing permit must be issued to an applicant in conjunction with
57.29 the initial license issued and must contain a milk marketing permit number. An applicant
57.30 for a milk marketing permit must not be required to pay a fee to the commissioner when
57.31 applying. A milk marketing permit is valid if the holder of the permit maintains a current

58.1 milk marketing license or continues to market the permit holder's own milk, with no renewals
58.2 required.

58.3 Sec. 18. Minnesota Statutes 2024, section 35.155, subdivision 12, is amended to read:

58.4 Subd. 12. **Importation.** (a) A person must not import live Cervidae into the state from
58.5 a state or province where chronic wasting disease has been detected in the farmed or wild
58.6 cervid population in the last five years unless the animal has tested not detected for chronic
58.7 wasting disease with a validated live-animal test.

58.8 (b) Live Cervidae or Cervidae semen must originate from a herd that has been subject
58.9 to a state-, federal-, or provincial-approved chronic wasting disease herd certification program
58.10 and that has reached a status equivalent to the highest certification.

58.11 (c) Cervidae imported in violation of this section may be seized and destroyed by the
58.12 commissioner of natural resources.

58.13 (d) This subdivision does not apply to the interstate transfer of animals between two
58.14 facilities accredited by the Association of Zoos and Aquariums.

58.15 (e) Notwithstanding this subdivision, the commissioner of natural resources may issue
58.16 a permit allowing the importation of orphaned wild cervid species that are not susceptible
58.17 to chronic wasting disease from another state to an Association of Zoos and Aquariums
58.18 accredited institution in Minnesota following a joint risk-based assessment conducted by
58.19 the commissioner and the institution.

58.20 (f) Notwithstanding this subdivision, the state veterinarian may issue a permit to a zoo
58.21 that is a United States Department of Agriculture licensed exhibitor of regulated animals
58.22 to import live reindeer from another state if the reindeer are part of a herd that is:

58.23 (1) in the United States Department of Agriculture Herd Certification Program; or

58.24 (2) subject to similar equivalent disease surveillance at the discretion of the state
58.25 veterinarian.

58.26 Sec. 19. Minnesota Statutes 2024, section 41A.16, subdivision 7, is amended to read:

58.27 Subd. 7. **Eligibility for participants after April 1, 2023.** (a) A facility eligible for
58.28 payment under this section must source at least 80 percent raw materials from Minnesota.
58.29 If a facility is sited 50 miles or less from the state border, raw materials may be sourced
58.30 from within a 100-mile radius. Raw materials must be from agricultural or forestry sources
58.31 or from solid waste. The facility must be located in Minnesota, must begin production at a

specific location after April 1, 2023, and before June 30, 2025, and must not begin operating above 23,750 MMbtu of quarterly advanced biofuel production before July 1, 2015. Eligible facilities include existing companies and facilities that are adding advanced biofuel production capacity, or retrofitting existing capacity, as well as new companies and facilities. Production of conventional corn ethanol and conventional biodiesel is not eligible. Eligible advanced biofuel facilities must produce at least 23,750 MMbtu of biofuel quarterly.

(b) No payments shall be made for advanced biofuel production that occurs after June 30, 2035, for those eligible biofuel producers under paragraph (a).

(c) An eligible producer of advanced biofuel shall not transfer the producer's eligibility for payments under this section to an advanced biofuel facility at a different location.

(d) A producer that ceases production for any reason is ineligible to receive payments under this section until the producer resumes production.

(e) Renewable chemical production for which payment has been received under section 41A.17, and biomass thermal production for which payment has been received under section 41A.18, are not eligible for payment under this section.

(f) Biobutanol is eligible under this section.

Sec. 20. Minnesota Statutes 2024, section 41B.039, subdivision 2, is amended to read:

Subd. 2. **State participation.** The state may participate in a new real estate loan with an eligible lender to a beginning farmer to the extent of 45 percent of the principal amount of the loan ~~or. Individual loans must be no less than \$20,000 and no more than \$500,000; whichever is less.~~ The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the lender's retained portion of the loan.

Sec. 21. Minnesota Statutes 2024, section 41B.0391, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Agricultural assets" means agricultural land, livestock, facilities, buildings, and machinery used for farming in Minnesota.

(c) "Beginning farmer" means an individual who:

(1) is a resident of Minnesota;

(2) is seeking entry, or has entered within the last ten years, into farming;

60.1 (3) intends to farm land located within the state borders of Minnesota;

60.2 (4) except as provided in subdivision 2, paragraph (f), is not and whose spouse is not a
60.3 family member of the owner of the agricultural assets from whom the beginning farmer is
60.4 seeking to purchase or rent agricultural assets;

60.5 (5) except as provided in subdivision 2, paragraph (f), is not and whose spouse is not a
60.6 family member of a partner, member, shareholder, or trustee of the owner of agricultural
60.7 assets from whom the beginning farmer is seeking to purchase or rent agricultural assets;
60.8 and

60.9 (6) meets the following eligibility requirements as determined by the authority:

60.10 (i) has a net worth that does not exceed the limit provided under section 41B.03,
60.11 subdivision 3, paragraph (a), clause (2);

60.12 (ii) provides the majority of the day-to-day physical labor and management of the farm;

60.13 (iii) has, by the judgment of the authority, adequate farming experience or demonstrates
60.14 knowledge in the type of farming for which the beginning farmer seeks assistance from the
60.15 authority;

60.16 (iv) demonstrates to the authority a profit potential by submitting projected earnings
60.17 statements;

60.18 (v) asserts to the satisfaction of the authority that farming will be a significant source
60.19 of income for the beginning farmer;

60.20 (vi) is enrolled in or has completed within ten years of their first year of farming a
60.21 financial management program approved by the authority or the commissioner of agriculture;

60.22 (vii) agrees to notify the authority if the beginning farmer no longer meets the eligibility
60.23 requirements within the three-year certification period, in which case the beginning farmer
60.24 is no longer eligible for credits under this section; and

60.25 (viii) has other qualifications as specified by the authority.

60.26 The authority may waive the requirement in item (vi) if the participant requests a waiver
60.27 and has a four-year degree in an agricultural program or related field, reasonable agricultural
60.28 job-related experience, or certification as an adult farm management instructor.

60.29 ~~(d) "Emerging farmer" means an emerging farmer within the meaning of section 17.055,~~
60.30 ~~subdivision 1.~~

61.1 ~~(e)~~ (d) "Family member" means a family member within the meaning of the Internal
61.2 Revenue Code, section 267(c)(4).

61.3 ~~(f)~~ (e) "Farm product" means plants and animals useful to humans and includes, but is
61.4 not limited to, forage and sod crops, oilseeds, grain and feed crops, dairy and dairy products,
61.5 poultry and poultry products, livestock, fruits, and vegetables.

61.6 ~~(g)~~ (f) "Farming" means the active use, management, and operation of real and personal
61.7 property for the production of a farm product.

61.8 (g) "Limited land access farmer" means a farmer experiencing limited land access as
61.9 defined in section 17.133, subdivision 1.

61.10 (h) "Owner of agricultural assets" means an individual, trust, or pass-through entity that
61.11 is the owner in fee of agricultural land or has legal title to any other agricultural asset. Owner
61.12 of agricultural assets does not mean an equipment dealer, livestock dealer defined in section
61.13 17A.03, subdivision 7, or comparable entity that is engaged in the business of selling
61.14 agricultural assets for profit and that is not engaged in farming as its primary business
61.15 activity. An owner of agricultural assets approved and certified by the authority under
61.16 subdivision 4 must notify the authority if the owner no longer meets the definition in this
61.17 paragraph within the three year certification period and is then no longer eligible for credits
61.18 under this section.

61.19 (i) "Resident" has the meaning given in section 290.01, subdivision 7.

61.20 (j) "Share rent agreement" means a rental agreement in which the principal consideration
61.21 given to the owner of agricultural assets is a predetermined portion of the production of
61.22 farm products produced from the rented agricultural assets and which provides for sharing
61.23 production costs or risk of loss, or both.

61.24 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
61.25 31, 2024.

61.26 Sec. 22. Minnesota Statutes 2024, section 41B.0391, subdivision 2, is amended to read:

61.27 Subd. 2. **Tax credit for owners of agricultural assets.** (a) An owner of agricultural
61.28 assets may take a credit against the tax due under chapter 290 for the sale or rental of
61.29 agricultural assets to a beginning farmer in the amount allocated by the authority under
61.30 subdivision 4. An owner of agricultural assets is eligible for allocation of a credit equal to:

61.31 (1) eight percent of the lesser of the sale price or the fair market value of the agricultural
61.32 asset, up to a maximum of \$50,000;

62.1 (2) ten percent of the gross rental income in each of the first, second, and third years of
62.2 a rental agreement, up to a maximum of \$7,000 per year; or

62.3 (3) 15 percent of the cash equivalent of the gross rental income in each of the first,
62.4 second, and third years of a share rent agreement, up to a maximum of \$10,000 per year.

62.5 (b) A qualifying rental agreement includes cash rent of agricultural assets or a share rent
62.6 agreement. The agricultural asset must be rented at prevailing community rates as determined
62.7 by the authority.

62.8 (c) The credit may be claimed only after approval and certification by the authority, and
62.9 is limited to the amount stated on the certificate issued under subdivision 4. An owner of
62.10 agricultural assets must apply to the authority for certification and allocation of a credit, in
62.11 a form and manner prescribed by the authority.

62.12 (d) An owner of agricultural assets or beginning farmer may terminate a rental agreement,
62.13 including a share rent agreement, for reasonable cause upon approval of the authority. If a
62.14 rental agreement is terminated without the fault of the owner of agricultural assets, the tax
62.15 credits shall not be retroactively disallowed. In determining reasonable cause, the authority
62.16 must look at which party was at fault in the termination of the agreement. If the authority
62.17 determines the owner of agricultural assets did not have reasonable cause, the owner of
62.18 agricultural assets must repay all credits received as a result of the rental agreement to the
62.19 commissioner of revenue. The repayment is additional income tax for the taxable year in
62.20 which the authority makes its decision or when a final adjudication under subdivision 5,
62.21 paragraph (a), is made, whichever is later.

62.22 (e) The credit is limited to the liability for tax as computed under chapter 290 for the
62.23 taxable year. If the amount of the credit determined under this section for any taxable year
62.24 exceeds this limitation, the excess is a beginning farmer incentive credit carryover according
62.25 to section 290.06, subdivision 37.

