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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 4885

04/09/2026 Authored by Hansen, R., The bill was read for the first time and referred to the Committee on Rules and Legislative Administration

1.1 A bill for an act
1.2 relating to agriculture; modifying prior appropriations; modifying agriculture
1.3 policy provisions; requiring reports; appropriating money; amending Minnesota
1.4 Statutes 2024, sections 17.458, subdivision 1; 18J.01; 18J.02; 18J.03; 18J.04,
1.5 subdivisions 1, 2, 3, 4; 18J.05, subdivisions 1, 2, 6; 18J.06; 18J.07, subdivisions
1.6 3, 4, 5; 18J.09; 18K.02, subdivisions 5, 6; 18K.04, subdivision 1; 21.111; 21.112,
1.7 by adding a subdivision; 21.113; 21.115; 21.117; 21.119; 21.1195; 21.891,
1.8 subdivision 2; 28A.0752; 32D.30, subdivision 5; 41A.19; 41B.048, subdivisions
1.9 2, 4, 5, by adding subdivisions; Minnesota Statutes 2025 Supplement, sections
1.10 17.1017, subdivision 9; 28A.04, subdivision 1; 28A.08, subdivision 3; Laws 2025,
1.11 chapter 34, article 1, section 2, subdivisions 2, 3, as amended, 4, as amended;
1.12 proposing coding for new law in Minnesota Statutes, chapter 21; repealing
1.13 Minnesota Statutes 2024, sections 18K.02, subdivision 7; 18K.03, subdivision 2;
1.14 28A.075.

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

1.16 ARTICLE 1
1.17 APPROPRIATIONS

1.18 Section 1. Laws 2025, chapter 34, article 1, section 2, subdivision 2, is amended to read:

1.19 Subd. 2. Protection Services

Table with 3 columns: Fund Name, Amount, and Total. Rows include Appropriations by Fund, General (20,828,000), and Remediation (399,000).

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

2.1 (b) \$639,000 the first year and \$639,000 the
2.2 second year are for the soil health financial
2.3 assistance program under Minnesota Statutes,
2.4 section 17.134. The commissioner may award
2.5 no more than \$50,000 of the appropriation
2.6 each year to a single recipient.

2.7 Notwithstanding Minnesota Statutes, section
2.8 16B.98, subdivision 14, the commissioner may
2.9 use up to 6.5 percent of this appropriation for
2.10 costs incurred to administer the program. Any
2.11 unencumbered balance does not cancel at the
2.12 end of the first year and is available in the
2.13 second year. Appropriations encumbered
2.14 under contract on or before June 30, 2027, for
2.15 soil health financial assistance grants are
2.16 available until June 30, 2029.

2.17 (c) \$275,000 the first year and \$250,000 the
2.18 second year are for compensation for livestock
2.19 destroyed or crippled by a wolf under
2.20 Minnesota Statutes, section 3.737. The first
2.21 year appropriation may be spent to compensate
2.22 for livestock that were destroyed or crippled
2.23 during fiscal year 2025. If the amount in the
2.24 first year is insufficient, the amount in the
2.25 second year is available in the first year. The
2.26 commissioner may use up to \$5,000 each year
2.27 to reimburse expenses incurred by university
2.28 extension educators to provide fair market
2.29 values of destroyed or crippled livestock. If
2.30 the commissioner receives federal money to
2.31 pay claims for destroyed or crippled livestock,
2.32 an equivalent amount of this appropriation
2.33 may be used to reimburse nonlethal prevention
2.34 methods performed by federal wildlife services
2.35 staff. The base for this appropriation is

3.1 \$175,000 in fiscal year 2028 and each year
3.2 thereafter.

3.3 (d) \$255,000 the first year and \$230,000 the
3.4 second year are for compensation for crop or
3.5 fence damage caused by elk under Minnesota
3.6 Statutes, section 3.7371. If the amount in the
3.7 first year is insufficient, the amount in the
3.8 second year is available in the first year. The
3.9 commissioner may use up to \$10,000 of the
3.10 appropriation each year to reimburse expenses
3.11 incurred by the commissioner or the
3.12 commissioner's approved agent to investigate
3.13 and resolve claims, as well as for costs
3.14 associated with training for approved agents.
3.15 The commissioner may use up to \$40,000 of
3.16 the appropriation each year for grants to
3.17 producers for measures to protect stored crops
3.18 from elk damage. If the commissioner
3.19 determines that claims made under Minnesota
3.20 Statutes, section 3.737 or 3.7371, are
3.21 unusually high, amounts appropriated for
3.22 either program may be transferred to the
3.23 appropriation for the other program. The base
3.24 for this appropriation is \$155,000 in fiscal year
3.25 2028 and each year thereafter.

3.26 (e) \$825,000 the first year and \$825,000 the
3.27 second year are to replace capital equipment
3.28 in the Department of Agriculture's analytical
3.29 laboratory.

3.30 (f) \$750,000 the first year and \$750,000 the
3.31 second year are for additional meat and poultry
3.32 inspection services. The commissioner is
3.33 encouraged to seek inspection waivers, match
3.34 federal money, and offer more online

4.1 inspections for the purposes of this paragraph.

4.2 This is a onetime appropriation.

4.3 (g) \$500,000 the first year and \$500,000 the

4.4 second year are for grants to counties to

4.5 support county agricultural inspectors. The

4.6 commissioner may use up to three percent of

4.7 the appropriation each year for administration.

4.8 This is a onetime appropriation. County

4.9 agricultural inspectors and county-designated

4.10 employees must annually submit an

4.11 application, on a form approved by the

4.12 commissioner, to be eligible for funding

4.13 during a given year. The commissioner must

4.14 equally divide available grant money among

4.15 eligible counties. To be eligible for grants

4.16 under this section, a county must employ a

4.17 county agricultural inspector or a

4.18 county-designated employee who:

4.19 (1) has attended training for new county

4.20 agricultural inspectors offered by the

4.21 commissioner;

4.22 (2) coordinates with the commissioner to

4.23 review applicable laws and enforcement

4.24 procedures;

4.25 (3) compiles and submits to the commissioner

4.26 local weed inspector annual report data;

4.27 (4) conducts an annual meeting and training

4.28 for local weed inspectors; and

4.29 (5) assists the commissioner with control

4.30 programs and other agricultural programs

4.31 when requested under Minnesota Statutes,

4.32 section 18.81, subdivision 1b, as directed by

4.33 the county board.

5.1 (h) \$250,000 the first year and \$250,000 the
5.2 second year are appropriated to establish and
5.3 administer the biofertilizer innovation and
5.4 efficiency program ~~under Minnesota Statutes,~~
5.5 ~~section 18C.113.~~ The commissioner may use
5.6 up to 6.5 percent of this appropriation for costs
5.7 incurred to administer the program.

5.8 Notwithstanding Minnesota Statutes, section
5.9 16A.28, any unencumbered balance at the end
5.10 of fiscal year 2026 does not cancel and is
5.11 available until June 30, 2027. This is a onetime
5.12 appropriation.

5.13 ~~(h)~~ (i) \$75,000 the first year is to conduct an
5.14 evaluation of the practice performance and
5.15 economic performance of the Olmsted County
5.16 groundwater protection and soil health
5.17 initiative, including the cover crop program,
5.18 alternative crops program, and haying,
5.19 grazing, and pasture enhancement program.

5.20 The evaluation must look at environmental
5.21 outcomes, include a cost-benefit analysis, and
5.22 be submitted to the chairs and ranking
5.23 minority members of the legislative
5.24 committees and divisions with jurisdiction
5.25 over agriculture policy and finance by June 1,
5.26 2027. The commissioner may contract with
5.27 an independent third party to conduct the
5.28 evaluation.

5.29 ~~(h)~~ (j) \$420,000 the first year and \$924,000
5.30 the second year are to support current services.

6.1 Sec. 2. Laws 2025, chapter 34, article 1, section 2, subdivision 3, as amended by Laws
6.2 2025, First Special Session chapter 11, section 11, is amended to read:

6.3	Subd. 3. Agricultural Marketing and		23,301,000
6.4	Development	23,551,000	<u>24,301,000</u>

6.5 (a) \$634,000 the first year and \$634,000 the
6.6 second year are for the continuation of the
6.7 dairy development and profitability
6.8 enhancement program, including dairy
6.9 profitability teams and dairy business planning
6.10 grants under Minnesota Statutes, section
6.11 32D.30.

6.12 (b) The commissioner may use funds
6.13 appropriated in this subdivision for annual
6.14 cost-share payments to resident farmers or
6.15 entities that sell, process, or package
6.16 agricultural products in this state for the costs
6.17 of organic certification. The commissioner
6.18 may allocate these funds for assistance to
6.19 persons transitioning from conventional to
6.20 organic agriculture.

6.21 (c) \$100,000 the first year and \$100,000 the
6.22 second year are for mental health outreach and
6.23 support to farmers, ranchers, farm workers
6.24 and employees, and others in the agricultural
6.25 community and profession and for farm and
6.26 farm worker safety grant and outreach
6.27 programs under Minnesota Statutes, section
6.28 17.1195. Mental health outreach and support
6.29 may include a 24-hour hotline, stigma
6.30 reduction, and education. Notwithstanding
6.31 Minnesota Statutes, section 16A.28, any
6.32 unencumbered balance does not cancel at the
6.33 end of the first year and is available in the
6.34 second year. The base for this appropriation

7.1 is \$50,000 in fiscal year 2028 and each year
7.2 thereafter.

7.3 (d) \$700,000 the first year and \$700,000 the
7.4 second year are for the local food purchasing
7.5 assistance grant program under article 3,
7.6 section 35. Notwithstanding Minnesota
7.7 Statutes, section 16A.28, any unencumbered
7.8 balance does not cancel at the end of the first
7.9 year and is available in the second year.

7.10 (e) \$1,000,000 the first year and \$1,000,000
7.11 the second year are to expand the Emerging
7.12 Farmers Office and provide services to
7.13 beginning and emerging farmers to increase
7.14 connections between farmers and market
7.15 opportunities throughout the state. This
7.16 appropriation may be used for grants,
7.17 translation services, training programs, or
7.18 other purposes in line with the
7.19 recommendations of the emerging farmer
7.20 working group established under Minnesota
7.21 Statutes, section 17.055, subdivision 1.

7.22 ~~(e)~~ (f) \$18,257,000 the first year and
7.23 \$18,007,000 the second year are for the
7.24 agricultural growth, research, and innovation
7.25 program under Minnesota Statutes, section
7.26 41A.12. The base for this appropriation is
7.27 \$17,449,000 in fiscal year 2028 and each year
7.28 thereafter.

7.29 ~~(f)~~ (g) Except as provided in paragraph ~~(g)~~ (h),
7.30 the commissioner may allocate the
7.31 appropriation in paragraph ~~(e)~~ (f) each year
7.32 among the following areas: facilitating the
7.33 startup, modernization, improvement, or
7.34 expansion of livestock operations, including
7.35 beginning and transitioning livestock

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

8.32 ~~(g)~~ (h) Of the amount appropriated for the
8.33 agricultural growth, research, and innovation
8.34 program under Minnesota Statutes, section
8.35 41A.12:

9.1 (1) \$1,000,000 the first year and \$1,000,000
9.2 the second year are for distribution in equal
9.3 amounts to each of the state's county fairs to
9.4 preserve and promote Minnesota agriculture;

9.5 (2) \$3,000,000 the first year and \$3,000,000
9.6 the second year are for incentive payments
9.7 under Minnesota Statutes, sections 41A.16,
9.8 41A.17, 41A.18, and 41A.20. If this
9.9 appropriation exceeds the total amount for
9.10 which all producers are eligible in a fiscal
9.11 year, the balance of the appropriation is
9.12 available for other purposes under this
9.13 paragraph;

9.14 (3) \$2,750,000 the first year and \$2,750,000
9.15 the second year are for grants that enable retail
9.16 petroleum dispensers, fuel storage tanks, and
9.17 other equipment to dispense biofuels to the
9.18 public in accordance with the biofuel
9.19 replacement goals established under
9.20 Minnesota Statutes, section 239.7911. A retail
9.21 petroleum dispenser selling petroleum for use
9.22 in spark ignition engines for vehicle model
9.23 years after 2000 is eligible for grant money
9.24 under this clause if the retail petroleum
9.25 dispenser has no more than 20 retail petroleum
9.26 dispensing sites and each site is located in
9.27 Minnesota. The grant money must be used to
9.28 replace or upgrade equipment that does not
9.29 have the ability to be certified for E25. A grant
9.30 award must not exceed 65 percent of the cost
9.31 of the appropriate technology. A grant award
9.32 must not exceed \$200,000 per station. The
9.33 commissioner must cooperate with biofuel
9.34 stakeholders in the implementation of the grant
9.35 program. The commissioner, in cooperation