62.26 (f) For purposes of the credit for the sale of agricultural land only, the family member
62.27 definitional exclusions in subdivision 1, paragraph (c), clauses (4) and (5), do not apply.
62.28 For a sale to a family member to qualify for the credit, the sales price of the agricultural
62.29 land must equal or exceed the assessed value of the land as of the date of the sale. For
62.30 purposes of this paragraph, "sale to a family member" means a sale to a beginning farmer
62.31 in which the beginning farmer or the beginning farmer's spouse is a family member of:

62.32 (1) the owner of the agricultural land; or

62.33 (2) a partner, member, shareholder, or trustee of the owner of the agricultural land.

(g) For a sale to ~~an emerging~~ a limited land access farmer, the credit rate under paragraph (a), clause (1), is twelve percent rather than eight percent.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2024.

Sec. 23. Minnesota Statutes 2024, section 41B.0391, subdivision 4, is amended to read:

Subd. 4. **Authority duties.** (a) The authority shall:

(1) approve and certify or recertify beginning farmers as eligible for the program under this section;

(2) approve and certify or recertify owners of agricultural assets as eligible for the tax credit under subdivision 2 subject to the allocation limits in paragraph (c);

(3) provide necessary and reasonable assistance and support to beginning farmers for qualification and participation in financial management programs approved by the authority;

(4) refer beginning farmers to agencies and organizations that may provide additional pertinent information and assistance; and

(5) notwithstanding section 41B.211, the Rural Finance Authority must share information with the commissioner of revenue to the extent necessary to administer provisions under this subdivision and section 290.06, subdivisions 37 and 38. The Rural Finance Authority must annually notify the commissioner of revenue of approval and certification or recertification of beginning farmers and owners of agricultural assets under this section. For credits under subdivision 2, the notification must include the amount of credit approved by the authority and stated on the credit certificate.

(b) The certification of a beginning farmer or an owner of agricultural assets under this section is valid for the year of the certification and the two following years, after which time the beginning farmer or owner of agricultural assets must apply to the authority for recertification.

(c) For credits for owners of agricultural assets allowed under subdivision 2, the authority must not allocate more than \$6,500,000 for taxable years beginning after December 31, 2022, and before January 1, 2024, and \$4,000,000 for taxable years beginning after December 31, 2023. The authority must allocate credits on a first-come, first-served basis beginning on January 1 of each year, except that recertifications for the second and third years of credits under subdivision 2, paragraph (a), clauses (1) and (2), have first priority. Any amount authorized but not allocated for taxable years ending before January 1, 2023, is

64.1 canceled and is not allocated for future taxable years. For taxable years beginning after
64.2 December 31, 2022, any amount authorized but not allocated in any taxable year does not
64.3 cancel and is added to the allocation for the next taxable year. For each taxable year, 50
64.4 percent of newly allocated credits must be allocated to ~~emerging~~ limited land access farmers.
64.5 Any portion of a taxable year's newly allocated credits that is reserved for ~~emerging~~ limited
64.6 land access farmers that is not allocated by September 30 of the taxable year is available
64.7 for allocation to other credit allocations beginning on October 1.

64.8 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
64.9 31, 2024.

64.10 Sec. 24. Minnesota Statutes 2024, section 41B.0391, is amended by adding a subdivision
64.11 to read:

64.12 Subd. 6a. **Report to legislature.** (a) No later than February 1 each year the Rural Finance
64.13 Authority, in consultation with the commissioner of revenue, must provide a report to the
64.14 chairs and ranking minority members of the legislative committees having jurisdiction over
64.15 agriculture, economic development, rural development, and taxes, in compliance with
64.16 sections 3.195 and 3.197, on the beginning farmer tax credits under this section.

64.17 (b) The report must include background information on beginning farmers in Minnesota
64.18 and any other information the commissioner and authority find relevant to evaluating the
64.19 effect of the credits on increasing opportunities for and the number of beginning farmers.

64.20 (c) For credits issued under subdivision 2, paragraph (a), clauses (1) to (3), the report
64.21 must include:

64.22 (1) the number and amount of credits issued under each clause;

64.23 (2) the geographic distribution of credits issued under each clause;

64.24 (3) the type of agricultural assets for which credits were issued under clause (1);

64.25 (4) the number and geographic distribution of beginning farmers whose purchase or
64.26 rental of assets resulted in credits for the seller or owner of the asset;

64.27 (5) the number and amount of credits disallowed under subdivision 2, paragraph (d);

64.28 (6) data on the number of beginning farmers by geographic region, including:

64.29 (i) the number of beginning farmers by race and ethnicity, as those terms are applied in
64.30 the 2020 United States Census; and

65.1 (ii) to the extent available, the number of beginning farmers who are limited land access
65.2 farmers; and

65.3 (7) the number and amount of credit applications that exceeded the allocation available
65.4 in each year.

65.5 (d) For credits issued under subdivision 3, the report must include:

65.6 (1) the number and amount of credits issued;

65.7 (2) the geographic distribution of credits;

65.8 (3) a listing and description of each approved financial management program for which
65.9 credits were issued; and

65.10 (4) a description of the approval procedure for financial management programs not on
65.11 the list maintained by the authority, as provided in subdivision 3, paragraph (a).

65.12 **EFFECTIVE DATE.** This section is effective for reports due for credits issued for
65.13 taxable years beginning after December 31, 2025.

65.14 Sec. 25. Minnesota Statutes 2024, section 41B.04, subdivision 8, is amended to read:

65.15 Subd. 8. **State participation.** With respect to loans that are eligible for restructuring
65.16 under sections 41B.01 to 41B.23 and upon acceptance by the authority, the authority shall
65.17 enter into a participation agreement or other financial arrangement whereby it shall participate
65.18 in a restructured loan to the extent of 45 percent of the primary principal ~~or~~. Individual loans
65.19 must be no less than \$20,000 and no more than \$625,000, whichever is less. The authority's
65.20 portion of the loan must be protected during the authority's participation by the first mortgage
65.21 held by the eligible lender to the extent of its participation in the loan.

65.22 Sec. 26. Minnesota Statutes 2024, section 41B.042, subdivision 4, is amended to read:

65.23 Subd. 4. **Participation limit; interest.** The authority may participate in new
65.24 seller-sponsored loans to the extent of 45 percent of the principal amount of the loan ~~or~~.
65.25 Individual loans must be no less than \$20,000 and no more than \$500,000, whichever is
65.26 less. The interest rates and repayment terms of the authority's participation interest may be
65.27 different than the interest rates and repayment terms of the seller's retained portion of the
65.28 loan.

Sec. 27. Minnesota Statutes 2024, section 41B.043, subdivision 1b, is amended to read:

Subd. 1b. **Loan participation.** The authority may participate in an agricultural improvement loan with an eligible lender to a farmer who meets the requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who is actively engaged in farming. Participation is limited to 45 percent of the principal amount of the loan ~~or. Individual loans must be no less than \$20,000 and no more than \$500,000, whichever is less.~~ The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the lender's retained portion of the loan.

Sec. 28. Minnesota Statutes 2024, section 41B.045, subdivision 2, is amended to read:

Subd. 2. **Loan participation.** The authority may participate in a livestock expansion and modernization loan with an eligible lender to a livestock farmer who meets the requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who are actively engaged in a livestock operation. A prospective borrower must have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than \$1,700,000 in 2017 and an amount in subsequent years which is adjusted for inflation by multiplying that amount by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index.

Participation is limited to 45 percent of the principal amount of the loan ~~or. Individual loans must be no less than \$20,000 and no more than \$625,000, whichever is less.~~ The interest rates and repayment terms of the authority's participation interest may be different from the interest rates and repayment terms of the lender's retained portion of the loan.

Sec. 29. Minnesota Statutes 2024, section 41B.047, subdivision 3, is amended to read:

Subd. 3. **Eligibility.** To be eligible for this program, a borrower must:

(1) meet the requirements of section 41B.03, subdivision 1;

(2) certify that the damage or loss was: (i) sustained within a county that was the subject of a state or federal disaster declaration; (ii) due to the confirmed presence of a highly contagious animal disease in Minnesota; (iii) due to an infectious human disease for which the governor has declared a peacetime emergency; or (iv) due to an emergency as determined by the authority;

(3) demonstrate an ability to repay the loan; ~~and~~

(4) have received at least 25 percent of annual gross income from farming in the past year; and

67.1 (5) have a total net worth, including assets and liabilities of the borrower's spouse and
67.2 dependents, of less than \$10,000,000.

67.3 Sec. 30. Minnesota Statutes 2024, section 41B.056, subdivision 1, is amended to read:

67.4 Subdivision 1. **Establishment.** The authority shall establish and implement ~~a pilot~~ an
67.5 agricultural microloan program to help finance the purchase of agricultural land or the
67.6 production of specialty crops or eligible livestock. The authority may contract with an
67.7 intermediary to provide an efficient delivery system for this program.

67.8 Sec. 31. Minnesota Statutes 2024, section 41B.057, subdivision 1, is amended to read:

67.9 Subdivision 1. **Establishment.** The authority shall establish a farm opportunity loan
67.10 program to provide loans that enable farmers to:

67.11 (1) add value to crops or livestock produced in Minnesota; or

67.12 ~~(2) adopt best management practices that emphasize sufficiency and self-sufficiency;~~

67.13 ~~(3) reduce or improve management of agricultural inputs resulting in environmental~~
67.14 ~~improvements; or~~

67.15 ~~(4)~~ (2) increase production of on-farm energy.

67.16 Sec. 32. Minnesota Statutes 2024, section 41B.057, subdivision 3, is amended to read:

67.17 Subd. 3. **Loan participation.** The authority may participate in a farm opportunity loan
67.18 with an eligible lender, as defined in section 41B.02, subdivision 8, to a farmer or a group
67.19 of farmers on joint projects who are eligible under subdivision 2, paragraph (c), and who
67.20 are actively engaged in farming. Participation is limited to 45 percent of the principal amount
67.21 of the loan or \$100,000 per individual, whichever is less. For loans to a group made up of
67.22 four or more individuals, participation is limited to 45 percent of the principal amount of
67.23 the loan or \$250,000, whichever is less. The interest rate on the loans must not exceed six
67.24 percent. A borrower must have a total net worth, including assets and liabilities of the
67.25 borrower's spouse and dependents, of less than \$1,700,000 in 2017 and an amount in
67.26 subsequent years that is adjusted for inflation by multiplying that amount by the cumulative
67.27 inflation rate as determined by the United States All-Items Consumer Price Index.

67.28 Sec. 33. Minnesota Statutes 2024, section 223.17, subdivision 3, is amended to read:

67.29 Subd. 3. **Grain buyers and storage account; fees.** (a) The commissioner shall set the
67.30 ~~fees for inspections under sections 223.15 to 223.22~~ examination fees at levels necessary

to pay the expenses of administering and enforcing sections 223.15 to 223.22. The fee for any license issued or renewed after June 30, 2005, shall be set according to the following schedule: 2025, is \$500 for each licensed location.

~~(1) \$140 plus \$110 for each additional location for grain buyers whose gross annual purchases are less than \$100,000;~~

~~(2) \$275 plus \$110 for each additional location for grain buyers whose gross annual purchases are at least \$100,000, but not more than \$750,000;~~

~~(3) \$415 plus \$220 for each additional location for grain buyers whose gross annual purchases are more than \$750,000 but not more than \$1,500,000;~~

~~(4) \$550 plus \$220 for each additional location for grain buyers whose gross annual purchases are more than \$1,500,000 but not more than \$3,000,000; and~~

~~(5) \$700 plus \$220 for each additional location for grain buyers whose gross annual purchases are more than \$3,000,000.~~

(b) In addition to the license fee required under paragraph (a), a grain buyer must pay to the commissioner an annual examination fee for each licensed location, as follows:

Bushel Capacity	Examination Fee
Examinations without a grain measure	\$ 100
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

(1) examination fees must be calculated based on bushel capacity of each licensed location with a charge of \$0.0035 per bushel of capacity;

(2) examination fees must not be less than \$350 and must not exceed \$4,000; and

(3) a licensed location with no grain bin capacity must be charged a \$200 examination fee.

69.1 (c) Examination fees for each licensed location must not increase more than 150 percent
69.2 above the examination fee for the licensed location in the previous year.

69.3 ~~(e)~~ (d) The fee for any supplemental examination required by the commissioner under
69.4 section 223.23 is ~~\$55~~ \$110 per hour per examiner.

69.5 ~~(d)~~ (e) A licensed grain buyer meeting the annual examination requirements under section
69.6 223.23 is exempt from the fees under paragraph (b) if the annual examination is conducted
69.7 by the Agricultural Marketing Service of the United State Department of Agriculture.

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

69.10 ~~(f)~~ (g) There is created the grain buyers and storage account in the agricultural fund.
69.11 Money collected pursuant to sections 223.15 to 223.23 shall be paid into the state treasury
69.12 and credited to the grain buyers and storage account. Money in the account, including
69.13 interest, is appropriated to the commissioner for the administration and enforcement of
69.14 sections 223.15 to 223.23.

69.15 **EFFECTIVE DATE.** This section is effective July 1, 2025.

69.16 Sec. 34. Minnesota Statutes 2024, section 232.22, subdivision 3, is amended to read:

69.17 Subd. 3. **Fees; grain buyers and storage account.** (a) There is created in the agricultural
69.18 fund an account known as the grain buyers and storage account. The commissioner shall
69.19 set the fees for examinations, certifications, and licenses under sections 232.20 to 232.24
69.20 at levels necessary to pay the costs of administering and enforcing sections 232.20 to 232.24,
69.21 except that fees must not increase more than 150 percent above the fees charged in the
69.22 previous year. All money collected pursuant to sections 232.20 to 232.24 shall be paid by
69.23 the commissioner into the state treasury and credited to the grain buyers and storage account.
69.24 Money in the account, including interest, is appropriated to the commissioner for the
69.25 administration and enforcement of sections 232.20 to 232.24.

69.26 (b) All money collected pursuant to chapter 231 shall be paid by the commissioner into
69.27 the grain buyers and storage account. Money in the account is appropriated to the
69.28 commissioner for the administration and enforcement of chapter 231.

69.29 (c) The fees for a license to store grain are as follows:

69.30 (1) for a license to store grain, ~~\$110~~ \$300 for each home rule charter or statutory city or
69.31 town in which a public grain warehouse is operated; and

~~(2) in addition to the license fee required under clause (1), a person with a license to store grain in a public grain warehouse is subject to an examination fee for each licensed location, as follows:~~

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

~~(3)~~ (2) the fee for supplemental examinations required by the commissioner under section 232.24 is ~~\$55~~ \$110 per hour per examiner.

(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.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 35. **LOCAL FOOD PURCHASING ASSISTANCE GRANT PROGRAM.**

(a) The commissioner of agriculture may award grants to eligible applicants to purchase and distribute food at no cost to Minnesotans experiencing food insecurity. When awarding grants, the commissioner of agriculture must give preference to applicants that:

(1) source 100 percent of food from Minnesota;

(2) source at least 70 percent of food from farmers who are experiencing limited land access or limited market access as defined in Minnesota Statutes, section 17.133, subdivision 1; and

(3) demonstrate strong connections to individuals whose needs are not met through the traditional emergency food system.

(b) Eligible applicants include but are not limited to individuals, nonprofit organizations, for-profit businesses, Tribal governments, government entities, agricultural cooperatives, economic development organizations, and educational institutions.

71.1 (c) Grantees may use up to 15 percent of each grant awarded under this section for
71.2 administrative and transportation expenses.

71.3 (d) By January 15 each year, the commissioner must report to the chairs and ranking
71.4 minority members of the legislative committees with jurisdiction over agriculture regarding:

71.5 (1) the amount awarded to each grantee;

71.6 (2) the amount of each grant award that has been disbursed to each grantee;

71.7 (3) a description of the purposes for which the grantee was issued a grant;

71.8 (4) an analysis of the grant recipients' success in meeting the purpose of the grant and
71.9 any goals or measurable outcomes specified in the grant agreement;

71.10 (5) information about the amount and type of food distributed by the grantee; and

71.11 (6) the amount of the grant used by each grantee for administrative costs.

71.12 As a condition of receiving a grant, a grantee must agree to provide the commissioner any
71.13 information necessary to complete the report required by this paragraph.

71.14 Sec. 36. **CAT DECLAWING RECOMMENDATIONS.**

71.15 By February 1, 2026, the Board of Veterinary Medicine shall consult with veterinarians
71.16 and submit recommendations on the prohibition of cat declawing to the chairs and ranking
71.17 minority members of the legislative committees with jurisdiction over companion animals
71.18 and animal cruelty.

71.19 Sec. 37. **MATERIALS ON HIGHLY PATHOGENIC AVIAN INFLUENZA.**

71.20 By March 1, 2026, the Board of Animal Health shall prepare information and materials
71.21 about highly pathogenic avian influenza and preventing its spread in companion animals.

71.22 Sec. 38. **BIOFERTILIZER INNOVATION AND EFFICIENCY PILOT PROGRAM.**

71.23 Subdivision 1. **Program established.** In consultation with the University of Minnesota,
71.24 the commissioner of agriculture must develop and administer a biofertilizer water protection
71.25 program to address water quality by incentivizing Minnesota farmers to improve nitrogen
71.26 management and incorporate innovative technologies into the farmers' crop nutrient
71.27 management plans. The commissioner must determine which products qualify for the
71.28 program, including soil amendments, fertilizers with nitrogen-fixing properties, biological
71.29 sources of nitrogen, and other biofertilizers.

Subd. 2. **Payments to qualified farmers.** In consultation with farmers and the fertilizer industry, the commissioner of agriculture must establish a per-acre payment rate for payments provided to a qualifying farmer. The commissioner may provide an annual per-acre incentive payment to a qualifying farmer who verifies through documentation that the farmer has reduced commercial nitrogen fertilizer rates by using a qualifying product in the farmer's crop nutrient management plans by the lesser of:

(1) 15 percent; or

(2) 30 pounds per acre.

Subd. 3. **Qualifications.** To qualify for the biofertilizer water preservation program, a farmer must:

(1) be a Minnesota resident operating farmland located in the counties of Becker, Benton, Carver, Cass, Crow Wing, Dakota, Dodge, Douglas, Fillmore, Goodhue, Houston, Hubbard, Kandiyohi, Lincoln, Morrison, Mower, Murray, Nicollet, Nobles, Olmsted, Otter Tail, Pipestone, Pope, Rock, Scott, Sherburne, Stearns, Swift, Todd, Wabasha, Wadena, or Winona;

(2) submit documentation to the commissioner of agriculture, including but not limited to a crop nutrient management plan or verifiable records that show reduction in the use of nitrogen at the reduction rate required under subdivision 2 by using a qualifying product determined by the commissioner of agriculture under subdivision 1; and

(3) enroll a minimum of 40 eligible acres.

Subd. 4. **Report required.** By January 1, 2028, the commissioner of agriculture must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture policy and finance on the pilot program under this section. The report must include information about the grant awards, nitrogen application rates, technologies and products capable of reducing nitrogen application rates, and environmental outcomes.

Sec. 39. **REPEALER.**

(a) Minnesota Statutes 2024, section 239.77, subdivision 5, is repealed.

(b) Minnesota Statutes 2024, sections 35.68; and 35.830, are repealed.

Sec. 40. **EFFECTIVE DATE.**

Except as otherwise provided, this article is effective August 1, 2025.

ARTICLE 4

LIVESTOCK MARKET AGENCY AND DEALER LICENSING PROVISIONS

Section 1. Minnesota Statutes 2024, section 17A.03, subdivision 8, is amended to read:

Subd. 8. **Livestock dealer agent.** "Livestock dealer agent" means any individual who is engaged by a livestock dealer to act as the dealer's representative.

Sec. 2. Minnesota Statutes 2024, section 17A.03, subdivision 10, is amended to read:

Subd. 10. **Meat packing plants companies, packers, and slaughtering houses.** "Meat packing plants companies," "packers," and "slaughtering houses" ~~means~~ mean places of business ~~where livestock purchased or acquired is slaughtered~~ that have the meaning given to "packers" as defined in section 31B.02, subdivision 8.

Sec. 3. Minnesota Statutes 2024, section 17A.03, subdivision 11, is amended to read:

Subd. 11. **Buying station.** "Buying station" means any stockyard or concentration point, other than a public stockyard, at which livestock is bought and sold or assembled for shipment to a meat packing plant company or a public stockyard, or graded or weighed for the purpose of establishing a basis for sale or reshipment.

Sec. 4. Minnesota Statutes 2024, section 17A.03, is amended by adding a subdivision to read:

Subd. 16. **Meat packing company agent.** "Meat packing company agent" means an individual who is engaged by a meat packing company to act as the company's representative.

Sec. 5. Minnesota Statutes 2024, section 17A.04, subdivision 1, is amended to read:

Subdivision 1. **Licensing provisions.** (a) Licenses shall be issued to livestock market agencies and public stockyards annually and shall expire on December 31 each year, renewable annually thereafter. A separate license must be obtained for each separate geographical location even though operated under the same management or same person, partnership, firm, corporation, or livestock market. The license issued to a livestock market agency ~~and~~ or public stockyard shall be conspicuously posted at the licensee's place of business.