10.1 with any economic or community development
10.2 financial institution and any other entity with
10.3 which the commissioner contracts, must
10.4 submit ~~a~~ the report on under Minnesota
10.5 Statutes, section 41A.12, subdivision 3, that
10.6 includes metrics of the biofuels infrastructure
10.7 financial assistance program ~~by January 15~~
10.8 each year to the chairs and ranking minority
10.9 members of the legislative committees and
10.10 divisions with jurisdiction over agriculture
10.11 policy and finance. The annual report must
10.12 include but not be limited to a summary of the
10.13 following metrics: (i) the number and types
10.14 of projects financed; (ii) the amount of dollars
10.15 leveraged or matched per project; (iii) the
10.16 geographic distribution of financed projects;
10.17 (iv) any market expansion associated with
10.18 upgraded infrastructure; (v) the demographics
10.19 of the areas served; (vi) the costs of the
10.20 program; and (vii) the number of grants to
10.21 minority-owned or female-owned businesses;
10.22 (4) \$350,000 the first year and \$250,000 the
10.23 second year are for grants to facilitate the
10.24 startup, modernization, or expansion of meat,
10.25 poultry, egg, and milk processing facilities. A
10.26 grant award under this clause must not exceed
10.27 \$200,000;
10.28 (5) \$1,594,000 the first year and \$1,544,000
10.29 the second year are for providing more fruits,
10.30 vegetables, meat, poultry, grain, and dairy for
10.31 children in school and early childhood
10.32 education settings, including, at the
10.33 commissioner's discretion, providing grants
10.34 to reimburse schools and early childhood
10.35 education and child care providers for

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

11.22 (6) up to \$1,750,000 the first year and up to
11.23 \$1,750,000 the second year are for grants to
11.24 facilitate the development of urban agriculture,
11.25 including projects related to youth education,
11.26 community and economic development,
11.27 value-added processing, and vocational
11.28 training;

11.29 (7) \$1,000,000 the first year and \$1,000,000
11.30 the second year are for the food retail
11.31 improvement and development program under
11.32 Minnesota Statutes, section 17.1017;

11.33 (8) up to \$200,000 the first year and up to
11.34 \$200,000 the second year are for cooperative

12.1 development grants under Minnesota Statutes,
12.2 section 17.1016;

12.3 (9) \$250,000 the first year and \$150,000 the
12.4 second year are for the protecting livestock
12.5 grant program for producers to support the
12.6 installation of measures to prevent the
12.7 transmission of avian influenza. For the
12.8 appropriation in this clause, a grant applicant
12.9 must document a cost-share of 20 percent. An
12.10 applicant's cost-share amount may be reduced
12.11 up to \$2,000 to cover time and labor costs.
12.12 This is a onetime appropriation; and

12.13 (10) up to \$525,000 the first year and up to
12.14 \$525,000 the second year are to award AGRI
12.15 Works grants to institutions and organizations
12.16 to provide regional and statewide services.
12.17 Preference shall be given to legislatively
12.18 created entities and organizations that enhance
12.19 agricultural, horticultural, or rural community
12.20 and economic development, marketing, and
12.21 promotion, and research and education. A
12.22 grant award under this clause must not exceed
12.23 \$200,000. Grants made under this paragraph
12.24 are subject to the requirements in Minnesota
12.25 Statutes, sections 16B.98 and 16B.981. This
12.26 is a onetime appropriation.

12.27 ~~(h)~~ (i) Notwithstanding Minnesota Statutes,
12.28 section 16A.28, the appropriation in paragraph
12.29 ~~(e)~~ (f) does not cancel at the end of the second
12.30 year and is available until June 30, 2029.
12.31 Appropriations encumbered under contract on
12.32 or before June 30, 2029, for agricultural
12.33 growth, research, and innovation grants are
12.34 available until June 30, 2032. At the end of
12.35 fiscal year 2027, the commissioner must

13.1 prioritize any money resulting from canceled
 13.2 contracts to be used for AGRI Works grants
 13.3 under paragraph ~~(g)~~ (h), clause (10).

13.4 Sec. 3. Laws 2025, chapter 34, article 1, section 2, subdivision 4, as amended by Laws
 13.5 2025, First Special Session chapter 11, section 12, is amended to read:

13.6	Subd. 4. Administration and Financial		11,145,000
13.7	Assistance	14,179,000	<u>9,895,000</u>

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

14.1 Agriculture for purposes of the specialty crop
14.2 block grant program: fruits and vegetables,
14.3 tree nuts, dried fruits, medicinal plants,
14.4 culinary herbs and spices, horticulture crops,
14.5 floriculture crops, and nursery crops.
14.6 Notwithstanding Minnesota Statutes, section
14.7 16A.28, any unencumbered balance at the end
14.8 of the first year does not cancel and is
14.9 available in the second year and appropriations
14.10 encumbered under contract by June 30, 2027,
14.11 are available until June 30, 2029. The base for
14.12 this appropriation is \$1,000,000 in fiscal year
14.13 2028 and each year thereafter.

14.14 (d) \$1,000,000 the first year and \$1,000,000
14.15 the second year are for the purchase of milk
14.16 for distribution to Minnesota's food shelves
14.17 and other charitable organizations that are
14.18 eligible to receive food from the food banks.
14.19 Milk purchased with grant money must be
14.20 acquired from Minnesota milk processors and
14.21 based on low-cost bids. The milk must be
14.22 allocated to each Feeding America food bank
14.23 serving Minnesota according to the formula
14.24 used in the distribution of United States
14.25 Department of Agriculture commodities under
14.26 The Emergency Food Assistance Program.
14.27 The commissioner may enter into contracts or
14.28 agreements with food banks for shared funding
14.29 or reimbursement of the direct purchase of
14.30 milk. Each food bank that receives funding
14.31 under this paragraph may use up to two
14.32 percent for administrative expenses.
14.33 Notwithstanding Minnesota Statutes, section
14.34 16A.28, any unencumbered balance the first
14.35 year does not cancel and is available the
14.36 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)~~ (f) \$137,000 the first year and \$203,000
15.26 the second year are to support current services.

15.27 ~~(h)~~ (g) \$337,000 the first year and \$337,000
15.28 the 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 ~~(†)~~ (h) \$3,000,000 the first year is for transfer
 16.9 to the Public Facilities Authority for a grant
 16.10 to First District Association to acquire land
 16.11 for and to design, engineer, construct, equip,
 16.12 and furnish a wastewater treatment project.

16.13 This 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 ~~(†)~~ (i) \$50,000 the first year is to be awarded
 16.20 as 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 ~~(†)~~ (j) \$50,000 the first year is to conduct a
 16.35 study and develop recommendations for

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

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

17.15 (2) The commissioner must submit a report
 17.16 detailing its findings, including potential
 17.17 funding sources and proposal outlines for
 17.18 funding requests where appropriate. The
 17.19 commissioner must submit the report to the
 17.20 chairs and ranking minority members of the
 17.21 legislative committees with jurisdiction over
 17.22 agriculture and environment by March 15,
 17.23 2026.

17.24 ~~(s)~~ (k) The commissioner shall continue to
 17.25 increase connections with ethnic minority and
 17.26 immigrant farmers to farming opportunities
 17.27 and farming programs throughout the state.

17.28 **ARTICLE 2**

17.29 **AGRICULTURE POLICY**

17.30 Section 1. Minnesota Statutes 2025 Supplement, section 17.1017, subdivision 9, is amended
 17.31 to read:

17.32 Subd. 9. **Legislative report.** The commissioner, in cooperation with any economic or
 17.33 community development financial institution and any other entity with which it contracts,

18.1 shall submit ~~an annual~~ the report on under section 41A.12, subdivision 3, that includes
 18.2 metrics of the food retail improvement and development program by January 15 of each
 18.3 year to the chairs and ranking minority members of the house of representatives and senate
 18.4 committees and divisions with jurisdiction over agriculture policy and finance. The ~~annual~~
 18.5 report shall include, ~~but not be limited to~~, a summary of the following metrics:

- 18.6 (1) the number and types of projects financed;
- 18.7 (2) the amount of dollars leveraged or matched per project;
- 18.8 (3) the geographic distribution of financed projects;
- 18.9 (4) the number and types of technical assistance recipients;
- 18.10 (5) the demographics of the areas served;
- 18.11 (6) the costs of the program;
- 18.12 (7) the number of SNAP dollars spent;
- 18.13 (8) any increase in retail square footage;
- 18.14 (9) the number of loans or grants to businesses owned by women and Black, Indigenous,
 18.15 or Persons of Color; and
- 18.16 (10) measurable economic and health outcomes, including, but not limited to, increases
 18.17 in sales and consumption of locally sourced and other fresh fruits and vegetables, the number
 18.18 of construction and retail jobs retained or created, and any health initiatives associated with
 18.19 the program.

18.20 Sec. 2. Minnesota Statutes 2024, section 17.458, subdivision 1, is amended to read:

18.21 Subdivision 1. **Definition.** "Agroforestry" means the intentional integration of trees and
 18.22 shrubs into crop and animal farming systems to create a more sustainable, diverse, and
 18.23 productive land-use system. Agroforestry includes the cultivation of short-rotation woody
 18.24 crops using agricultural practices to produce timber or forest products.

18.25 Sec. 3. Minnesota Statutes 2024, section 18J.01, is amended to read:

18.26 **18J.01 DEFINITIONS.**

18.27 (a) The definitions in this section; chapters 18G, 18H, 18K, 27, 223, 231, and 232; and
 18.28 sections 18G.02, 18H.02, 18K.02, 27.01, 223.16, 231.01, and 232.21 21.111 to 21.125 and
 18.29 21.80 to 21.92 apply to this chapter.

19.1 (b) For purposes of this chapter, "associated rules" means rules adopted under this
19.2 chapter, chapter 18G, 18H, 18K, 27, 223, 231, or 232, or sections 21.111 to 21.125 and
19.3 21.80 to 21.92.

19.4 Sec. 4. Minnesota Statutes 2024, section 18J.02, is amended to read:

19.5 **18J.02 DUTIES OF COMMISSIONER.**

19.6 The commissioner shall administer and enforce this chapter, chapters 18G, 18H, 18K,
19.7 27, 223, 231, and 232; sections 21.111 to 21.125, and 21.80 to 21.92; and associated rules.

19.8 Sec. 5. Minnesota Statutes 2024, section 18J.03, is amended to read:

19.9 **18J.03 CIVIL LIABILITY.**

19.10 A person regulated by this chapter, chapter 18G, 18H, 18K, 27, 223, 231, or 232, or
19.11 sections 21.111 to 21.125 or 21.80 to 21.92, is civilly liable for any violation of one of those
19.12 statutes or associated rules by the person's employee or agent.

19.13 Sec. 6. Minnesota Statutes 2024, section 18J.04, subdivision 1, is amended to read:

19.14 Subdivision 1. **Access and entry.** The commissioner, upon presentation of official
19.15 department credentials, must be granted immediate access at reasonable times to sites where
19.16 a person manufactures, distributes, uses, handles, disposes of, stores, or transports seeds,
19.17 plants, grain, household goods, general merchandise, produce, or other living or nonliving
19.18 products or other objects regulated under chapter 18G, 18H, 18K, 27, 223, 231, or 232;
19.19 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules.

19.20 Sec. 7. Minnesota Statutes 2024, section 18J.04, subdivision 2, is amended to read:

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

19.22 (1) inspection of inventory and equipment for the manufacture, storage, handling,
19.23 distribution, disposal, or any other process regulated under chapter 18G, 18H, 18K, 27, 223,
19.24 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;

19.25 (2) sampling of sites, seeds, plants, products, grain, household goods, general
19.26 merchandise, produce, or other living or nonliving objects that are manufactured, stored,
19.27 distributed, handled, or disposed of at those sites and regulated under chapter 18G, 18H,
19.28 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;

19.29 (3) inspection of records related to the manufacture, distribution, storage, handling, or
19.30 disposal of seeds, plants, products, grain, household goods, general merchandise, produce,

20.1 or other living or nonliving objects regulated under chapter 18G, 18H, 18K, 27, 223, 231,
20.2 or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;

20.3 (4) investigating compliance with chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections
20.4 21.111 to 21.125 or 21.80 to 21.92; or associated rules; or

20.5 (5) other purposes necessary to implement chapter 18G, 18H, 18K, 27, 223, 231, or 232;
20.6 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules.

20.7 (b) The commissioner may enter any public or private premises during or after regular
20.8 business hours without notice of inspection when a suspected violation of chapter 18G,
20.9 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
20.10 rules may threaten public health or the environment.

20.11 Sec. 8. Minnesota Statutes 2024, section 18J.04, subdivision 3, is amended to read:

20.12 Subd. 3. **Notice of inspection samples and analyses.** (a) The commissioner shall provide
20.13 the owner, operator, or agent in charge with a receipt describing any samples obtained. If
20.14 requested, the commissioner shall split any samples obtained and provide them to the owner,
20.15 operator, or agent in charge. If an analysis is made of the samples, a copy of the results of
20.16 the analysis must be furnished to the owner, operator, or agent in charge within 30 days
20.17 after an analysis has been performed. If an analysis is not performed, the commissioner
20.18 must notify the owner, operator, or agent in charge within 30 days of the decision not to
20.19 perform the analysis.