(b) Licenses shall be required for livestock dealers ~~and their agents,~~ livestock dealer agents, meat packing companies, and meat packing company agents for the period beginning July 1 each year and ending June 30. A license issued under this subdivision is renewable

74.1 annually thereafter. The license issued to a livestock dealer ~~or the agent of a~~₂ livestock dealer
 74.2 agent, meat packing company, or meat packing company agent shall be carried by the person
 74.3 ~~so who is~~ licensed. ~~The~~ A livestock dealer or meat packing company shall be responsible
 74.4 for the acts of the ~~dealer's agents~~ livestock dealer agent or meat packing company agent.
 74.5 Licensed livestock market agencies, public stockyards, and livestock dealers shall be
 74.6 responsible for the faithful performance of duty of the public livestock weighers at their
 74.7 places of business. The license issued to a livestock market agency, public stockyard ~~or~~₂
 74.8 meat packing company, meat packing company agent, livestock dealer, or agent of a livestock
 74.9 dealer agent is not transferable. The operation of livestock market agencies, livestock dealers,
 74.10 agents₂ and ~~packers~~ meat packing companies at a public stockyard are exempt from sections
 74.11 17A.01 to 17A.09 and 17A.12 to 17A.17.

74.12 Sec. 6. Minnesota Statutes 2024, section 17A.04, subdivision 2, is amended to read:

74.13 Subd. 2. **Application.** Any person desiring to carry on the business of a livestock market
 74.14 agency or livestock dealer, or both, or a public stockyard, livestock dealer agent, meat
 74.15 packing company, or meat packing company agent shall make application to the
 74.16 commissioner on a form or forms provided by the commissioner.

74.17 Sec. 7. Minnesota Statutes 2024, section 17A.04, subdivision 4, is amended to read:

74.18 Subd. 4. **Surety bonds required.** Each livestock market agency and livestock dealer
 74.19 applying for a license ~~under Laws 1974, chapter 347~~ shall file with the commissioner a
 74.20 valid and effective bond issued by a surety company licensed to do business in this state,
 74.21 or meeting the requirements of section 17A.05, in the form and amount set forth in section
 74.22 17A.05. No bond shall be required of a public stockyard or any agent of a bonded livestock
 74.23 dealer. The commissioner may at any time raise or lower bond requirements if it appears
 74.24 that a modification of such bond requirements is justified and will protect the public. The
 74.25 bonds of livestock market agencies and dealers whose residence or principal place of business
 74.26 is within the state of Minnesota shall name the commissioner as the trustee. ~~Any~~ A license
 74.27 ~~issued under Laws 1974, chapter 347~~ shall automatically become void upon the termination
 74.28 of the surety bond covering the licensed operations.

74.29 Sec. 8. Minnesota Statutes 2024, section 17A.04, subdivision 6, is amended to read:

74.30 Subd. 6. **Refusal to license.** The commissioner shall refuse to issue or renew a livestock
 74.31 market agency, meat packing company, or livestock dealer license if the applicant has not
 74.32 filed a surety bond in the form and amount required under this section and section 17A.05;
 74.33 the commissioner may refuse to issue or renew a license if the applicant: (1) has not

satisfactorily demonstrated by a current balance sheet and financial statement that the applicant's assets exceed liabilities; (2) has been found by the department to have failed to pay, without reasonable cause, obligations incurred in connection with livestock transactions; (3) has failed to maintain and operate livestock or monorail scales in a manner to ensure accurate and correct weights; or (4) has failed to comply with other statutes, rules, or regulations enforced by the commissioner, the Board of Animal Health, the Division of Weights and Measures of the Department of Commerce, or the federal Packers and Stockyards Administration.

Sec. 9. Minnesota Statutes 2024, section 17A.04, subdivision 7, is amended to read:

Subd. 7. **Revocation of license.** Whenever the commissioner finds that any livestock market agency, meat packing company, or livestock dealer has violated the provisions of this chapter, or has failed to comply with other laws, rules, or regulations enforced by the Board of Animal Health, the Division of Weights and Measures of the Department of Commerce, or the federal Packers and Stockyards Administration, the commissioner may, by order, pursuant to the provisions of chapter 14, and this subdivision, revoke the license of the offender. ~~Before any such license shall be revoked, the licensee shall be furnished with a statement of the complaints made against the licensee, and a hearing shall be had before the commissioner upon at least ten days' notice to the licensee to determine whether such license shall be revoked, which notice may be served either by certified mail addressed to the address of the licensee as shown in the license application or in the manner provided by law for the service of a summons. At the time and place fixed for hearing, the commissioner or any official, employee or agent of the department authorized by the commissioner, shall receive evidence, administer oaths, examine witnesses, hear the testimony and thereafter file an order either dismissing the proceedings or revoking the license.~~

Sec. 10. Minnesota Statutes 2024, section 17A.04, subdivision 8, is amended to read:

Subd. 8. **Suspension of license.** Whenever the commissioner finds that the licensee has violated provisions of this chapter, or has failed to comply with other laws, rules, or regulations enforced by the Board of Animal Health, the Division of Weights and Measures of the Department of Commerce, or the federal Packers and Stockyards Administration, and that the continued activity of a licensee may cause irreparable injury or loss to persons engaged in business with the licensee, the commissioner may, without hearing, suspend the license of the licensee, provided that when a license is so suspended, the commissioner shall

76.1 immediately initiate procedures to afford the licensee a hearing pursuant to subdivision 7
76.2 ~~except that the ten days' notice required in subdivision 7 may be waived by the licensee.~~

76.3 Sec. 11. Minnesota Statutes 2024, section 17A.06, subdivision 2, is amended to read:

76.4 Subd. 2. **Hearing on claims.** In case of default by the licensee, the commissioner shall
76.5 have the power to have the matter heard as a contested case pursuant to procedures outlined
76.6 in chapter 14. ~~No hearing shall be required if all affected parties to a bond claim proceeding~~
76.7 ~~waive their right to a hearing and agree to accept the commissioner's determination as to~~
76.8 ~~the validity of the claim and the allocation of the proceeds of the bond.~~ The commissioner
76.9 must first determine whether a claim is valid. If the commissioner determines that a claim
76.10 is valid, the commissioner must notify the licensee of the determination and that the licensee
76.11 has 15 days to either pay the claim or appeal the determination. If the licensee does not
76.12 respond within 15 days, the determination must be considered a final order by the
76.13 commissioner. If the commissioner determines that a claim is not valid, the commissioner
76.14 must notify the claimant of the determination and that the claimant has 15 days to appeal
76.15 the determination. If the claimant does not respond within 15 days, the determination must
76.16 be considered a final order by the commissioner.

76.17 Sec. 12. Minnesota Statutes 2024, section 17A.06, subdivision 3, is amended to read:

76.18 Subd. 3. **Public notice.** ~~Prior to a hearing~~ After the commissioner determines that a
76.19 claim is valid, the commissioner shall publish a notice setting forth the default of the licensee
76.20 and requiring all claimants to file proof of claim with the commissioner within 45 days of
76.21 the date such notice is published or be barred from participating in the proceeds of the bond.
76.22 Such publication shall be made in a newspaper published in the county in which the licensee's
76.23 principal place of business is located. The commissioner shall also fulfill any notice
76.24 requirements prescribed by chapter 14 and rules of the Office of Administrative Hearings.
76.25 No claim shall be allowed unless it is filed with the commissioner within one year of the
76.26 date of the transaction. If a livestock market agency, meat packing company, or livestock
76.27 dealer has on file a Packers and Stockyards Act bond and is registered with the Packers and
76.28 Stockyards Administration, the terms of the bond or that federal agency's regulations will
76.29 control.

77.1 Sec. 13. Minnesota Statutes 2024, section 17A.07, is amended to read:

77.2 **17A.07 PROHIBITED CONDUCT.**

77.3 It shall be unlawful for any person to: (1) carry on the business of a livestock market
77.4 agency, livestock dealer, livestock dealer agent, meat packing company, meat packing
77.5 company agent, or public stockyard without a valid and effective license issued by the
77.6 commissioner under the provisions of section 17A.04; (2) carry on the business of a livestock
77.7 market agency, meat packing company, or livestock dealer without filing and maintaining
77.8 a valid and effective surety bond in conformity with sections 17A.04 and 17A.05; (3) carry
77.9 on the business of a livestock market agency, meat packing company, or livestock dealer
77.10 if the person cannot pay debts as they become due or ceases to pay debts in the ordinary
77.11 course of business as they become due; (4) use or allow to be used any livestock scale or
77.12 monorail scale which has not been certified and approved for official use or has been found
77.13 to be inaccurate; (5) fail to maintain and operate livestock or monorail scales in a manner
77.14 to ensure accurate and correct weights; (6) weigh livestock or carcasses at other than true
77.15 and correct weights or issue accounts and records on the basis of inaccurate or incorrect
77.16 weights; (7) engage in or use any unfair or deceptive practice or device in connection with
77.17 marketing of livestock; (8) willfully make or cause to be made any false entry or statement
77.18 of fact in any application, financial statement or report filed with the department under this
77.19 chapter.

77.20 Sec. 14. Minnesota Statutes 2024, section 17A.08, is amended to read:

77.21 **17A.08 RECORD KEEPING.**

77.22 Every person shall make and retain such accounts, records, and memoranda necessary
77.23 to fully and correctly disclose all transactions involved in the person's business, including
77.24 the true ownership of such business by stockholding or otherwise. Whenever the
77.25 commissioner finds that the accounts, records, and memoranda of any such person do not
77.26 fully and correctly disclose all transactions involved in the person's business, the
77.27 commissioner may ~~prescribe~~ take enforcement actions in addition to prescribing the manner
77.28 or form and length of time for retention which such accounts, records, and memoranda shall
77.29 be kept. The commissioner shall at all reasonable times have access to, for the purpose of
77.30 examination, and the right to copy any documentary evidence of any person being
77.31 investigated or proceeded against.

78.1 Sec. 15. Minnesota Statutes 2024, section 17A.15, is amended to read:

78.2 **17A.15 POWERS AND DUTIES OF COMMISSIONER.**

78.3 The commissioner shall enforce the provisions of ~~Laws 1974, chapter 347~~ this chapter
78.4 and shall promulgate, in the manner provided by law, such rules as the commissioner deems
78.5 necessary or desirable, and may cooperate with any department of state or government, to
78.6 carry out the provisions of sections 17A.01 to 17A.15. The commissioner or a duly authorized
78.7 agent shall have the power to issue subpoenas, administer oaths and affirmations, examine
78.8 witnesses, receive evidence, and shall have the power to require by subpoena the attendance
78.9 and testimony of witnesses and the production of all such documentary evidence relating
78.10 to any matter under investigation or administrative proceeding.