20.20 (b) The sampling and analysis must be done according to methods provided for under
20.21 applicable provisions of chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to
20.22 21.125 or 21.80 to 21.92; or associated rules. In cases not covered by those sections and
20.23 methods or in cases where methods are available in which improved applicability has been
20.24 demonstrated the commissioner may adopt appropriate methods from other sources.

20.25 Sec. 9. Minnesota Statutes 2024, section 18J.04, subdivision 4, is amended to read:

20.26 Subd. 4. **Inspection requests by others.** (a) A person who believes that a violation of
20.27 chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92;
20.28 or associated rules has occurred may request an inspection by giving notice to the
20.29 commissioner of the violation. The notice must be in writing, state with reasonable
20.30 particularity the grounds for the notice, and be signed by the person making the request.

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

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

21.9 Sec. 10. Minnesota Statutes 2024, section 18J.05, subdivision 1, is amended to read:

21.10 Subdivision 1. **Enforcement required.** (a) A violation of chapter 18G, 18H, 18K, 27,
 21.11 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or an associated rule is a
 21.12 violation of this chapter.

21.13 (b) Upon the request of the commissioner, county attorneys, sheriffs, and other officers
 21.14 having authority in the enforcement of the general criminal laws must take action to the
 21.15 extent of their authority necessary or proper for the enforcement of chapter 18G, 18H, 18K,
 21.16 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules or
 21.17 valid orders, standards, stipulations, and agreements of the commissioner.

21.18 Sec. 11. Minnesota Statutes 2024, section 18J.05, subdivision 2, is amended to read:

21.19 Subd. 2. **Commissioner's discretion.** If minor violations of chapter 18G, 18H, 18K,
 21.20 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules occur
 21.21 or the commissioner believes the public interest will be best served by a suitable notice of
 21.22 warning in writing, this section does not require the commissioner to:

21.23 (1) report the violation for prosecution;

21.24 (2) institute seizure proceedings; or

21.25 (3) issue a withdrawal from distribution, stop-sale, or other order.

21.26 Sec. 12. Minnesota Statutes 2024, section 18J.05, subdivision 6, is amended to read:

21.27 Subd. 6. **Agent for service of process.** All persons licensed, permitted, registered, or
 21.28 certified under chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or
 21.29 21.80 to 21.92; or associated rules must appoint the commissioner as the agent upon whom
 21.30 all legal process may be served and service upon the commissioner is deemed to be service
 21.31 on the licensee, permittee, registrant, or certified person.

22.1 Sec. 13. Minnesota Statutes 2024, section 18J.06, is amended to read:

22.2 **18J.06 FALSE STATEMENT OR RECORD.**

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

22.5 (1) an application for registration, license, certification, or permit under chapter 18G,
22.6 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
22.7 rules;

22.8 (2) records or reports required under chapter 18G, 18H, 18K, 27, 223, 231, or 232;
22.9 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules; or

22.10 (3) an investigation of a violation of chapter 18G, 18H, 18K, 27, 223, 231, or 232;
22.11 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules.

22.12 Sec. 14. Minnesota Statutes 2024, section 18J.07, subdivision 3, is amended to read:

22.13 Subd. 3. **Cancellation of registration, permit, license, certification.** The commissioner
22.14 may cancel or revoke a registration, permit, license, or certification provided for under
22.15 chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92;
22.16 or associated rules or refuse to register, permit, license, or certify under provisions of chapter
22.17 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or
22.18 associated rules if the registrant, permittee, licensee, or certified person has used fraudulent
22.19 or deceptive practices in the evasion or attempted evasion of a provision of chapter 18G,
22.20 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
22.21 rules.

22.22 Sec. 15. Minnesota Statutes 2024, section 18J.07, subdivision 4, is amended to read:

22.23 Subd. 4. **Service of order or notice.** (a) If a person is not available for service of an
22.24 order, the commissioner may attach the order to the facility, site, seed or seed container,
22.25 plant or other living or nonliving object regulated under chapter 18G, 18H, 18K, 27, 223,
22.26 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules and notify the
22.27 owner, custodian, other responsible party, or registrant.

22.28 (b) The seed, seed container, plant, or other living or nonliving object regulated under
22.29 chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92;
22.30 or associated rules may not be sold, used, tampered with, or removed until released under
22.31 conditions specified by the commissioner, by an administrative law judge, or by a court.

23.1 Sec. 16. Minnesota Statutes 2024, section 18J.07, subdivision 5, is amended to read:

23.2 Subd. 5. **Unsatisfied judgments.** (a) An applicant for a license, permit, registration, or
 23.3 certification under provisions of this chapter, chapter 18G, 18H, 18K, 27, 223, 231, or 232;
 23.4 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules may not allow a final
 23.5 judgment against the applicant for damages arising from a violation of those statutes or
 23.6 rules to remain unsatisfied for a period of more than 30 days.

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

23.9 Sec. 17. Minnesota Statutes 2024, section 18J.09, is amended to read:

23.10 **18J.09 CREDITING OF PENALTIES, FEES, AND COSTS.**

23.11 Penalties, cost reimbursements, fees, and other money collected under this chapter must
 23.12 be deposited into the state treasury and credited to the appropriate nursery and phytosanitary
 23.13 account under section 18H.17, industrial hemp account under section 18K.07, or seed potato
 23.14 inspection account under section 21.115, seed inspection account under section 21.92, or
 23.15 grain buyers and storage account under sections 223.17 and 232.22.

23.16 Sec. 18. Minnesota Statutes 2024, section 18K.02, subdivision 5, is amended to read:

23.17 Subd. 5. **Processing.** "Processing" means rendering by refinement hemp plants or hemp
 23.18 plant parts from their natural or original state after harvest. Processing includes but is not
 23.19 limited to decortication, devitalization, chopping, crushing, extraction of plant substances
 23.20 other than cannabinoids, and packaging pressing. Processing does not include typical farm
 23.21 operations such as sorting, grading, baling, and harvesting. Processing does not include
 23.22 extraction of cannabinoids or the production of artificially derived cannabinoids as defined
 23.23 in section 342.01, subdivision 6.

23.24 Sec. 19. Minnesota Statutes 2024, section 18K.02, subdivision 6, is amended to read:

23.25 Subd. 6. **Processing location.** "Processing location" means any area, building, plant, or
 23.26 facility registered with and approved by the commissioner in which a licensee converts raw
 23.27 industrial hemp into a marketable product.

24.1 Sec. 20. Minnesota Statutes 2024, section 18K.04, subdivision 1, is amended to read:

24.2 Subdivision 1. **Requirement; issuance; presumption.** (a) A person must obtain a license
24.3 from the commissioner before (1) growing industrial hemp, (2) processing industrial hemp,
24.4 or (3) researching industrial hemp.

24.5 (b) To obtain a license under paragraph (a), a person must apply to the commissioner
24.6 in the form prescribed by the commissioner and must pay the annual registration and
24.7 inspection fee established by the commissioner in accordance with section 16A.1285,
24.8 subdivision 2.

24.9 (c) For a license to grow or process industrial hemp, the license application must include
24.10 the name and address of the applicant and the legal description of the land area or areas
24.11 where industrial hemp will be grown or processed by the applicant and any other information
24.12 required under Code of Federal Regulations, title 7, part 990.

24.13 ~~(d) For a license to process industrial hemp, the license application must include the~~
24.14 ~~name and address of the applicant, the legal description of the processing location, and any~~
24.15 ~~other information required by the commissioner.~~

24.16 ~~(e)~~ (d) A licensee is responsible for compliance with the license requirements irrespective
24.17 of the acts or omissions of an authorized representative acting on behalf of the licensee.

24.18 ~~(f)~~ (e) When an applicant has paid the fee and completed the application process to the
24.19 satisfaction of the commissioner, the commissioner must issue a license which is valid until
24.20 December 31 of the year of application.

24.21 ~~(g)~~ (f) A person licensed under paragraph (a) to grow industrial hemp is presumed to be
24.22 growing industrial hemp for commercial or research purposes.

24.23 Sec. 21. Minnesota Statutes 2024, section 21.111, is amended to read:

24.24 **21.111 DEFINITIONS.**

24.25 Subdivision 1. **Scope.** When used in sections 21.111 to ~~21.122~~ 21.125 the terms defined
24.26 in this section shall have the meanings ascribed to them.

24.27 ~~Subd. 2. **Inspected.** "Inspected" means that the potato plants are examined in the field~~
24.28 ~~and that the harvested potatoes produced by the potato plants are examined by or under the~~
24.29 ~~authority of the commissioner. For seed potatoes produced in a lab, inspected means that~~
24.30 ~~the lab's records, including records related to the lab's procedures and protocols, as well as~~
24.31 ~~the seed potatoes, have been examined under the authority of the commissioner.~~

25.1 Subd. 3. **Certified.** "Certified" means that the potatoes ~~were~~ have been inspected while
 25.2 growing in the field and, when possible, again after being harvested, and ~~were thereafter~~
 25.3 ~~duly certified by or under the authority of the commissioner, as provided~~ the potatoes meet
 25.4 the requirements in sections 21.111 to 21.122, ~~and as provided by rules adopted and published~~
 25.5 ~~by the commissioner~~ 21.125. For seed potatoes produced in a ~~lab~~ an indoor facility or
 25.6 greenhouse, certified means that:

25.7 (1) the seed potato ~~lab~~ facilities, ~~and the lab's~~ procedures, and protocols have been
 25.8 examined under the authority of the commissioner; ~~and.~~

25.9 (2) ~~the seed potatoes have been inspected after they have been harvested, removed, or~~
 25.10 ~~released from the lab, and were duly certified by or under the authority of the commissioner,~~
 25.11 ~~as provided in sections 21.111 to 21.122.~~

25.12 Subd. 3a. **Interstate cooperation.** ~~In order to best use state resources, the commissioner~~
 25.13 ~~may enter into agreements with other seed potato certification entities to carry out the~~
 25.14 ~~purposes of sections 21.111 to 21.122. Any agreement may provide for field inspections,~~
 25.15 ~~shipping point inspections, winter tests, and other certification functions to be carried out~~
 25.16 ~~by personnel employed by either entity according to methods determined by the certification~~
 25.17 ~~entities of the respective areas. The commissioner may extend seed potato certification~~
 25.18 ~~services to states where growers wish to grow certified seed potatoes and the state does not~~
 25.19 ~~have a seed potato certification program. Any agreement must be reported to the chairs of~~
 25.20 ~~the legislative committees responsible for the budget or policy of the seed potato inspection~~
 25.21 ~~program and to the commissioner of management and budget.~~

25.22 Subd. 3b. **Certified seed potatoes.** "Certified seed potatoes" means potatoes that have
 25.23 been produced, graded, sacked or placed in bulk, inspected, and certified in accordance with
 25.24 this chapter.

25.25 Subd. 3c. **Class.** "Class" means the seed quality level related to compliance with
 25.26 tolerances for diseases and varietal purity.

25.27 Subd. 3d. **Clone.** "Clone" means a unit of seed potatoes that is the progeny of one plant,
 25.28 which has been tested to become eligible to produce Generation 1 class seed potatoes.

25.29 Subd. 3e. **Commissioner.** "Commissioner" means the commissioner of agriculture or
 25.30 the commissioner's designee.

25.31 Subd. 3f. **Crop.** "Crop" means all lots produced on a farm in one year.

25.32 Subd. 3g. **Department.** "Department" means the Department of Agriculture.

26.1 Subd. 3h. **Explant.** "Explant" means an in vitro potato plant or a plantlet that is produced
 26.2 by rooting an excised tip of a tuber sprout or an axillary bud from a growing plant and that
 26.3 serves as a parent for a whole clone or accession of micropropagated plants or plantlets.

26.4 Subd. 3i. **Farm.** "Farm" means a potato-growing enterprise. Farm includes all land,
 26.5 equipment, storage facilities, and laborers used to produce potatoes.

26.6 Subd. 3j. **Field.** "Field" means a plot of land on a farm where potatoes are grown.

26.7 Subd. 3k. **Inspected.** (a) For plants growing in a field, "inspected" means that the
 26.8 commissioner has examined the plants in the field where the plants are grown and has
 26.9 visually assessed the plants for disease and factors impacting quality.

26.10 (b) For harvested potatoes, inspected means that the commissioner has observed the
 26.11 tubers and, when requested, the commissioner has evaluated the tubers for quality and
 26.12 conditions described in section 21.125.

26.13 (c) For seed potatoes produced in a facility or greenhouse, inspected means that the
 26.14 commissioner has examined the seed potatoes and the facility's records, including records
 26.15 related to the facility's procedures and protocols.