78.11 Sec. 16. **EFFECTIVE DATE.**

78.12 This article is effective August 1, 2025.

78.13 **ARTICLE 5**

78.14 **FOOD HANDLER LICENSING PROVISIONS**

78.15 Section 1. Minnesota Statutes 2024, section 28A.03, subdivision 7, is amended to read:

78.16 Subd. 7. **Principal mode of business.** "Principal mode of business" means that type of
78.17 business described under paragraph (a), or (b), ~~(c) or (d)~~ in section 28A.05 within which
78.18 category the greatest amount of the applicant's food business lies.

78.19 Sec. 2. Minnesota Statutes 2024, section 28A.03, is amended by adding a subdivision to
78.20 read:

78.21 Subd. 12. **Risk category.** "Risk category" means a classification of the level of food
78.22 safety risk associated with food handling, processing, preparation, and storage based upon
78.23 an assessment by regulatory food safety professionals of the potential likelihood and severity
78.24 of harm.

78.25 Sec. 3. Minnesota Statutes 2024, section 28A.03, is amended by adding a subdivision to
78.26 read:

78.27 Subd. 13. **Gross sales or service.** "Gross sales or service" means a calculation in dollars
78.28 of the total value of food sales or service at the location before taxes or deductions that
78.29 includes the value of food items held for distribution to other places of business or donated.

79.1 Sec. 4. Minnesota Statutes 2024, section 28A.04, is amended to read:

79.2 **28A.04 LICENSE REQUIRED; CUSTOM PROCESSING PERMIT**
79.3 **APPLICATIONS; RENEWALS.**

79.4 Subdivision 1. **Application; date of issuance.** (a) Except as provided under section
79.5 28A.152, no person shall engage in the business of manufacturing, processing, selling,
79.6 handling, or storing food without having first obtained from the commissioner a license for
79.7 doing such business. Applications for such license shall be made to the commissioner in
79.8 such manner and time as required and upon such forms as provided by the commissioner
79.9 and shall contain the name and address of the applicant, address or description of each place
79.10 of business, and the nature of the business to be conducted at each place, and such other
79.11 pertinent information as the commissioner may require.

79.12 (b) An applicant for a license must submit a nonrefundable application fee of \$50 with
79.13 each license application. The fee under this paragraph does not apply to annual license
79.14 renewals. The fee under this paragraph is not required for applications to operate solely as
79.15 a special event food stand or custom exempt food handler.

79.16 ~~(b)~~ (c) ~~A retail or wholesale~~ food handler license shall be issued for the period ~~July~~
79.17 January 1 to June 30 following December 31 and shall be renewed thereafter by the licensee
79.18 on or before ~~July~~ January 1 of each year, except that:

79.19 (1) retail and wholesale food handler licenses issued for the period of July 1, 2025, to
79.20 June 30, 2026, must be renewed on or before July 1, 2026, for the period of July 1, 2026,
79.21 to December 31, 2026. The renewal fee for the period of July 1, 2026, to December 31,
79.22 2026, is one-half of the fee for a food handler specified in section 28A.08, subdivision 3;

79.23 ~~(1)~~ (2) licenses for all mobile food concession units and retail mobile units must be
79.24 issued for the period April 1 to March 31, and must be renewed thereafter by the licensee
79.25 on or before April 1 of each year; ~~and~~.

79.26 ~~(2)~~ A license issued for a temporary food concession stand must have a license issuance
79.27 and renewal date consistent with appropriate statutory provisions; and

79.28 (3) a license for a food handler operating only at the State Fair must be issued for the
79.29 period of July 1 to June 30 and must be renewed thereafter by the licensee on or before July
79.30 1 of each year.

79.31 (d) A penalty for late renewal under paragraph (b) must be assessed in accordance with
79.32 section 28A.08.

~~(e)~~ (e) A custom exempt food handler license shall be issued for the period July 1 to June 30 following and ~~shall~~ must be renewed thereafter by the licensee on or before July 1 each year. The custom exempt food handler license is for businesses that only conduct custom exempt operations and mark all products as "Not For Sale." Food handlers that conduct retail exempt operations or other operations other than custom exempt processing or slaughter are not eligible for this license.

~~(d)~~ A license for a food broker or for a food processor or manufacturer shall be issued for the period January 1 to December 31 following and shall be renewed thereafter by the licensee on or before January 1 of each year, except that a license for a wholesale food processor or manufacturer operating only at the state fair shall be issued for the period July 1 to June 30 following and shall be renewed thereafter by the licensee on or before July 1 of each year. A penalty for a late renewal shall be assessed in accordance with section ~~28A.08~~.

~~(e)~~ (f) On a quarterly basis during the licensing period, the commissioner must prorate the fee for an initial license issued under this chapter, except that a person applying for a new license up to 14 calendar days before the effective date of the new license period under paragraph (b) must be issued a license for the 14 days and the next license year as a single license and pay a single license fee as if the 14 days were part of the upcoming license period.

Subd. 2. **Custom processing or Minnesota Meat and Poultry Inspection Act permit.** In addition to the license requirements set forth in subdivision 1, every custom exempt processor or establishment operating under the Minnesota Meat and Poultry Inspection Act as defined in section 31A.31, shall obtain a custom processing permit or Minnesota Meat and Poultry Grant of Inspection permit. Application for a permit shall be made on forms provided by the commissioner. The commissioner shall cause the ~~eustom~~ processor's place of business to be inspected and if the commissioner finds that the applicant's place of business complies with state standards relating to meat processing plants, a ~~eustom processing~~ permit under this subdivision shall be issued to the applicant. ~~No~~ An additional fee shall of up to \$500 may be charged for a eustom processing permit under this subdivision.

Sec. 5. Minnesota Statutes 2024, section 28A.05, is amended to read:

28A.05 CLASSIFICATION FOOD HANDLER CLASSES.

All persons required to have a license under section 28A.04 shall be classified into one of the following classes of food handlers, according to their principal mode of business.

81.1 (a) ~~Retail~~ Food handlers are persons who:

81.2 (1) sell or process and sell food directly to the ultimate consumer or who custom process
81.3 meat or poultry. The term includes a person who sells food directly to the ultimate consumer
81.4 through the use of vending machines, and a person who sells food for consumption on site
81.5 or off site if the sale is conducted on the premises that are part of a grocery or convenience
81.6 store operation;

81.7 ~~(b) Wholesale food handlers are persons who~~ (2) sell to ~~others~~ other business entities or
81.8 establishments for resale, including a person who handles food in job lots ~~(jobbers)~~ is
81.9 ~~included in this classification;~~ or

81.10 ~~(c) Wholesale food processors or manufacturers are persons who~~ (3) process or
81.11 manufacture raw materials and other food ingredients into food items, ~~or who~~ reprocess
81.12 food items, ~~or who~~ package food for sale to ~~others~~ other business entities or establishments
81.13 for resale, ~~or who~~ commercially slaughter animals or poultry. Included herein are persons
81.14 who can, extract, ferment, distill, pickle, bake, freeze, dry, smoke, grind, mix, stuff, pack,
81.15 bottle, recondition, or otherwise treat or preserve food for sale to ~~others~~ other business
81.16 entities or establishments for resale, cold storage warehouse operators as defined in section
81.17 28.01, subdivision 3, salvage food processors as defined in section 31.495, subdivision 1,
81.18 and dairy plants as defined in section 32D.01, subdivision 6.

81.19 ~~(d)~~ (b) Custom exempt food handlers are persons who only conduct custom exempt
81.20 processing as defined in section 31A.02, subdivision 5. A retail or wholesale transaction
81.21 may not take place in a facility operated by a person with a custom exempt food handler
81.22 license.

81.23 ~~(e) A food broker is a person who buys and sells food and who negotiates between a~~
81.24 ~~buyer and a seller of food, but who at no time has custody of the food being bought and~~
81.25 ~~sold.~~

81.26 Sec. 6. Minnesota Statutes 2024, section 28A.06, is amended to read:

81.27 **28A.06 EXTENT OF LICENSE.**

81.28 No person, except as described in section 27.03, shall be required to hold more than one
81.29 license in order to engage in any aspect of food handling ~~described in section 28A.05~~
81.30 ~~provided,~~ except that:

81.31 (1) each issued license shall be valid for no more than one place of business, ~~except that;~~

82.1 (2) a license for a mobile unit or a retail food vehicle, portable structure, or cart is valid
82.2 statewide and is required to be issued only once each year unless the licensee fails to display
82.3 the license as required by section 28A.07 or it is a seasonal permanent food stand, seasonal
82.4 temporary food stand, food cart, or special event food stand as defined in section 157.15,
82.5 in which case the duration of the license is restricted by the limitations found in the definitions
82.6 in section 157.15-; and

82.7 (3) the commissioner may authorize a food handler reporting \$50,000 or less gross
82.8 annual food sales to conduct business activities under the food handler's license at up to
82.9 two additional locations if:

82.10 (i) the food handler has reported each location and activity to the commissioner; and

82.11 (ii) the commissioner has approved each location and activity before the food handler
82.12 conducts business activities at each location.

82.13 Sec. 7. Minnesota Statutes 2024, section 28A.07, is amended to read:

82.14 **28A.07 ISSUANCE OF LICENSE.**

82.15 Prior to the issuance or renewal of any license herein, the commissioner may cause
82.16 appropriate inspections to be made to determine under applicable statutory and promulgated
82.17 rule requirements, the applicant's risk category and fitness to engage in the mode(s) of
82.18 business activities described in that person's license application. A valid and properly
82.19 displayed license shall be sufficient to allow the licensee to engage in the manner of food
82.20 handling so described in the licensee's application, provided that the commissioner may
82.21 withhold authorization to engage in any aspects of business for which the applicant is not
82.22 deemed fit under this section. A licensee may, at any time, apply to change such application
82.23 which shall then be considered by the commissioner in the same manner as a new or renewal
82.24 application hereunder.

82.25 Sec. 8. Minnesota Statutes 2024, section 28A.0753, subdivision 3, is amended to read:

82.26 Subd. 3. **Food ~~manufacturer, processor, or distributor~~ handlers who manufacture,**
82.27 **process, or distribute; licensing, preemption by state.** When a food ~~manufacturer,~~
82.28 ~~processor, or distributor~~ handler described in section 28A.05, subdivision 1, paragraph (a),
82.29 clauses (2) and (3), is licensed by the commissioner of agriculture, the food ~~manufacturer,~~
82.30 ~~processor or distributor~~ handler is exempt from the licensing requirements of any municipal
82.31 corporation or subdivision of state government, except for licensing requirements which
82.32 may be imposed by the municipal corporation or subdivision of state government in which

83.1 the ~~manufacturer, processor, or distributor~~ food handler locates a plant. All delivery
 83.2 equipment used by such a food ~~manufacturer, processor or distributor~~ handler is included
 83.3 within the meaning of this section, whether owned or operated, independently contracted,
 83.4 or contracted with a common carrier approved by the commissioner of agriculture. This
 83.5 delivery equipment is exempt from licensing by any municipal corporation or subdivision
 83.6 of state government except for those requirements which may be imposed by the municipal
 83.7 corporation or subdivision of state government in which the equipment is principally located.
 83.8 Delivery equipment approved by the commissioner of agriculture shall carry, at all times,
 83.9 a certificate of approval for the purposes for which the equipment is utilized. Nothing in
 83.10 this section is intended to permit the enactment of an ordinance regulating an activity where
 83.11 the state has preempted the field.