26.16 Subd. 3l. **Lot.** "Lot" means a group of seed potatoes of one variety, planted in one
 26.17 continuous plot, grown on the same farm, and physically separated from other lots while
 26.18 being grown and stored.

26.19 Subd. 3m. **Material in maintenance.** "Material in maintenance" means propagative
 26.20 material, plantlets, or tubers that are maintained, not multiplied, under controlled laboratory
 26.21 conditions.

26.22 Subd. 3n. **Roguing.** "Roguing" is the process of removing infected plants from a field
 26.23 of certified seed potatoes.

26.24 Subd. 3o. **Stand.** "Stand" is the live plant population in a certified seed potato lot.

26.25 Subd. 5. **Seed potatoes.** "Seed potatoes" means potatoes used, sold, offered or exposed
 26.26 for sale, or held with intent to sell or as a sample representing any lot or stock of potatoes
 26.27 offered or exposed for sale or held with intent to sell within this state, for the purpose of
 26.28 planting.

26.29 Subd. 6. **Person.** "Person" includes an individual, a partnership, a corporation, a company,
 26.30 a society, an association, and ~~firm~~ a firm.

26.31 Subd. 7. **Physically separated.** "Physically separated" means separated by at least the
 26.32 width of one row and markings such as flags at every corner of the lot.

27.1 Subd. 8. **Rejected.** "Rejected" means that a field or lot fails to meet the certification
 27.2 standards in this chapter.

27.3 Subd. 9. **Tuber units.** "Tuber units" means the separate pieces of one tuber that are
 27.4 planted consecutively in two or more hills in a row.

27.5 Subd. 10. **Winter testing.** "Winter testing" means growing out and visually inspecting
 27.6 a representative sample of tubers from each seed lot for stand, vigor, varietal purity, and
 27.7 disease.

27.8 Sec. 22. Minnesota Statutes 2024, section 21.112, is amended by adding a subdivision to
 27.9 read:

27.10 Subd. 1a. **Interstate cooperation.** In order to best use state resources, the commissioner
 27.11 may enter into agreements with other seed potato certification entities to carry out the
 27.12 purposes of sections 21.111 to 21.125. An agreement under this subdivision may provide
 27.13 for field inspections, shipping point inspections, winter testing, and other certification
 27.14 functions to be carried out by personnel employed by either the commissioner or other seed
 27.15 potato certification entities according to methods determined by the seed potato certification
 27.16 entities. The commissioner may extend seed potato certification services to a state where
 27.17 growers wish to grow certified seed potatoes and where the state does not have a seed potato
 27.18 certification program. Any agreement under this subdivision must be reported to the chairs
 27.19 and ranking minority members of the legislative committees responsible for the budget or
 27.20 policy of the seed potato inspection program and to the commissioner of management and
 27.21 budget.

27.22 Sec. 23. Minnesota Statutes 2024, section 21.113, is amended to read:

27.23 **21.113 SHIPPING POINT CERTIFICATES OF INSPECTION; CERTIFICATES**
 27.24 **OF ORIGIN; AND BULK CERTIFICATES.**

27.25 Subdivision 1. **Shipping point inspections.** (a) The commissioner shall issue shipping
 27.26 point certificates of inspection only when seed potatoes have been inspected while growing
 27.27 in the field and again after being harvested.

27.28 ~~(b) For seed potatoes produced in a lab, the commissioner shall issue certificates of~~
 27.29 ~~inspection only after:~~

27.30 ~~(1) the seed potato lab facility and the lab's records have been inspected; and~~

27.31 ~~(2) the seed potatoes have been inspected after they have been harvested, removed, or~~
 27.32 ~~released from the lab.~~

28.1 (e) (b) Certificates of inspection under this section shall show the varietal purity and the
 28.2 freedom from disease and physical injury of such potatoes and any other information as
 28.3 may be prescribed by ~~rules adopted and published under~~ sections 21.111 to ~~21.122~~ 21.125.

28.4 Subd. 2. Other certificates. (a) The use of a certificate of origin requires the approval
 28.5 of the seller and the purchaser and must only be used for intrastate shipments between
 28.6 certified seed potato producers. The certificate of origin must contain information considered
 28.7 necessary by the commissioner and must at a minimum identify the producer, receiver,
 28.8 variety, classification, quantity, date of shipment, and lot of the seed potatoes. The limitation
 28.9 of warranty as described in paragraph (c) must not include any representation of the condition
 28.10 of the potatoes at the time of shipment. A certificate of origin must only be used for intrastate
 28.11 shipment if a shipping point inspection is not available. Use of a certificate of origin must
 28.12 be approved by the commissioner prior to shipment.

28.13 (b) A bulk certificate must include the date of issuance, class, grade, lot number, and
 28.14 approximate weight of the load.

28.15 (c) A certification does not represent a warranty of any kind, express or implied, including
 28.16 merchantability, as to the quality of the crop produced from the certified seed potatoes. A
 28.17 certification must only represent that the seed potatoes were produced, graded, sacked or
 28.18 placed in bulk, and inspected in accordance with this chapter. A certification under this
 28.19 subdivision must not include any representation of the condition of the potatoes at the time
 28.20 of shipment.

28.21 Sec. 24. Minnesota Statutes 2024, section 21.115, is amended to read:

28.22 **21.115 FEES; SEED POTATO INSPECTION ACCOUNT.**

28.23 The commissioner shall fix the fees for all inspections and certifications in such amounts
 28.24 as from time to time may be found necessary to pay the expenses of carrying out and
 28.25 enforcing the purposes of sections 21.111 to ~~21.122~~ 21.125, with a reasonable reserve, and
 28.26 shall require the same to be paid before such inspections or certifications are made. All
 28.27 moneys collected as fees or as penalties for violations of any of the provisions of such
 28.28 sections shall be paid into the agricultural fund and credited to the seed potato inspection
 28.29 account of the commissioner, which account is hereby created and appropriated for carrying
 28.30 out the purposes of sections 21.111 to ~~21.122~~ 21.125. Interest, if any, received on deposits
 28.31 of these moneys shall be credited to the account, and there shall be paid into this fund any
 28.32 sum provided by the legislature for the purpose of carrying out the provisions of such
 28.33 sections.

29.1 Sec. 25. Minnesota Statutes 2024, section 21.117, is amended to read:

29.2 **21.117 APPLICATIONS FOR INSPECTIONS; WITHDRAWALS;**
 29.3 **AMENDMENTS.**

29.4 (a) Any person may make application to the commissioner for inspection or certification
 29.5 of seed potatoes growing or to be grown. Upon receiving such application and the required
 29.6 fee and such other information as may be required, the commissioner shall cause such
 29.7 potatoes to be inspected or certified in accordance with the provisions of sections 21.111
 29.8 to ~~21.122 and the rules adopted and published thereunder~~ 21.125.

29.9 (b) If a grower wishes to withdraw ~~a field or lab~~ an application after having made a
 29.10 timely application for inspection and such withdrawal is requested before the field or ~~lab~~
 29.11 facility inspection has been made, the fee paid shall be refunded to said grower. A grower
 29.12 must submit a withdrawal request in writing and include a reason for withdrawal. A grower
 29.13 must remove withdrawn acres from production before the first field inspection.

29.14 (c) If a grower wishes to amend an application after submitting a timely application for
 29.15 inspection, the grower must submit the request in writing, including a reason for the
 29.16 amendment.

29.17 Sec. 26. Minnesota Statutes 2024, section 21.119, is amended to read:

29.18 **21.119 USE OF CERTAIN TERMS FORBIDDEN; EXCEPTIONS.**

29.19 It shall be unlawful to use or employ the term "certified" or the term "inspected," or any
 29.20 term or terms conveying a meaning substantially equivalent to the meaning of either of
 29.21 these terms, either orally or in writing, printing, marking, or otherwise in reference to or in
 29.22 connection with, or in advertising or characterizing or labeling seed potatoes or the containers
 29.23 thereof, unless such potatoes shall have been duly inspected and certified pursuant to the
 29.24 provisions of sections 21.111 to ~~21.122~~ 21.125.

29.25 Sec. 27. Minnesota Statutes 2024, section 21.1195, is amended to read:

29.26 **21.1195 MINIMUM STANDARDS FOR PLANTING.**

29.27 (a) Seed potatoes may not be planted in the state in lots of totaling ten or more acres
 29.28 unless the seed meets the minimum disease standards prescribed by the commissioner. Seed
 29.29 potatoes may meet the standards by being certified in accordance with this chapter and rules
 29.30 adopted by the commissioner, or under the certification program of another state or province
 29.31 which, in the judgment of the commissioner, provides equivalent assurances of seed potato
 29.32 quality. Seed potatoes may be planted without certification if they have had at least field

30.1 inspection as required for certified seed potatoes, have passed the field inspection standards
30.2 of disease tolerance, and are free from ring rot. ~~A person that plants seed potatoes in violation~~
30.3 ~~of this section is subject to a civil penalty of \$20 per acre for each acre or part of an acre~~
30.4 ~~planted in violation of this section.~~ Failure to maintain complete and accurate records in
30.5 accordance with this section ~~or rules adopted by the commissioner is an additional violation~~
30.6 ~~resulting in a separate civil penalty of \$200 for each failure~~ is a violation and subject to
30.7 enforcement under chapter 18J.

30.8 (b) If there is not available to be planted in this state, in any year, a sufficient volume
30.9 of potato seed meeting certified seed potato disease standards, in any or all varieties, the
30.10 commissioner may, upon application by one or more growers, permit seed that does not
30.11 comply with this section to be planted for that growing season if the seed does not pose a
30.12 serious disease threat.

30.13 (c) Each grower shall keep records of each lot of seed potatoes planted. For each growing
30.14 season, the records must include, by field, the variety, planting location, number of acres
30.15 planted, and source of the seed potatoes. Each grower shall register fields and file records
30.16 as prescribed by the commissioner. All records must be made available for inspection by
30.17 the commissioner or the commissioner's agents during normal business hours.

30.18 (d) In addition to the enforcement powers and penalties in this section, the commissioner
30.19 may issue a subpoena to a grower in order to compel delivery of records which are required
30.20 under this section. These subpoenas are enforceable by any court of competent jurisdiction.

30.21 Sec. 28. **[21.123] SEED POTATO CERTIFICATION.**

30.22 Subdivision 1. Eligibility. In order to produce certified seed potatoes, a grower must
30.23 comply with the following requirements:

30.24 (1) a grower must ensure that potatoes meet the tolerances prescribed by this chapter
30.25 and the potatoes have been inspected by the commissioner while growing in a field;

30.26 (2) a grower must ensure that all potatoes planted on the grower's farm have been entered
30.27 for certification by the commissioner;

30.28 (3) a grower must ensure that each lot is grown while physically separated from other
30.29 lots. Markers must be visible to a person from any position in the field;

30.30 (4) a grower must submit an application for certification before June 16 each year on
30.31 forms provided by the commissioner. The commissioner must charge a ten percent late
30.32 registration fee to a grower who submitted an application postmarked after June 15 and
30.33 before July 1. The commissioner may extend the deadline due to special circumstances,

31.1 such as a natural disaster, that make it impractical or impossible for planting to be completed
31.2 by the deadline and that affect an area or large number of growers. A grower must make a
31.3 request for an extension in writing before June 16;

31.4 (5) an application for certification must include a North American Health Certificate
31.5 and a shipping point certificate, bulk seed certificate, or certificate of origin. The
31.6 commissioner may accept an incomplete application for certification;

31.7 (6) an application for certification must demonstrate that the seed potatoes being entered
31.8 for certification originated from a class system in Minnesota or another state or province
31.9 under the supervision of another certifying agency; and

31.10 (7) a grower must comply with sections 21.111 to 21.125. A grower's violation of sections
31.11 21.111 to 21.125 is cause for the commissioner to reject the grower's field or lot. A grower
31.12 must not sell or label potatoes as certified seed potatoes when the potatoes were grown in
31.13 a rejected field or lot.

31.14 Subd. 2. **Certification process.** (a) As part of the certification process, the commissioner
31.15 must visually inspect sample plants from each field and lot belonging to the grower, except
31.16 that the commissioner is not required to visually inspect sample plants and tubers when
31.17 certifying prenuclear class potatoes.

31.18 (b) For seed potato varieties that do not exhibit visible symptoms of a specific pathogen,
31.19 the commissioner must subject the seed potatoes to laboratory tests to determine the level
31.20 of a pathogen in a seed lot. Testing under this paragraph may occur during the growing
31.21 season, the storage season, or winter testing.

31.22 (c) The commissioner may not accept an application for certification from a grower in
31.23 a community or county without sufficient acreage for total inspection fee charges to cover
31.24 the cost of wages and expenses of the commissioner to complete an inspection. The
31.25 commissioner may make a determination of sufficient acreage under this paragraph before
31.26 conducting an inspection as part of the certification process.