83.12 Sec. 9. Minnesota Statutes 2024, section 28A.08, is amended to read:

83.13 **28A.08 LICENSE FEES; PENALTIES.**

83.14 Subdivision 1. **General.** (a) License fees, penalties for late renewal of licenses, and
 83.15 penalties for not obtaining a license before conducting business in food handling that are
 83.16 set in this section apply to the sections named except as provided under section 28A.09.
 83.17 Except as specified herein, bonds and assessments based on number of units operated or
 83.18 volume handled or processed which are provided for in said laws shall not be affected, nor
 83.19 shall any penalties for late payment of said assessments, nor shall inspection fees, be affected
 83.20 by this chapter. The penalties may be waived by the commissioner. Fees for all new licenses
 83.21 must be based on the anticipated future gross annual food sales. If a firm is found to be
 83.22 operating for multiple years without paying license fees, the state may collect the appropriate
 83.23 fees and penalties for each year of operation.

83.24 (b) The commissioner may adjust the fees in subdivision 3 every five years to the inflation
 83.25 level established in the United States Bureau of Labor and Statistics Consumer Price Index,
 83.26 using July 2025 as the base month and year.

83.27 Subd. 3. **Fees effective ~~July 1, 2003~~ August 1, 2025.**

83.28				Penalties	
83.29	Type of food handler	<u>Risk</u>	License	Late	No
83.30		<u>Category</u>	Fee	Renewal	License
83.31			Effective		
83.32			July 1,		
83.33			2003		
83.34	1. Retail food handler or Custom exempt food				
83.35	handler				

84.1	(a) Having gross sales of only prepackaged			
84.2	nonperishable food of less than \$15,000			
84.3	for the immediately previous license or			
84.4	fiscal year and filing a statement with the			
84.5	commissioner	\$ 50	\$ 17	\$ 33
84.6	(b) (a) Having under \$15,000 gross sales			
84.7	or service including food preparation or			
84.8	having \$15,000 to \$50,000 or less gross			
84.9	sales or service for the immediately	\$ 77	\$ 25	\$ 51
84.10	previous license or fiscal year	\$135	\$45	\$90
84.11	(c) (b) Having \$50,001 to \$250,000			
84.12	\$125,000 gross sales or service for the	\$155	\$ 51	\$102
84.13	immediately previous license or fiscal year	\$200	\$67	\$133
84.14	(d) (c) Having \$250,001 to \$1,000,000			
84.15	\$500,000 gross sales or service			
84.16	for the immediately previous license or	\$276	\$ 91	\$182
84.17	fiscal year	\$370	\$123	\$247
84.18	(e) (d) Having \$1,000,001 to \$5,000,000			
84.19	\$1,000,000 gross sales or			
84.20	service for the immediately previous	\$799	\$264	\$527
84.21	license or fiscal year	\$475	\$158	\$317
84.22	(f) (e) Having \$5,000,001 to \$10,000,000			
84.23	\$5,000,000 gross sales or			
84.24	service for the immediately previous	\$1,162	\$383	\$767
84.25	license or fiscal year	\$1,350	\$450	\$900
84.26	(f) Having \$5,000,001 to \$10,000,000 gross			
84.27	sales or service for the immediately			
84.28	previous license or fiscal year	\$1,750	\$583	\$1,167
84.29	(g) Having \$10,000,001 to \$15,000,000			
84.30	gross sales or service for the immediately	\$1,376	\$454	\$908
84.31	previous license or fiscal year	\$2,150	\$717	\$1,433
84.32	(h) Having \$15,000,001 to \$20,000,000			
84.33	gross sales or service for the immediately	\$1,607	\$530	\$1,061
84.34	previous license or fiscal year	\$2,550	\$849	\$1,700
84.35	(i) Having \$20,000,001 to \$25,000,000			
84.36	gross sales or service for the immediately	\$1,847	\$610	\$1,219
84.37	previous license or fiscal year	\$2,950	\$984	\$1,967
84.38	(j) Having over \$25,000,001 gross sales or			
84.39	service for the immediately previous	\$2,001	\$660	\$1,321
84.40	license or fiscal year	\$3,350	\$1,117	\$2,233
84.41	2. Wholesale Food handler			
84.42	(a) Having gross sales of only prepackaged			
84.43	nonperishable food of less than \$30,000			
84.44	for the immediately previous license or			
84.45	fiscal year and filing a statement with the			
84.46	commissioner	\$90	\$30	\$60
84.47		\$ 57	\$ 19	\$ 38
84.48	(a) (b) Having gross sales or service of less	\$285	\$95	\$190
84.49	than \$25,000 \$50,000 for the immediately	\$195	\$65	\$130
84.50	previous license or fiscal year	\$135	\$45	\$90

85.1	(b) (c) Having \$25,001 <u>\$50,001</u> to		\$284	\$94	\$187
85.2	<u>\$250,000</u> <u>\$125,000</u> gross sales or service	High	\$350	\$117	\$233
85.3	for the immediately previous license or	Medium	\$260	\$87	\$173
85.4	fiscal year	Low	\$200	\$67	\$133
85.5	(e) (d) Having \$250,001 <u>\$125,001</u> to				
85.6	<u>\$1,000,000</u> <u>\$250,000</u> gross sales or service		\$444	\$147	\$293
85.7	from a mobile unit without a separate food	High	\$415	\$138	\$277
85.8	facility for the immediately previous	Medium	\$350	\$117	\$233
85.9	license or fiscal year	Low	\$265	\$ 88	\$177
85.10	(d) (e) Having <u>\$250,001</u> to \$1,000,000		\$590	\$195	\$389
85.11	<u>\$500,000</u> gross sales or service not covered	High	\$520	\$173	\$347
85.12	under paragraph (e) for the immediately	Medium	\$430	\$143	\$287
85.13	previous license or fiscal year	Low	\$370	\$123	\$247
85.14	(e) (f) Having \$1,000,001 <u>\$500,001</u> to		\$769	\$254	\$508
85.15	<u>\$5,000,000</u> <u>\$1,000,000</u> gross sales or	High	\$625	\$208	\$417
85.16	service for the immediately previous	Medium	\$535	\$178	\$357
85.17	license or fiscal year	Low	\$475	\$158	\$317
85.18	(f) (g) Having \$5,000,001 <u>\$1,000,001</u> to		\$920	\$304	\$607
85.19	<u>\$10,000,000</u> <u>\$5,000,000</u> gross sales or	High	\$1,500	\$500	\$1,000
85.20	service for the immediately previous	Medium	\$1,425	\$475	\$950
85.21	license or fiscal year	Low	\$1,350	\$450	\$900
85.22	(h) Having <u>\$5,000,001</u> to <u>\$10,000,000</u>	High	\$1,900	\$633	\$1,267
85.23	<u>gross sales or service for the immediately</u>	Medium	\$1,825	\$608	\$1,217
85.24	<u>previous license or fiscal year</u>	Low	\$1,750	\$583	\$1,167
85.25			\$990	\$327	\$653
85.26	(g) (i) Having <u>\$10,000,001</u> to <u>\$15,000,000</u>	High	\$2,300	\$767	\$1,533
85.27	gross sales or service for the immediately	Medium	\$2,225	\$742	\$1,483
85.28	previous license or fiscal year	Low	\$2,150	\$717	\$1,433
85.29			\$1,156	\$381	\$763
85.30	(h) (j) Having <u>\$15,000,001</u> to <u>\$20,000,000</u>	High	\$2,700	\$900	\$1,800
85.31	gross sales or service for the immediately	Medium	\$2,625	\$875	\$1,750
85.32	previous license or fiscal year	Low	\$2,550	\$849	\$1,700
85.33			\$1,329	\$439	\$877
85.34	(i) (k) Having <u>\$20,000,001</u> to <u>\$25,000,000</u>	High	\$3,100	\$1,033	\$2,067
85.35	gross sales or service for the immediately	Medium	\$3,025	\$1,008	\$2,017
85.36	previous license or fiscal year	Low	\$2,950	\$984	\$1,967
85.37			\$1,502	\$496	\$991
85.38	(j) (l) Having over <u>\$25,000,001</u> or more to	High	\$3,500	\$1,167	\$2,333
85.39	<u>\$50,000,000</u> gross sales or service for the	Medium	\$3,425	\$1,142	\$2,283
85.40	<u>immediately previous license or fiscal year</u>	Low	\$3,350	\$1,117	\$2,233
85.41	(m) Having <u>\$50,000,001</u> to <u>\$100,000,000</u>	High	\$4,000	\$1,334	\$2,667
85.42	<u>gross sales or service for the immediately</u>	Medium	\$3,925	\$1,309	\$2,617
85.43	<u>previous license or fiscal year</u>	Low	\$3,850	\$1,284	\$2,567
85.44	(n) Having <u>\$100,000,001</u> or more gross	High	\$4,500	\$1,500	\$3,000
85.45	<u>sales or service for the immediately</u>	Medium	\$4,425	\$1,475	\$2,950
85.46	<u>previous license or fiscal year</u>	Low	\$4,350	\$1,450	\$2,900
85.47	3. Food broker Food handler operating under				
85.48	<u>authority of this chapter solely as a special</u>				
85.49	<u>event food stand as defined in Minnesota</u>		\$150	\$ 50	\$ 99
85.50	<u>Statutes, section 157.15</u>		\$75	\$25	\$50
85.51	4. Wholesale food processor or manufacturer				

86.1	(a) Having gross sales or service of less			
86.2	than \$125,000 for the immediately previous			
86.3	license or fiscal year	\$169	\$56	\$112
86.4	(b) Having \$125,001 to \$250,000 gross			
86.5	sales or service for the immediately			
86.6	previous license or fiscal year	\$392	\$129	\$259
86.7	(c) Having \$250,001 to \$1,000,000 gross			
86.8	sales or service for the immediately			
86.9	previous license or fiscal year	\$590	\$195	\$389
86.10	(d) Having \$1,000,001 to \$5,000,000 gross			
86.11	sales or service for the immediately			
86.12	previous license or fiscal year	\$769	\$254	\$508
86.13	(e) Having \$5,000,001 to \$10,000,000			
86.14	gross sales or service for the immediately			
86.15	previous license or fiscal year	\$920	\$304	\$607
86.16	(f) Having \$10,000,001 to \$15,000,000			
86.17	gross sales or service for the immediately			
86.18	previous license or fiscal year	\$1,377	\$454	\$909
86.19	(g) Having \$15,000,001 to \$20,000,000			
86.20	gross sales or service for the immediately			
86.21	previous license or fiscal year	\$1,608	\$531	\$1,061
86.22	(h) Having \$20,000,001 to \$25,000,000			
86.23	gross sales or service for the immediately			
86.24	previous license or fiscal year	\$1,849	\$610	\$1,220
86.25	(i) Having \$25,000,001 to \$50,000,000			
86.26	gross sales or service for the immediately			
86.27	previous license or fiscal year	\$2,090	\$690	\$1,379
86.28	(j) Having \$50,000,001 to \$100,000,000			
86.29	gross sales or service for the immediately			
86.30	previous license or fiscal year	\$2,330	\$769	\$1,538
86.31	(k) Having \$100,000,000 or more gross			
86.32	sales or service for the immediately			
86.33	previous license or fiscal year	\$2,571	\$848	\$1,697
86.34	5. Wholesale food processor of Meat or			
86.35	poultry products processing solely under			
86.36	supervision of the U.S. Department of			
86.37	Agriculture			
86.38	(a) Having gross sales or service of less			
86.39	than \$125,000 for the immediately previous	<u>\$112</u>	<u>\$37</u>	<u>\$74</u>
86.40	license or fiscal year	<u>\$190</u>	<u>\$63</u>	<u>\$127</u>
86.41	(b) Having \$125,001 to \$250,000 gross			
86.42	sales or service for the immediately	<u>\$214</u>	<u>\$71</u>	<u>\$141</u>
86.43	previous license or fiscal year	<u>\$365</u>	<u>\$122</u>	<u>\$243</u>
86.44	(c) Having \$250,001 to \$1,000,000			
86.45	<u>\$500,000</u> gross sales or service for the	<u>\$333</u>	<u>\$110</u>	<u>\$220</u>
86.46	immediately previous license or fiscal year	<u>\$450</u>	<u>\$150</u>	<u>\$300</u>
86.47	(d) Having \$500,001 to \$1,000,000 gross			
86.48	<u>sales or service for the immediately</u>			
86.49	<u>previous license or fiscal year</u>	<u>\$565</u>	<u>\$188</u>	<u>\$377</u>

87.1	(d) <u>(e)</u> Having \$1,000,001 to \$5,000,000			
87.2	gross sales or service for the immediately	\$425	\$140	\$281
87.3	previous license or fiscal year	<u>\$725</u>	<u>\$241</u>	<u>\$483</u>
87.4	(e) <u>(f)</u> Having \$5,000,001 to \$10,000,000			
87.5	gross sales or service for the immediately	\$521	\$172	\$344
87.6	previous license or fiscal year	<u>\$885</u>	<u>\$295</u>	<u>\$590</u>
87.7	(f) <u>(g)</u> Having \$10,000,001 to \$15,000,000			
87.8	gross sales or service for the immediately	\$765	\$252	\$505
87.9	previous license or fiscal year	<u>\$1,305</u>	<u>\$435</u>	<u>\$807</u>
87.10	(g) <u>(h)</u> Having \$15,000,001 to \$20,000,000			
87.11	gross sales or service for the immediately	\$893	\$295	\$589
87.12	previous license or fiscal year	<u>\$1,515</u>	<u>\$505</u>	<u>\$1,010</u>
87.13	(h) <u>(i)</u> Having \$20,000,001 to \$25,000,000			
87.14	gross sales or service for the immediately	\$1,027	\$339	\$678
87.15	previous license or fiscal year	<u>\$1,745</u>	<u>\$582</u>	<u>\$1,163</u>
87.16	(i) <u>(j)</u> Having \$25,000,001 to \$50,000,000			
87.17	gross sales or service for the immediately	\$1,161	\$383	\$766
87.18	previous license or fiscal year	<u>\$1,975</u>	<u>\$658</u>	<u>\$1,317</u>
87.19	(j) <u>(k)</u> Having \$50,000,001 to \$100,000,000			
87.20	gross sales or service for the immediately	\$1,295	\$427	\$855
87.21	previous license or fiscal year	<u>\$2,215</u>	<u>\$738</u>	<u>\$1,477</u>
87.22	(k) <u>(l)</u> Having \$100,000,001 or more gross			
87.23	sales or service for the immediately	\$1,428	\$471	\$942
87.24	previous license or fiscal year	<u>\$2,465</u>	<u>\$822</u>	<u>\$1,643</u>
87.25	6. Wholesale food processor or manufacturer			
87.26	operating only at the State Fair	\$125	\$40	\$50
87.27	7. Wholesale food manufacturer having the			
87.28	permission of the commissioner to use the			
87.29	name Minnesota Farmstead cheese	\$30	\$10	\$15
87.30	8. Wholesale food manufacturer processing			
87.31	less than 700,000 pounds per year of raw			
87.32	milk	\$30	\$10	\$15
87.33	9. A milk marketing organization without			
87.34	facilities for processing or manufacturing			
87.35	that purchases milk from milk producers			
87.36	for delivery to a licensed wholesale food			
87.37	processor or manufacturer	\$50	\$15	\$25

87.38 Subd. 4. **Food handler license account; appropriation.** A food handler license account
87.39 is established in the agricultural fund. Fees paid under subdivision 3 and section 28A.04
87.40 must be deposited in this account. Money in the account, including interest, is appropriated
87.41 to the commissioner for expenses relating to licensing and inspecting regulating food handlers
87.42 under chapters 28 to 34A or rules adopted under one of those chapters.

87.43 Sec. 10. Minnesota Statutes 2024, section 28A.081, subdivision 1, is amended to read:

87.44 Subdivision 1. **Fee.** A fee of \$125 for each certificate shall be charged to any person
87.45 who requests a certificate issued by the Minnesota Department of Agriculture to facilitate

88.1 the movement of Minnesota processed and manufactured foods destined for export from
88.2 the state of Minnesota. Certificates include, but are not limited to, a certificate of free sale,
88.3 certificate of export, certificate of sanitation, sanitary certificate, certificate of origin and/or
88.4 free sale, certificate of health and/or free sale, sanitation, and purity, certificate of free trade,
88.5 certificate of free sale, sanitation, purity, and origin, certificate of health, sanitation, purity,
88.6 and free sale, and letter of plant certification.

88.7 The commissioner ~~shall~~ must receive payment with the request or bill the requesting
88.8 person within seven days after issuing a certificate to the person. The requesting person
88.9 must submit payment for a certificate at the time of receiving the request or within ten days
88.10 of the billing date. If a certificate fee payment is not received within 15 days of the billing
88.11 date, the commissioner may not issue any future certificates to the requesting person until
88.12 previous fees due are paid in full. Fees paid under this section must be deposited in the food
88.13 certificate account established under subdivision 2 or another account in the agricultural
88.14 fund if the expenses for the certificate will be paid from that other account.

88.15 Sec. 11. Minnesota Statutes 2024, section 28A.085, subdivision 1, is amended to read:

88.16 Subdivision 1. **Violations; prohibited acts.** The commissioner may charge a reinspection
88.17 fee for each reinspection of a food handler or custom exempt food handler that:

88.18 (1) is found with a major violation of requirements in chapter 28, 29, 30, 31, 31A, 32D,
88.19 33, or 34, or rules adopted under one of those chapters; or

88.20 (2) fails to correct equipment and facility deficiencies as required in rules adopted under
88.21 chapter 28, 29, 30, 31, 31A, 32D, or 34.

88.22 The first reinspection of a firm with gross food sales under \$1,000,000 must be assessed
88.23 at ~~\$150~~ \$250. The fee for a firm with gross food sales over \$1,000,000 is ~~\$200~~ \$300. The
88.24 fee for a subsequent reinspection of a firm for the same violation is 50 percent of their
88.25 current license fee or ~~\$300~~ \$500, whichever is greater. The establishment must be issued
88.26 written notice of violations with a reasonable date for compliance listed on the notice. An
88.27 initial inspection relating to a complaint is not a reinspection.

88.28 Sec. 12. Minnesota Statutes 2024, section 28A.14, is amended to read:

88.29 **28A.14 TRANSFER OF BUSINESS.**

88.30 (a) Except as provided in paragraph (b), a transfer of a business or a discontinuance of
88.31 its operation by the licensee at the address covered by the license voids the license and the

89.1 license certificate shall be surrendered to the commissioner immediately by anyone in
89.2 possession of the same.

89.3 (b) If a licensee discontinues operating at an additional location authorized under section
89.4 28A.06, the license is not void if the licensee has provided written notification to the
89.5 commissioner.

89.6 Sec. 13. Minnesota Statutes 2024, section 28A.151, subdivision 2, is amended to read:

89.7 Subd. 2. **Food sampling and demonstration.** (a) Food used in sampling and
89.8 demonstration must be obtained from sources that comply with Minnesota Food Law.

89.9 (b) Raw animal, raw poultry, and raw fish products must not be served as samples.

89.10 (c) Food product sampling or food product demonstrations, ~~including that contain~~ cooked
89.11 animal, poultry, or fish products, must be prepared on site at the event.

89.12 (d) Animal or poultry products used for food product sampling or food product
89.13 demonstrations must ~~be~~ originate from animals slaughtered under continuous inspection,
89.14 either by the USDA or through Minnesota's "Equal-to" inspection program.

89.15 (e) The licensing provisions of sections 28A.01 to 28A.16 shall not apply to persons
89.16 engaged in food product sampling or food product demonstrations.