31.27 (d) The commissioner must not inspect a field for certification unless both the planted
31.28 seed potato variety and the particular planted lot have been authorized by the commissioner.
31.29 When considering the authorization of a particular seed potato variety for planting as certified
31.30 seed potatoes, the commissioner must consider scientific evidence and the expert opinions
31.31 of inspectors.

31.32 (e) The following classes of seed potatoes are eligible for planting as certified seed
31.33 potatoes: Prenuclear (PN), Generation 1 (G1), Generation 2 (G2), Generation 3 (G3),

32.1 Generation 4 (G4), Generation 5 (G5), and experimental class seed potatoes. The
32.2 commissioner may authorize the planting of Certified (C) class or Generation 6 (G6) class
32.3 seed potatoes if the commissioner determines that the seeds do not pose a serious threat of
32.4 disease to the public.

32.5 Subd. 3. **Bacterial ring rot or potato spindle tuber viroid.** If the commissioner finds
32.6 the presence of bacterial ring rot or potato spindle tuber viroid in a field or lot, the
32.7 commissioner must reject the entire field or lot. If the commissioner discovers a single plant
32.8 in a field or a tuber in storage that is infected with bacterial ring rot or potato spindle tuber
32.9 viroid, the commissioner must reject the entire field or lot where the plant was grown. If
32.10 the commissioner has not found bacterial ring rot or potato spindle tuber viroid in a field
32.11 or lot, the field or lot is not necessarily free from either disease.

32.12 Subd. 4. **Winter testing.** (a) In order to detect certain virus diseases, the commissioner
32.13 must conduct winter testing of a sample from each class seeking eligibility for recertification,
32.14 except PN and experimental classes. The commissioner must grow out and visually inspect
32.15 a representative sample of tubers from each seed lot for stand, vigor, varietal purity, and
32.16 disease. If, during a visual inspection, a plant shows signs of potato virus Y or potato leafroll
32.17 virus, or if the plant is of a variety that does not express visual symptoms of infection, the
32.18 commissioner must ensure that a sample of the plant is lab tested for potato virus Y and
32.19 potato leafroll virus. The commissioner must determine whether a field or lot contains the
32.20 threshold amount of disease permitted under section 21.124, subdivision 9. The commissioner
32.21 must include any lot that passes winter testing in the approved list of certified seed lots
32.22 eligible for recertification.

32.23 (b) If the commissioner determines that a winter test of a lot or field has a serious
32.24 malfunction, the commissioner must base classification of the lot or field on summer field
32.25 readings from the previous year or lab testing.

32.26 (c) Instead of winter testing a sample, the commissioner may accept comprehensive lab
32.27 testing if the commissioner determines that special circumstances exist, such as a natural
32.28 disaster, that would make submission of samples for inclusion in winter testing impractical
32.29 or impossible.

32.30 (d) The commissioner must reject a field or lot if the commissioner determines that a
32.31 large number of plants are missing from the field or lot due to disease.

32.32 (e) The commissioner must reject a field or lot if the commissioner determines that the
32.33 field or lot contains a large number of weak plants.

33.1 (f) The commissioner may reject a field or lot if the field or lot contains a large number
33.2 of plants that have a mixture of variety.

33.3 Subd. 5. **Seed potato certification classes.** Seed potato certification classes must be
33.4 differentiated by the potatoes' compliance with disease tolerances, varietal purity, and seed
33.5 origin. Seed potato certification classes are: Prenuclear (PN), Generation 1 (G1), Generation
33.6 2 (G2), Generation 3 (G3), Generation 4 (G4), Generation 5 (G5), Generation 6 (G6), and
33.7 Certified (C).

33.8 Subd. 6. **Experimental status.** (a) Lots from a breeder's seed that have not been tested
33.9 and have not been determined to be virus-free are considered experimental. The commissioner
33.10 must designate seedlings or numbered selections in experimental status as a class and
33.11 determine requirements of that class.

33.12 (b) To obtain experimental status under this subdivision, an applicant must submit a
33.13 written statement from the seedlings' or numbered selections' breeder, originator, or
33.14 originator's designee verifying that the applicant has full and unrestricted rights to introduce
33.15 the seedlings or numbered selections into the commercial market and that the applicant may
33.16 apply to enter the seedlings or numbered selections into the certification system. The written
33.17 statement must accompany the certification application submitted by the applicant.

33.18 (c) After reviewing the applicant's written statement and certification application, the
33.19 commissioner may designate seedlings or numbered selections described in the application
33.20 as having experimental status.

33.21 (d) After an applicant is notified by the commissioner that the seedlings or numbered
33.22 selections have experimental status, the applicant must ensure that the seedlings or numbered
33.23 selections are tagged with the word "EXPERIMENTAL."

33.24 Subd. 7. **Protected varieties.** If an applicant seeks to enter a seed potato variety protected
33.25 under the Plant Variety Protection Act Amendments of 1994 into the certification system,
33.26 the applicant must submit a written statement from the breeder, originator, or originator's
33.27 designee that the applicant has full and unrestricted rights to introduce the protected variety
33.28 into the certification system. The applicant must ensure that the written statement
33.29 accompanies the certification application for any protected seed potato variety.

33.30 Subd. 8. **Certification factors; field inspection.** (a) The commissioner must consider
33.31 the following factors when conducting a field inspection pursuant to a certification
33.32 application:

34.1 (1) the commissioner must reject a field or lot if a large number of plants are missing
34.2 due to disease;

34.3 (2) the commissioner must reject a field or lot if the field or lot contains a large number
34.4 of weak plants;

34.5 (3) the commissioner must inspect a field or lot for bacterial ring rot. The commissioner
34.6 must reject a field or lot if the commissioner finds the presence of bacterial ring rot. If
34.7 bacterial ring rot is present in a field or lot, the remaining crop is not eligible for certification
34.8 planting;

34.9 (4) the commissioner must reject a field or lot if the field or lot contains potatoes with
34.10 a level of disease higher than the acceptable tolerance for the disease for the potatoes' seed
34.11 potato certification class according to section 21.124, subdivision 9;

34.12 (5) the commissioner must reject a field or lot if the field or lot contains a percentage
34.13 of diseased plants that exceeds the acceptable percentage of disease listed in section 21.124
34.14 for the seed potato certification class;

34.15 (6) the commissioner must reject a field or lot if any of the following are present in the
34.16 field or lot to such an extent that the commissioner is unable to complete a satisfactory
34.17 inspection for diseases: early or late blight, blackleg or wilt of any kind, weeds, plant injury
34.18 from insects, or chemical damage; and

34.19 (7) the commissioner must reject a field or lot if any other conditions are present to such
34.20 an extent that the commissioner is unable to make a satisfactory inspection for diseases.

34.21 (b) The commissioner must determine that a field is ineligible for certification if cull
34.22 piles are in such close vicinity to the field that it is likely that the field is contaminated.

34.23 (c) The commissioner must make at least two field inspections of a field during the
34.24 growing season. The commissioner must conduct a final inspection of a field for bacterial
34.25 ring rot during the time of year that symptoms of bacterial ring rot are most likely to be
34.26 observed. If the commissioner is unable to conduct a final inspection under this paragraph
34.27 due to management practices of the grower or for a reason that is out of the grower's control,
34.28 such as a natural disaster, the grower must ensure that laboratory testing is conducted to
34.29 maintain eligibility for certification. An additional inspection or additional laboratory testing
34.30 may be necessary to meet phytosanitary requirements in established markets in another state
34.31 or in a Canadian province.

34.32 Subd. 9. Roguing. If any of the diseases listed in section 21.124, subdivision 1, are
34.33 present in a field in amounts greater than the maximum disease tolerance level, the grower

35.1 must rogue the field and remove the infected plants before the final inspection by the
35.2 commissioner. If a grower has completed roguing a field after tubers have formed, the
35.3 grower must remove and destroy all tubers from rogued plants.

35.4 Subd. 10. **Storage.** (a) A grower must ensure that a lot is stored under conditions that
35.5 prevent disease contamination. A grower must not store a lot in any warehouse where other
35.6 potatoes are stored, unless the grower labels the lot according to paragraph (b).

35.7 (b) If more than one grower stores lots in the same warehouse, each grower must identify
35.8 the grower's lots by labeling the bin containing the lot with the grower's name, the grower's
35.9 address, the variety of potatoes in the bin, and the number of potatoes in the bin.

35.10 (c) If a grower plans to store a lot in a public warehouse or storage unit that is not directly
35.11 under the grower's control, the grower must send a complete record of storage to the
35.12 commissioner prior to storing the lot. The record must include the address and location of
35.13 the public warehouse or storage unit, the variety of potatoes in each bin, and the number of
35.14 potatoes in each bin. If a warehouse receipt for the lot is available, the grower must submit
35.15 a copy of the warehouse receipt to the commissioner. If more than one grower stores lots
35.16 in the same public warehouse or storage unit, the grower must label each lot according to
35.17 paragraph (b).

35.18 (d) A grower must not use the same equipment for grading and handling lots of certified
35.19 seed potatoes and other potatoes. If a grower has used the same equipment for grading and
35.20 handling certified seed potatoes and other potatoes, the commissioner must reject the grower's
35.21 lots.

35.22 (e) A firm that handles lots under contract must label each bin containing a lot with the
35.23 name of the grower whose lots are being stored. A firm handling lots under contract must
35.24 properly label and handle bins containing lots. A certification tag or bulk certificate must
35.25 not be issued unless all bins are properly labeled according to this paragraph.

35.26 (f) By November 1 of each crop year, a grower must submit to the commissioner a
35.27 completed storage and yield report for each lot on a form prescribed by the commissioner.
35.28 The commissioner may extend the deadline after November 1 due to special circumstances,
35.29 such as a natural disaster, that would make it impractical or impossible for a grower to
35.30 complete harvesting and storage by November 1 and that affect an area or a large number
35.31 of growers. A grower must submit a written request for an extension to the commissioner
35.32 before November 1 of the crop year for which the extension is sought.

35.33 Subd. 11. **Tags; bulk certificates.** (a) Once the commissioner has informed a grower
35.34 that the grower's potatoes meet the certification requirements in sections 21.111 to 21.125,

36.1 a grower may tag the potatoes using an approved tag indicating the grade of potatoes as
36.2 blue-tag-certified seed potato grade, yellow-tag-certified seed potato grade, or
36.3 white-tag-certified seed potato grade. A grower's name, the city where the farm is located,
36.4 the potato variety, and the crop year must be printed on a tag under this subdivision.

36.5 (b) When fastening a tag to a potato sack, a grower must fasten the tag to the sack to
36.6 form a seal at the time that the lot or shipment is prepared.

36.7 (c) A bulk certificate must include the date that the certificate was issued, class, grade,
36.8 lot number, shipping point certificate number, and approximate weight of the lot.

36.9 (d) Only the person who grew the potatoes may order or print tags for the potatoes once
36.10 the commissioner has informed the person that the potatoes meet certification requirements
36.11 under sections 21.111 to 21.125.

36.12 (e) A grower may print a tag for potatoes if the grower has provided proof of each lot
36.13 to the commissioner for review before using the tag. A tag printed by a grower must contain
36.14 the following statement: "The quality and condition of each lot is only confirmed through
36.15 a shipping point inspection certificate. This tag, without an accompanying shipping point
36.16 inspection certificate, is not proof that the potatoes contained within have been duly
36.17 inspected."

36.18 Subd. 12. **Certified seed potato grades.** Certified seed potatoes must be classified by
36.19 certified seed potato grades based on the number of physical defects of tubers. A grower
36.20 must only use a certified seed potato grade for potatoes after a shipping point inspection of
36.21 the potatoes has been completed. The following three grades of certified seed potatoes must
36.22 be used for Minnesota-certified seed potatoes:

36.23 (1) the blue-tag-certified seed potato grade is the first grade of certified seed potatoes.
36.24 The blue-tag-certified seed potato grade is stricter than other grades. The blue-tag-certified
36.25 seed potato grade does not allow as many physical defects of tubers as other grades. A
36.26 grower may use the blue-tag-certified seed potato grade for intrastate and interstate shipments
36.27 of certified seed potatoes.

36.28 (2) the yellow-tag-certified seed potato grade is the second grade of certified seed
36.29 potatoes. The yellow-tag-certified seed potato grade allows more physical defects of tubers
36.30 than the blue-tag-certified seed potato grade. A grower may use the yellow-tag-certified
36.31 seed potato grade for intrastate and interstate shipments of certified seed potatoes; and

36.32 (3) the white-tag-certified seed potato grade is the third grade of certified seed potatoes.
36.33 The number of physical defects that the white-tag-certified seed potato grade allows is

37.1 determined by an agreement between the purchaser and seller of the certified seed potatoes.

37.2 A grower may use the white-tag-certified seed potato grade for intrastate and interstate
 37.3 shipments of certified seed potatoes.

37.4 Subd. 13. Grading. (a) A grower must ensure that a lot is inspected at the shipping point
 37.5 if the lot requires a grade statement.

37.6 (b) If an inspection at the shipping point is impossible, a grower must request a grading
 37.7 inspection in transit.

37.8 (c) A grower must ensure that a bagged lot or shipment offered for sale and tagged with
 37.9 approved certification tags is contained in new even-weight sacks.

37.10 (d) A grower must ensure that a bulk shipment is identified with a bulk certificate.

37.11 (e) A grower must ensure that a bagged lot and bulk lot or shipment meets grade standards
 37.12 in section 21.125.

37.13 (f) A grower must recondition a lot or shipment that fails to meet the grade standards in
 37.14 section 21.125.

37.15 (g) If a lot or shipment fails to meet grade standards and is contained in sacks, a grower
 37.16 must remove approved certification tags from the lot or shipment before the lot or shipment
 37.17 may proceed to its destination.

37.18 (h) If a shipment is in bulk and fails to meet grade standards in section 21.125, a bulk
 37.19 certificate must not be issued.

37.20 (i) If a lot or shipment fails to meet grade standards, the shipper must bear the costs of
 37.21 reconditioning potatoes to meet the grade standards in section 21.125.

37.22 Sec. 29. [21.124] REQUIREMENTS FOR PRODUCTION OF DIFFERENT
 37.23 CLASSES OF CERTIFIED SEED POTATOES.

37.24 Subdivision 1. Prenuclear class certified seed potatoes. (a) A lot grown as and intended
 37.25 to be prenuclear class certified seed potatoes must be grown from plants tested and shown
 37.26 to be free from the following pathogens:

37.27 (1) *Clavibacter michiganensis* ssp. *sepedonicus* (ring rot);

37.28 (2) *Pectobacterium atrosepticum* ssp. *Atrosepticum*, *carotovora* (blackleg);

37.29 (3) potato virus X;

37.30 (4) potato virus S;

38.1 (5) potato virus A;

38.2 (6) potato virus M;

38.3 (7) potato virus Y;

38.4 (8) potato spindle tuber viroid; and

38.5 (9) potato leafroll virus.

38.6 (b) When growing prenuclear class seed potatoes, a grower must ensure that each explant
38.7 or tuber is tested for organisms for which testing is required by the state or province of
38.8 destination. A grower must ensure that material in maintenance is tested during the year of
38.9 producing prenuclear class seed potatoes.

38.10 (c) A grower must produce prenuclear class seed potatoes in a greenhouse, facility, or
38.11 screenhouse under sanitary conditions, free from insects and weeds that can harbor or
38.12 transmit potato diseases or other conditions that would allow possible disease contamination.
38.13 A grower must ensure that a facility used for growing prenuclear seed potatoes is sufficiently
38.14 insulated from insects by screens and double doors. The commissioner may inspect any
38.15 facility or equipment used for growing, handling, and storing prenuclear class seed potatoes
38.16 to verify that the facility or equipment complies with this paragraph.

38.17 (d) A grower must ensure that one percent of each lot or ten plants or tubers from each
38.18 lot, whichever is greater, is tested during the growing season to verify that the crop is free
38.19 from potato virus X, potato virus Y, potato leafroll virus, *C. michiganensis*, and *P.*
38.20 *atrosepticum*.

38.21 (e) Prenuclear tubers may originate from greenhouse tubers for one year only if the
38.22 greenhouse tubers have remained at the same growing operation and have remained isolated
38.23 from field-grown tubers.

38.24 (f) Prenuclear class certified seed potatoes must not contain more than the allowable
38.25 tolerances for disease and varietal mixture in subdivision 9.

38.26 Subd. 2. **Generation 1 class certified seed potatoes.** (a) Generation 1 class seed potatoes
38.27 must meet the following requirements:

38.28 (1) the seed source must be either prenuclear tubers, clones, or plantlets; and

38.29 (2) tuber units or plantlets must be planted in identifiable family units.

38.30 (b) Subject to the commissioner's approval, lots in Generation 1 class may be exempt
38.31 from winter testing requirements if leaves collected during the growing season are laboratory

39.1 tested and shown to be within the allowable tolerance of potato virus X, potato virus Y, and
39.2 other pathogens identified by the commissioner.

39.3 (c) Each lot must be stored in an individual identifiable unit.

39.4 (d) Generation 1 seed potatoes must not contain more than the allowable tolerances for
39.5 disease and varietal mixture for seed potatoes in subdivision 9.

39.6 Subd. 3. **Generation 2 class certified seed potatoes.** Generation 2 class seed potatoes
39.7 must originate from Generation 1 class seed potatoes. Generation 2 class seed potatoes must
39.8 not contain more than the allowable tolerances of disease and varietal mixture in subdivision
39.9 9.

39.10 Subd. 4. **Generation 3 class certified seed potatoes.** Generation 3 class seed potatoes
39.11 must originate from Generation 2 class seed potatoes. Generation 3 class seed potatoes must
39.12 not contain more than the allowable tolerances of disease and varietal mixture in subdivision
39.13 9.

39.14 Subd. 5. **Generation 4 class certified seed potatoes.** Generation 4 class seed potatoes
39.15 must originate from Generation 3 class seed potatoes. Generation 4 class seed potatoes must
39.16 not contain more than the allowable tolerances for disease and varietal mixture in subdivision
39.17 9.

39.18 Subd. 6. **Generation 5 class certified seed potatoes.** Generation 5 class seed potatoes
39.19 must originate from Generation 4 class seed potatoes. Generation 5 class seed potatoes must
39.20 not contain more than the allowable tolerances for disease and varietal mixture in subdivision
39.21 9.

39.22 Subd. 7. **Generation 6 class certified seed potatoes.** Generation 6 class seed potatoes
39.23 must originate from Generation 5 class seed potatoes. Generation 6 class seed potatoes must
39.24 not contain more than the allowable tolerances for disease and varietal mixture in subdivision
39.25 9.

39.26 Subd. 8. **Certified class certified seed potatoes.** Certified class seed potatoes must
39.27 originate from generation classes of seed potatoes. Certified class seed potatoes must not
39.28 contain more than the allowable tolerances for disease and varietal mixture in subdivision
39.29 9.

39.30 Subd. 9. **Allowable tolerances for diseases and varietal mixture by generation**
39.31 **class.** The numbers represent the percentage of potatoes that may be affected out of an
39.32 individual lot.

	<u>PN</u>	<u>G1</u>	<u>G2</u>	<u>G3</u>	<u>G4</u>	<u>G5</u>	<u>G6</u>	<u>C</u>
40.1								
40.2	<u>Tolerances:</u>							
40.3	<u>Severe Mosaic from</u>							
40.4	<u>potato virus Y, A, M,</u>							
40.5	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>1</u>
40.6	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>1</u>
40.7	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>1</u>
40.8	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
40.9	<u>Mycoplasm (haywire,</u>							
40.10	<u>witches broom, yellow</u>							
40.11	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
40.12	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
40.13	<u>0</u>	<u>0</u>	<u>0.2</u>	<u>0.5</u>	<u>1</u>	<u>exc.</u>	<u>exc.</u>	<u>exc.</u>
40.14	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.2</u>	<u>0.2</u>
40.15	<u>Ring Rot and Spindle</u>							
40.16	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
40.17	<u>Winter Test:</u>							
40.18	<u>Virus or expressing</u>							
40.19	<u>symptoms of chemical</u>							
40.20	<u>-</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>

40.21 **Sec. 30. [21.125] MINNESOTA CERTIFIED SEED POTATO GRADES AND**
40.22 **TOLERANCES.**

40.23 **Subdivision 1. Certified seed potato grading.** Potatoes must meet the requirements of
40.24 sections 21.111 to 21.125 to be graded as certified seed potatoes.

40.25 **Subd. 2. Definitions.** (a) For the purposes of this section, the following terms have the
40.26 meanings given.

40.27 **(b) "Damage" means any defect or combination of defects that materially affects the**
40.28 **appearance of the individual potato, or that cannot be removed without a loss of more than**
40.29 **five percent of the total weight of the potato, including the peel covering the defective area.**

40.30 **(c) "Diameter" means the greatest dimension at right angles to the longitudinal axis.**
40.31 **Diameter means the long axis.**

40.32 **(d) "Dry rot" means decaying tissue that is dry.**

40.33 **(e) "Fairly clean" means that the individual potato is reasonably free from dirt, staining,**
40.34 **or other foreign matter.**

40.35 **(f) "Fairly well-shaped" means that the individual potato is not materially pointed,**
40.36 **dumbbell-shaped, or otherwise ill-formed.**

41.1 (g) "Mature" means that the outer skin does not loosen or feather readily during the
41.2 ordinary methods of handling.

41.3 (h) "Serious damage" means any defect or combination of defects that seriously affects
41.4 the appearance of the individual potato or that cannot be removed without a loss of more
41.5 than ten percent of the total weight of the potato, including the peel covering the defective
41.6 area.

41.7 (i) "Slightly dirty" means the appearance is not materially affected by dirt, staining, or
41.8 other foreign matter.

41.9 (j) "Soft rot" or "wet breakdown" means any soft, mushy, or leaky condition of potato
41.10 tissues.

41.11 (k) "Well-shaped" means the normal shape for a variety.

41.12 Subd. 3. **Damage.** The commissioner must find that one or more of the following defects
41.13 constitutes damage:

41.14 (1) a russet scab that materially detracts from the appearance of a potato;

41.15 (2) second growth or growth cracks that materially affect the appearance of an individual
41.16 potato;

41.17 (3) air cracks when removal of the air cracks causes a loss of more than five percent of
41.18 the total weight of a potato;

41.19 (4) a potato that is more than moderately shriveled, spongy, or flabby;

41.20 (5) an individual potato that has sprouts over one inch in length;

41.21 (6) a surface scab, powdery scab, or pitted scab that covers more than five percent of
41.22 the surface of a potato or a surface scab, powdery scab, or pitted scab that, when removed,
41.23 causes a potato to lose more than five percent of the potato's total weight, including peel
41.24 covering a defective area of the potato; or

41.25 (7) more than 50 percent of a potato's surface contains scattered, lightly caked soil or
41.26 more than 15 percent of a potato's surface is badly caked with soil.

41.27 Subd. 4. **Serious damage.** The commissioner must find that one or more of the following
41.28 defects constitutes serious damage:

41.29 (1) a russet scab that seriously detracts from the appearance of a potato;

41.30 (2) the appearance of a potato is seriously affected by caked or smeared dirt or other
41.31 foreign matter;

42.1 (3) both ends of a potato are cut or clipped, more than an estimated one-fourth of a potato
 42.2 is cut away from one end, or a remaining portion of a clipped potato weighs less than six
 42.3 ounces;

42.4 (4) one or more cuts that seriously affect the appearance of a potato or that cannot be
 42.5 removed without the loss of more than ten percent of a potato's total weight, including peel
 42.6 covering the defective area;

42.7 (5) a potato that is excessively shriveled, spongy, or flabby;

42.8 (6) a surface scab, powdery scab, or pitted scab that covers more than 25 percent of the
 42.9 surface of a potato or a surface scab, powdery scab, or pitted scab that, when removed,
 42.10 causes a loss of more than ten percent of a potato's total weight, including peel covering the
 42.11 defective area; or

42.12 (7) wireworm or air cracks that, when removed, cause a loss of more than ten percent
 42.13 of a potato's total weight.

42.14 Subd. 5. **Application of tolerance.** If the average of an entire lot is within the disease
 42.15 tolerances specified for the grade in section 21.124, subdivision 9, an individual container
 42.16 in the lot may contain no more than double the disease tolerance specified in section 21.124,
 42.17 subdivision 9, except that sprouts, at least one defective specimen with a defect other than
 42.18 bacterial ring rot, and one off size specimen is permitted. This subdivision does not apply
 42.19 to bulk conveyances.

42.20 Subd. 6. **Condition after transit.** Deterioration that developed in transit must affect the
 42.21 condition of potatoes. Deterioration that developed in transit must not affect the grade of
 42.22 potatoes.