89.17 Sec. 14. Minnesota Statutes 2024, section 28A.152, subdivision 1, is amended to read:

89.18 Subdivision 1. **Licensing provisions applicability.** (a) Except as provided in paragraph
89.19 (d), the licensing provisions of sections 28A.01 to 28A.16 do not apply to the following:

89.20 (1) ~~an individual~~ a person who prepares and sells food that is not potentially hazardous
89.21 food, as defined in Minnesota Rules, part 4626.0020, subpart 62, if the following
89.22 requirements are met:

89.23 (i) the prepared food offered for sale under this clause is labeled to accurately reflect
89.24 the name and the registration number or address of the ~~individual~~ person preparing and
89.25 selling the food, the date on which the food was prepared, the ingredients and any possible
89.26 allergens, and the statement "These products are homemade and not subject to state
89.27 inspection."; and

89.28 (ii) the ~~individual~~ person displays at the point of sale a clearly legible sign or placard
89.29 stating: "These products are homemade and not subject to state inspection."; and

89.30 (2) ~~an individual~~ a person who prepares and sells home-processed and home-canned
89.31 food products if the following requirements are met:

90.1 (i) the products are pickles, vegetables, or fruits having an equilibrium pH value of 4.6
90.2 or lower or a water activity value of .85 or less;

90.3 (ii) the products are home-processed and home-canned in Minnesota;

90.4 (iii) the ~~individual~~ person displays at the point of sale a clearly legible sign or placard
90.5 stating: "These products are homemade and not subject to state inspection."; and

90.6 (iv) each container of the product sold or offered for sale under this clause is accurately
90.7 labeled to provide the name and the registration number or address of the ~~individual~~ person
90.8 who processed and canned the goods, the date on which the goods were processed and
90.9 canned, ingredients and any possible allergens, and the statement "These products are
90.10 homemade and not subject to state inspection."

90.11 (b) ~~An individual~~ A person who qualifies for an exemption under paragraph (a), clause
90.12 (2), is also exempt from the provisions of sections 31.31 and 31.392.

90.13 (c) ~~An individual who qualifies~~ To qualify for an exemption under paragraph (a) ~~may~~
90.14 ~~organize the individual's cottage food business as a business entity recognized by state law,~~
90.15 a person must be an individual, a sole proprietorship, a single-member limited liability
90.16 company owned by one individual, or a limited liability company owned by two individuals
90.17 residing at the same residence.

90.18 (d) A person cannot qualify for an exemption under paragraph (a) if the person holds a
90.19 food handler license required under section 28A.04.

90.20 **EFFECTIVE DATE.** This section is effective August 1, 2027.

90.21 Sec. 15. Minnesota Statutes 2024, section 28A.152, subdivision 2, is amended to read:

90.22 Subd. 2. **Direct sales to consumers.** (a) ~~An individual~~ A person qualifying for an
90.23 exemption under subdivision 1 may sell the exempt food:

90.24 (1) directly to the ultimate consumer at a community event or farmers' market;

90.25 (2) directly from the ~~individual's~~ person's home to the ultimate consumer, to the extent
90.26 allowed by local ordinance; or

90.27 (3) through donation to a community event with the purpose of fundraising for an
90.28 individual, or fundraising for an educational, charitable, or religious organization.

90.29 (b) ~~If An exempt food product will~~ may be delivered to the ultimate consumer upon sale
90.30 of the food product; by the individual person who prepared the food product ~~must be the~~

91.1 ~~person who delivers the food product to the ultimate consumer, by mail, or by commercial~~
91.2 ~~delivery.~~

91.3 (c) Food products exempt under subdivision 1, paragraph (a), clause (2), may not be
91.4 sold outside of Minnesota.

91.5 (d) Food products exempt under subdivision 1 may be sold over the Internet ~~but must~~
91.6 ~~be delivered directly to the ultimate consumer by the individual who prepared the food~~
91.7 ~~product.~~ The statement "These products are homemade and not subject to state inspection."
91.8 must be displayed on the website that offers the exempt foods for purchase.

91.9 **EFFECTIVE DATE.** This section is effective August 1, 2027.

91.10 Sec. 16. Minnesota Statutes 2024, section 28A.152, subdivision 3, is amended to read:

91.11 Subd. 3. **Limitation on sales.** ~~An individual~~ A person selling exempt foods under this
91.12 section is limited to total sales with gross receipts of \$78,000 or less in a calendar year.

91.13 **EFFECTIVE DATE.** This section is effective August 1, 2027.

91.14 Sec. 17. Minnesota Statutes 2024, section 28A.152, subdivision 4, is amended to read:

91.15 Subd. 4. **Registration.** ~~An individual~~ A person who prepares and sells exempt food
91.16 under subdivision 1 must register annually with the commissioner. The commissioner shall
91.17 register ~~an individual~~ a person within 30 days of submitting a complete registration to the
91.18 commissioner. A registration shall be deemed accepted after 30 days following ~~an individual's~~
91.19 a person's complete registration to the commissioner. The annual registration fee is ~~\$50~~
91.20 \$30. ~~An individual with \$5,000 or less in annual gross receipts from the sale of exempt food~~
91.21 ~~under this section is not required to pay the registration fee. By January 1, 2022, the~~
91.22 ~~commissioner shall adjust the gross receipts amount of this fee exemption based on the~~
91.23 ~~consumer price index using 2002 as the index year for the \$5,000 gross receipts exemption.~~

91.24 **EFFECTIVE DATE.** This section is effective August 1, 2027.

91.25 Sec. 18. Minnesota Statutes 2024, section 28A.152, subdivision 5, is amended to read:

91.26 Subd. 5. **Training.** ~~(a) An individual~~ A person who sells exempt food under this section
91.27 and is required to pay the registration fee in subdivision 4 must complete a safe food handling
91.28 training course that is approved by the commissioner before registering under subdivision
91.29 4. The training shall not exceed eight hours and must be completed every three years while
91.30 the ~~individual~~ person is registered under subdivision 4.

92.1 ~~(b) An individual who sells exempt food under this section and is exempt from paying~~
92.2 ~~the registration fee in subdivision 4 must satisfactorily complete an online course and exam~~
92.3 ~~as approved by the commissioner before registering under subdivision 4. The commissioner~~
92.4 ~~shall offer the online course and exam under this paragraph at no cost to the individual.~~

92.5 **EFFECTIVE DATE.** This section is effective August 1, 2027.

92.6 Sec. 19. Minnesota Statutes 2024, section 28A.152, is amended by adding a subdivision
92.7 to read:

92.8 Subd. 8. **Adjustments.** The commissioner must adjust the limitation on sales in
92.9 subdivision 3 every two years to the inflation level established in the United States Bureau
92.10 of Labor and Statistics Consumer Price Index, using July 2025 as the base month and year.

92.11 **EFFECTIVE DATE.** This section is effective August 1, 2027.

92.12 Sec. 20. Minnesota Statutes 2024, section 28A.17, is amended to read:

92.13 **28A.17 LICENSE RENEWAL.**

92.14 Licenses for food ~~processors or manufacturers or food brokers~~ handlers shall be renewed
92.15 ~~annually on January 1. Licenses for retail and wholesale food handlers shall be renewed~~
92.16 ~~annually on July 1. Licenses for mobile food concessions and for retail mobile units shall~~
92.17 ~~be renewed annually on April 1~~ prior to the end of the licensing period. Approval of license
92.18 renewal is contingent upon conditions described in section 28A.07 and payment of license
92.19 fees identified in section 28A.08.

92.20 Sec. 21. **EFFECTIVE DATE.**

92.21 Except as otherwise provided, this article is effective August 1, 2025.

APPENDIX
Article locations for H2446-3

ARTICLE 1 APPROPRIATIONS..... Page.Ln 1.27

ARTICLE 2 BROADBAND..... Page.Ln 40.11

ARTICLE 3 POLICY PROVISIONS..... Page.Ln 41.1

LIVESTOCK MARKET AGENCY AND DEALER LICENSING

ARTICLE 4 PROVISIONS..... Page.Ln 73.1

ARTICLE 5 FOOD HANDLER LICENSING PROVISIONS..... Page.Ln 78.13

35.68 RABIES PROCLAMATION.

If a community health board as defined in section 145A.02, subdivision 5, investigates and finds that rabies does exist in a town or city the community health board shall make and file a proclamation of the investigation and determination which prohibits the owner or custodian of any dog from allowing the dog to be at large within the town or city unless the dog is effectively muzzled so that it cannot bite any other animal or person.

If the executive director of the Board of Animal Health, after investigation, has determined that rabies exists in any territory in the state, similar proclamations must be issued in all towns and cities within the territory or area in which it is necessary to control the outbreak and prevent the spread of the disease. The proclamation must prohibit the owner or custodian of any dog within the designated territory from permitting or allowing the dog to be at large within the territory unless the dog is effectively muzzled so that it cannot bite any other animal or person.

All local peace officers and community health boards shall enforce sections 35.67 to 35.69.

A proclamation issued by the community health board must be filed with the clerk of the political subdivision responsible for the community health board. One issued by the executive director of the Board of Animal Health must be filed with the clerk of each town and city within the territory it covers.

Each officer with whom the proclamation is filed shall publish a copy of it in one issue of a legal newspaper published in the clerk's town or city if one is published there. If no newspaper is published there, the clerk must post a copy of the proclamation in three public places. Publication is at the expense of the municipality.

Proof of publication must be by affidavit of the publisher and proof of posting must be by the person doing the posting. The affidavit must be filed with the proclamation. The proclamation is effective five days after the publication or posting and remains effective for the period of time not exceeding six months specified in it by the community health board making the proclamation.

35.830 SALE OF BRANDED LIVESTOCK; WRITTEN BILL OF SALE.

Persons selling animals marked or branded with their mark or brand recorded in a current state brand book or its supplement or registered with the board shall execute to the purchaser a written bill of sale bearing the signature and residence of the seller, the name and address of the purchaser, the total number of animals sold, a description of each animal sold as to sex and kind, and all registered brands. The bill of sale must be kept by the purchaser for two years and for as long afterwards as the purchaser owns any of the animals described in the bill of sale. A copy of the bill of sale must be given to each hauler of the animals, other than railroads, and must accompany the shipment of animals while in transit. The bill of sale or a copy must be shown by the possessor on demand to any peace officer or compliance representative of the board. The bill of sale is prima facie evidence of the sale of the animals described by the bill of sale.

239.77 BIODIESEL CONTENT MANDATE.

Subd. 5. **Annual report.** (a) Beginning in 2009, the commissioner of agriculture must report by January 15 of each year to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture policy and finance regarding the implementation of the minimum content requirements in subdivision 2, including information about the price and supply of biodiesel fuel. The report shall include information about the impacts of the biodiesel mandate on the development of biodiesel production capacity in the state, and on the use of feedstock grown or raised in the state for biodiesel production. The report must include any written comments received from members of the biodiesel fuel task force by January 1 of that year designated by them for inclusion in the report.

(b) The commissioner of agriculture, in consultation with the commissioner of commerce and the Biodiesel Fuel Task Force, shall study the need to continue the exceptions in subdivision 3. The 2013 report under paragraph (a) shall include recommendations for studies and other research needs to make a determination on the need for the exceptions, including any recommendations for use of the agricultural growth, research, and innovation program funding to conduct the research. The 2014 report under paragraph (a) shall contain the commissioner of agriculture's recommendations on whether to continue any of the exceptions in subdivision 3.