42.23 Subd. 7. **Minnesota blue-tag-certified seed potato grade.** (a) To be graded as Minnesota
 42.24 blue-tag-certified seed potatoes, potatoes must meet the following requirements:

42.25 (1) at the time of the shipping point inspection, potatoes must be of one variety;
 42.26 unwashed; fairly well-shaped; free from bacterial ring rot, late blight, freezing, black heart,
 42.27 and soft rot or wet breakdown; free from damage caused by soil or other foreign matter,
 42.28 second growth, air cracks, cuts, shriveling, sprouts, pitted scabs, surface scabs, powdery
 42.29 scabs, russet scabs, dry rot, other diseases, insects or worms, mechanical or other means,
 42.30 or flattened or depressed areas with underlying flesh discoloration; and free from serious
 42.31 damage caused by hollow heart, wireworm, growth cracks, or internal discoloration other
 42.32 than hollow heart. Sunburn and silver scurf must not be considered factors that affect the

43.1 grading of potatoes. This clause does not apply to hollow heart if the potatoes are labeled
43.2 "hollow heart exempt" on the affixed tag or accompanying certificate; and

43.3 (2) for round or intermediate shaped varieties, the maximum potato size is 12 ounces
43.4 (340.2 grams) and, unless otherwise specified, the minimum size must not be less than 1-1/2
43.5 inches (38.1 millimeters) in diameter. For long varieties, the maximum size is 14 ounces
43.6 (396.9 grams) and, unless otherwise specified, the minimum size must not be less than 1-1/2
43.7 inches (38.1 millimeters) in diameter. For all varieties, the minimum diameter for size "B"
43.8 must not be less than 1-1/2 inches (38.1 millimeters) and the maximum size must not be
43.9 more than 2-1/4 inches (57.1 millimeters) in diameter. The department may grade potatoes
43.10 that do not meet the maximum and minimum size specifications as Minnesota
43.11 blue-tag-certified seed potatoes if the buyer agrees to accept potatoes of alternate size
43.12 specifications from the grower and the specifications are listed on the affixed tag or
43.13 accompanying bulk certificate issued by the department.

43.14 (b) To allow for variations incident to proper grading and handling, the following lot
43.15 tolerances are permitted:

43.16 (1) for defects:

43.17 (i) up to ten percent of a lot may be seriously damaged by hollow heart, unless labeled
43.18 "hollow heart exempt" on the affixed tag or accompanying certificate;

43.19 (ii) up to five percent of a lot may be seriously damaged by internal discoloration due
43.20 to causes other than hollow heart;

43.21 (iii) up to ten percent of a lot may be damaged by soil or other foreign matter;

43.22 (iv) up to 20 percent of a lot may be damaged by sprouts;

43.23 (v) up to ten percent of a lot may be seriously damaged by wireworm;

43.24 (vi) for potatoes that fail to meet the remaining requirements of the potatoes' grade, a
43.25 lot may contain up to a total of six percent of the following defects combined and must not
43.26 contain more than the following percentage of defects:

43.27 (A) soft rot, frozen, or wet breakdown, 0.5 percent;

43.28 (B) damage by surface scab, powdery scab, or pitted scab, 2.0 percent;

43.29 (C) damage by dry rot, 2.0 percent, of which not more than 1.0 percent is late blight
43.30 tuber rot;

43.31 (D) bacterial ring rot, 0.0 percent; and

- 44.1 (E) late blight tuber rot, 1.0 percent; and
- 44.2 (vii) the presence of the following does not affect seed quality and must not be scored
- 44.3 against the potatoes' grade:
- 44.4 (A) brown discoloration following skinning;
- 44.5 (B) dried stems;
- 44.6 (C) flattened or depressed areas showing no underlying flesh discoloration;
- 44.7 (D) greening;
- 44.8 (E) sunburn;
- 44.9 (F) skin checks; and
- 44.10 (G) silver scurf; and
- 44.11 (2) for off size:
- 44.12 (i) up to five percent of potatoes may fail to meet the required or specified minimum
- 44.13 size; and
- 44.14 (ii) up to ten percent of potatoes may fail to meet the required maximum size.
- 44.15 **Subd. 8. Minnesota yellow-tag-certified seed potato grade.** (a) To be graded as
- 44.16 Minnesota yellow-tag-certified seed potatoes, potatoes must meet the following requirements:
- 44.17 (1) at the time of the shipping point inspection, the potatoes must be of one variety;
- 44.18 unwashed; fairly well-shaped; free from bacterial ring rot, late blight, freezing, black heart,
- 44.19 and soft rot or wet breakdown; free from damage caused by second growth, air cracks, cuts,
- 44.20 shriveling, pitted scabs, surface scabs, powdery scabs, dry rot, other diseases, insects or
- 44.21 worms, or mechanical means or other means; and free from serious damage caused by soil
- 44.22 or other foreign matter, hollow heart, wireworm, growth cracks, russet scabs, or internal
- 44.23 discoloration other than hollow heart. Sunburn and silver scurf must not be considered
- 44.24 factors that affect the grading of potatoes. This clause does not apply to hollow heart if
- 44.25 labeled "hollow heart exempt" on the affixed tag or accompanying certificate; and
- 44.26 (2) for all varieties, the maximum potato size is 14 ounces (396.9 grams) and the
- 44.27 minimum size is 1-1/2 inch (38.1 millimeter) in diameter. For all varieties, the minimum
- 44.28 diameter for size "B" must not be less than 1-1/2 inches (38.1 millimeters) and the maximum
- 44.29 diameter must not be more than 2-1/4 inches (57.1 millimeters). The department may grade
- 44.30 potatoes that do not meet the maximum and minimum size specifications as Minnesota
- 44.31 yellow-tag-certified seed potatoes if the buyer agrees to accept potatoes with alternate size

45.1 specifications from the grower and the size specifications are listed on the affixed tag or
45.2 accompanying bulk certificate issued by the department.

45.3 (b) To allow for variations incident to proper grading and handling, the following lot
45.4 tolerances are permitted:

45.5 (1) for defects:

45.6 (i) up to 20 percent of potatoes may be seriously damaged by hollow heart, unless labeled
45.7 "hollow heart exempt" on the affixed tag or accompanying certificate;

45.8 (ii) up to five percent of potatoes may be seriously damaged by internal discoloration
45.9 due to a cause other than hollow heart;

45.10 (iii) up to ten percent of potatoes may be seriously damaged by soil or other foreign
45.11 matter;

45.12 (iv) up to ten percent of potatoes may be seriously damaged by wireworm;

45.13 (v) up to 20 percent of a lot may have defects if the potatoes fail to meet the remaining
45.14 requirements of the grade. Of the 20 percent of defects allowed, a lot may contain a total
45.15 of six percent of the following defects combined and must not contain more than the
45.16 following percentage of defects:

45.17 (A) soft rot, frozen, or wet breakdown, 0.5 percent;

45.18 (B) damage by surface scab, powdery scab, or pitted scab, 5.0 percent;

45.19 (C) damage by dry rot, 2.0 percent, of which not more than 1.0 percent is late blight
45.20 tuber rot;

45.21 (D) bacterial ring rot, 0.0 percent; and

45.22 (E) late blight tuber rot, 1.0 percent; and

45.23 (vi) the presence of the following does not affect seed quality and must not be scored
45.24 against the grade:

45.25 (A) brown discoloration following skinning;

45.26 (B) dried stems;

45.27 (C) flattened or depressed areas showing no underlying flesh discoloration;

45.28 (D) greening;

45.29 (E) sunburn;

45.30 (F) skin checks;

46.1 (G) silver scurf; and

46.2 (H) sprouts; and

46.3 (2) for off size:

46.4 (i) five percent for potatoes that fail to meet the required or specified minimum size;

46.5 and

46.6 (ii) ten percent for potatoes that fail to meet the required maximum size.

46.7 (c) The potatoes must be fairly well-shaped, with an exception for long varieties when

46.8 specified as "except for shape." When specified as "except for shape," the tubers may be

46.9 misshapen.

46.10 Subd. 9. Minnesota white-tag-certified seed potato grade. Minnesota white-tag-certified

46.11 seed potato grade consists of certified seed potatoes that are graded according to agreement

46.12 between the seller and the purchaser as to size and defects, except that not more than one-half

46.13 percent of soft rot, frozen, or wet breakdown and two percent dry rot, of which not more

46.14 than one percent late blight tuber rot is allowed.

46.15 Sec. 31. Minnesota Statutes 2024, section 21.891, subdivision 2, is amended to read:

46.16 Subd. 2. **Seed fee permits.** (a) A labeler who wishes to sell seed in Minnesota must

46.17 comply with section 21.89, subdivisions 1 and 2, and the procedures in this subdivision.

46.18 Each labeler who wishes to sell seed in Minnesota must apply to the commissioner to obtain

46.19 a permit. The application must contain the name and address of the applicant, the application

46.20 date, and the name and title of the applicant's contact person. Permit fees are based on the

46.21 initial sale of seed in Minnesota.

46.22 (b) The application for a seed permit covered by section 21.89, subdivision 2, clause

46.23 (1), must be accompanied by an application fee of \$75.

46.24 (c) The application for a seed permit covered by section 21.89, subdivision 2, clause

46.25 (2), must be accompanied by an application fee based on the level of annual gross sales as

46.26 follows:

46.27 (1) for gross sales of \$0 to \$25,000, the annual permit fee is \$75;

46.28 (2) for gross sales of \$25,001 to \$50,000, the annual permit fee is \$150;

46.29 (3) for gross sales of \$50,001 to \$100,000, the annual permit fee is \$300;

46.30 (4) for gross sales of \$100,001 to \$250,000, the annual permit fee is \$750;

46.31 (5) for gross sales of \$250,001 to \$500,000, the annual permit fee is \$1,500;

47.1 (6) for gross sales of \$500,001 to \$1,000,000, the annual permit fee is \$3,000; and

47.2 (7) for gross sales of \$1,000,001 and above, the annual permit fee is \$4,500.

47.3 (d) The application for a seed permit covered by section 21.89, subdivision 2, clause

47.4 (3), must be accompanied by an application fee of \$75. Labelers holding seed fee permits

47.5 covered under this paragraph need not apply for a new permit or pay the application fee.

47.6 Under this permit category, the fees for the following kinds of agricultural seed sold either

47.7 in bulk or containers are:

47.8 (1) oats, wheat, and barley, 9 cents per hundredweight;

47.9 (2) rye, field beans, buckwheat, and flax, 12 cents per hundredweight;

47.10 (3) field corn, 17 cents per 80,000 seed unit;

47.11 (4) forage, hemp, lawn and turf grasses, and legumes, 69 cents per hundredweight;

47.12 (5) sunflower, \$1.96 per hundredweight;

47.13 (6) sugar beet, 12 cents per 100,000 seed unit;

47.14 (7) soybeans, 7.5 cents per 140,000 seed unit;

47.15 (8) for any agricultural seed not listed in clauses (1) to (7), the fee for the crop most

47.16 closely resembling it in normal planting rate applies; and

47.17 (9) for native grasses and wildflower seed, \$1 per hundredweight.

47.18 (e) If, for reasons beyond the control and knowledge of the labeler, seed is shipped into

47.19 Minnesota by a person other than the labeler, the responsibility for the seed fees are

47.20 transferred to the shipper. An application for a transfer of this responsibility must be made

47.21 to the commissioner. Upon approval by the commissioner of the transfer, the shipper is

47.22 responsible for payment of the seed permit fees.

47.23 (f) Seed permit fees may be included in the cost of the seed either as a hidden cost or as

47.24 a line item cost on each invoice for seed sold. To identify the fee on an invoice, the words

47.25 "Minnesota seed permit fees" must be used.

47.26 (g) All seed fee permit holders must file semiannual reports with the commissioner,

47.27 even if no seed was sold during the reporting period. Each semiannual report must be

47.28 submitted within 30 days of the end of each reporting period. The reporting periods ~~are~~

47.29 ~~October 1 to March 31 and April 1 to September 30 of each year or July 1 to December 31~~

47.30 ~~and January 1 to June 30 of each year~~ must be determined by the commissioner and

48.1 communicated annually to permit holders. Permit holders may change their reporting periods
48.2 with the approval of the commissioner.

48.3 (h) The holder of a seed fee permit must pay fees on all seed for which the permit holder
48.4 is the labeler and which are covered by sections 21.80 to 21.92 and sold during the reporting
48.5 period.

48.6 (i) If a seed fee permit holder fails to submit a semiannual report and pay the seed fee
48.7 within 30 days after the end of each reporting period, the commissioner shall assess a penalty
48.8 of \$100 or eight percent, calculated on an annual basis, of the fee due, whichever is greater,
48.9 but no more than \$500 for each late semiannual report. A \$15 penalty must be charged when
48.10 the semiannual report is late, even if no fee is due for the reporting period. Seed fee permits
48.11 may be revoked for failure to comply with the applicable provisions of this paragraph or
48.12 the Minnesota seed law.

48.13 Sec. 32. Minnesota Statutes 2025 Supplement, section 28A.04, subdivision 1, is amended
48.14 to read:

48.15 Subdivision 1. **Application; date of issuance.** (a) Except as provided under section
48.16 28A.152, no person ~~shall~~ may engage in the business of manufacturing, processing, selling,
48.17 handling, or storing food without having first obtained from the commissioner a license for
48.18 doing such business. Applications for such license ~~shall~~ must be made to the commissioner
48.19 in such manner and time as required and upon such forms as provided by the commissioner
48.20 and ~~shall~~ must contain the name and address of the applicant, address or description of each
48.21 place of business, and the nature of the business to be conducted at each place, and such
48.22 other pertinent information as the commissioner may require.

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

48.27 (c) A food handler license ~~shall~~ must be issued for the period January 1 to December
48.28 31 and ~~shall~~ must be renewed thereafter by the licensee on or before January 1 of each year,
48.29 except that:

48.30 (1) retail and wholesale food handler licenses issued for the period of July 1, 2025, to
48.31 June 30, 2026, must be renewed on or before July 1, 2026, for the period of July 1, 2026,
48.32 to December 31, 2026. The renewal fee for the period of July 1, 2026, to December 31,
48.33 2026, is one-half of the fee for a food handler specified in section 28A.08, subdivision 3;

49.1 (2) licenses for all mobile food concession units and retail mobile units must be issued
 49.2 for the period April 1 to March 31, and must be renewed thereafter by the licensee on or
 49.3 before April 1 of each year. A license issued for a temporary food concession stand must
 49.4 have a license issuance and renewal date consistent with appropriate statutory provisions;
 49.5 and

49.6 (3) a license for a food handler operating only at the State Fair must be issued for the
 49.7 period of July 1 to June 30 and must be renewed thereafter by the licensee on or before July
 49.8 1 of each year.

49.9 (d) A penalty for late renewal under paragraph ~~(b)~~ (c) must be assessed in accordance
 49.10 with section 28A.08.

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

49.17 (f) On a quarterly basis during the licensing period, the commissioner must prorate the
 49.18 fee for an initial license issued under this chapter, except that:

49.19 (1) a person applying for a new license up to 14 calendar days before the effective date
 49.20 of the new license period under paragraph (c) must be issued a license for the 14 days and
 49.21 the next license year as a single license and pay a single license fee as if the 14 days were
 49.22 part of the upcoming license period; and

49.23 (2) a person applying for a license to operate as a special event food stand must pay the
 49.24 entire fee specified in section 28A.08, subdivision 3, regardless of when the application is
 49.25 filed.

49.26 Sec. 33. Minnesota Statutes 2024, section 28A.0752, is amended to read:

49.27 **28A.0752 DELEGATION OF POWERS AND DUTIES.**

49.28 Subdivision 1. **Agreements to perform duties of commissioner.** (a) The commissioner
 49.29 may enter into agreements to delegate licensing and inspection duties of the commissioner
 49.30 to community health boards pertaining to retail food handlers ~~shall~~ whose primary mode
 49.31 of business is to sell or to process and sell food directly to the ultimate consumer. An
 49.32 agreement under this section may include duties of licensing, inspection, reporting, and
 49.33 enforcement duties authorized under sections this chapter and chapters 29 and 30; section

50.1 17.04, ~~29.21, 29.23, 29.235, 29.236, 29.237, 29.24, 29.25, 29.26, 29.27, and 30.49;~~
 50.2 appropriate sections of the Minnesota Food Law, chapters 31 and 34A₅; and applicable
 50.3 Minnesota food rules.

50.4 (b) Agreements under this section are subject to subdivision 3.

50.5 (c) ~~This subdivision does not affect agreements entered into under section 28A.075 or~~
 50.6 ~~current cooperative agreements which base inspections and licensing responsibility on the~~
 50.7 ~~firm's most predominant mode of business. The commissioner must not delegate duties~~
 50.8 ~~under this section pertaining to custom exempt food handlers and food handlers inspected~~
 50.9 ~~under the state meat inspection program under chapter 31A.~~

50.10 (d) The commissioner must not delegate duties under this section pertaining to food
 50.11 handlers whose principal mode of business is to sell food to other business entities or
 50.12 establishments for resale.

50.13 (e) The commissioner must not delegate duties under this section pertaining to food
 50.14 handlers who conduct activities regulated under Code of Federal Regulations, title 21, part
 50.15 111; 112; 113; 114; 117, subpart C; 120; or 123.

50.16 Subd. 2. **Approval of agreements.** (a) An agreement under this section to delegate
 50.17 ~~licensing and inspection of retail food handlers~~ duties to a community health board must
 50.18 be approved by the commissioner ~~and is subject to subdivision 3.~~

50.19 (b) An agreement to delegate the commissioner's duties to a designated agent established
 50.20 before January 1, 2025, remains in effect if the designated agent's performance continues
 50.21 to meet the standards necessary to substitute for the commissioner's duties and complies
 50.22 with the requirements of subdivisions 1 and 3.

50.23 Subd. 3. **Terms of agreements.** (a) Agreements authorized under this section must be
 50.24 in writing and signed by the ~~delegating authority~~ commissioner and the designated agent.

50.25 (b) ~~The~~ An agreement under this section must list criteria that the delegating authority
 50.26 commissioner will use to determine if the designated agent's performance meets appropriate
 50.27 standards and is sufficient to replace performance by the ~~delegating authority~~ commissioner.

50.28 (c) ~~The~~ An agreement under this section may specify minimum staff requirements and
 50.29 qualifications, set procedures for the assessment of costs, and provide for termination
 50.30 procedures if the ~~delegating authority~~ commissioner determines that the designated agent
 50.31 has failed to comply with the agreement.

50.32 (d) A designated agent must operate according to the requirements of section 28A.06.

51.1 (e) By December 31, 2028, a designated agent that entered into an agreement to delegate
 51.2 the commissioner's duties to the designated agent before January 1, 2025, must comply with
 51.3 section 28A.06.

51.4 ~~(d)~~ (f) The ~~delegating authority~~ commissioner and the designated agent are required to
 51.5 perform inspections utilizing the Minnesota Food Code's minimum and maximum standards.

51.6 ~~(e)~~ (g) A designated agent must not perform licensing, inspection, reporting, or
 51.7 enforcement duties under ~~the~~ an agreement under this section in a territory outside its
 51.8 jurisdiction unless approved by the commissioner and governing body for that territory
 51.9 through a separate agreement.

51.10 (h) A designated agent may charge a fee to recover the estimated costs of performing
 51.11 duties according to terms of an agreement under this section if the duties involve enforcing
 51.12 the Minnesota Food Law and applicable Minnesota food rules. The fee charged by the
 51.13 designated agent must be fair, reasonable, and proportionate to the actual cost of the duties
 51.14 performed by the designated agent. A designated agent must only use a fee under this
 51.15 paragraph to cover the costs of performing duties according to terms of the agreement under
 51.16 this section.

51.17 ~~(f)~~ (i) The scope of agreements established under this section is limited to duties and
 51.18 responsibilities agreed upon by the parties. The agreement may provide for automatic
 51.19 renewal and for notice of intent to terminate by either party.

51.20 ~~(g)~~ (j) During the life of ~~the~~ an agreement under this section, the ~~delegating authority~~
 51.21 ~~shall~~ commissioner must not perform duties that the designated agent is required to perform
 51.22 under the agreement, except inspections necessary to determine compliance with the
 51.23 agreement and this section or as agreed to by the parties.

51.24 ~~(h)~~ (k) The ~~delegating authority shall~~ commissioner must consult with, advise, and assist
 51.25 a designated agent in the performance of its duties under the agreement.

51.26 ~~(i)~~ (l) This section does not alter the responsibility of the ~~delegating authority~~
 51.27 commissioner for the performance of duties specified by law and rule.

51.28 Sec. 34. Minnesota Statutes 2025 Supplement, section 28A.08, subdivision 3, is amended
 51.29 to read:

51.30 **Subd. 3. Fees effective August 1, 2025.**

51.31				Penalties	
51.32	Type of food handler	Risk	License	Late	No
51.33		Category	Fee	Renewal	License

52.1	1. Custom exempt food handler				
52.2	(a) Having \$50,000 or less gross sales or				
52.3	service for the immediately previous				
52.4	license or fiscal year		\$135	\$45	\$90
52.5	(b) Having \$50,001 to \$125,000 gross sales				
52.6	or service for the immediately previous				
52.7	license or fiscal year		\$200	\$67	\$133
52.8	(c) Having \$125,001 to \$500,000 gross				
52.9	sales or service for the immediately				
52.10	previous license or fiscal year		\$370	\$123	\$247
52.11	(d) Having \$500,001 to \$1,000,000 gross				
52.12	sales or service for the immediately				
52.13	previous license or fiscal year		\$475	\$158	\$317
52.14	(e) Having \$1,000,001 to \$5,000,000 gross				
52.15	sales or service for the immediately				
52.16	previous license or fiscal year		\$1,350	\$450	\$900
52.17	(f) Having \$5,000,001 to \$10,000,000 gross				
52.18	sales or service for the immediately				
52.19	previous license or fiscal year		\$1,750	\$583	\$1,167
52.20	(g) Having \$10,000,001 to \$15,000,000				
52.21	gross sales or service for the immediately				
52.22	previous license or fiscal year		\$2,150	\$717	\$1,433
52.23	(h) Having \$15,000,001 to \$20,000,000				
52.24	gross sales or service for the immediately				
52.25	previous license or fiscal year		\$2,550	\$849	\$1,700
52.26	(i) Having \$20,000,001 to \$25,000,000				
52.27	gross sales or service for the immediately				
52.28	previous license or fiscal year		\$2,950	\$984	\$1,967
52.29	(j) Having over \$25,000,001 gross sales or				
52.30	service for the immediately previous				
52.31	license or fiscal year		\$3,350	\$1,117	\$2,233
52.32	2. Food handler				
52.33	(a) Having gross sales of only prepackaged				
52.34	nonperishable food of less than \$30,000				
52.35	for the immediately previous license or				
52.36	fiscal year and filing a statement with the				
52.37	commissioner		\$90	\$30	\$60
52.38	(b) Having gross sales or service of less	High	\$285	\$95	\$190
52.39	than \$50,000 for the immediately previous	Medium	\$195	\$65	\$130
52.40	license or fiscal year	Low	\$135	\$45	\$90
52.41	(c) Having \$50,001 to \$125,000 gross sales	High	\$350	\$117	\$233
52.42	or service for the immediately previous	Medium	\$260	\$87	\$173
52.43	license or fiscal year	Low	\$200	\$67	\$133
52.44	(d) Having \$125,001 to \$250,000 gross	High	\$415	\$138	\$277
52.45	sales or service for the immediately	Medium	\$350	\$117	\$233
52.46	previous license or fiscal year	Low	\$265	\$88	\$177
52.47	(e) Having \$250,001 to \$500,000 gross	High	\$520	\$173	\$347
52.48	sales or service for the immediately	Medium	\$430	\$143	\$287
52.49	previous license or fiscal year	Low	\$370	\$123	\$247

53.1	(f) Having \$500,001 to \$1,000,000 gross	High	\$625	\$208	\$417
53.2	sales or service for the immediately	Medium	\$535	\$178	\$357
53.3	previous license or fiscal year	Low	\$475	\$158	\$317
53.4	(g) Having \$1,000,001 to \$5,000,000 gross	High	\$1,500	\$500	\$1,000
53.5	sales or service for the immediately	Medium	\$1,425	\$475	\$950
53.6	previous license or fiscal year	Low	\$1,350	\$450	\$900
53.7	(h) Having \$5,000,001 to \$10,000,000	High	\$1,900	\$633	\$1,267
53.8	gross sales or service for the immediately	Medium	\$1,825	\$608	\$1,217
53.9	previous license or fiscal year	Low	\$1,750	\$583	\$1,167
53.10	(i) Having \$10,000,001 to \$15,000,000	High	\$2,300	\$767	\$1,533
53.11	gross sales or service for the immediately	Medium	\$2,225	\$742	\$1,483
53.12	previous license or fiscal year	Low	\$2,150	\$717	\$1,433
53.13	(j) Having \$15,000,001 to \$20,000,000	High	\$2,700	\$900	\$1,800
53.14	gross sales or service for the immediately	Medium	\$2,625	\$875	\$1,750
53.15	previous license or fiscal year	Low	\$2,550	\$849	\$1,700
53.16	(k) Having \$20,000,001 to \$25,000,000	High	\$3,100	\$1,033	\$2,067
53.17	gross sales or service for the immediately	Medium	\$3,025	\$1,008	\$2,017
53.18	previous license or fiscal year	Low	\$2,950	\$984	\$1,967
53.19	(l) Having \$25,000,001 to \$50,000,000	High	\$3,500	\$1,167	\$2,333
53.20	gross sales or service for the immediately	Medium	\$3,425	\$1,142	\$2,283
53.21	previous license or fiscal year	Low	\$3,350	\$1,117	\$2,233
53.22	(m) Having \$50,000,001 to \$100,000,000	High	\$4,000	\$1,334	\$2,667
53.23	gross sales or service for the immediately	Medium	\$3,925	\$1,309	\$2,617
53.24	previous license or fiscal year	Low	\$3,850	\$1,284	\$2,567
53.25	(n) Having \$100,000,001 or more gross	High	\$4,500	\$1,500	\$3,000
53.26	sales or service for the immediately	Medium	\$4,425	\$1,475	\$2,950
53.27	previous license or fiscal year	Low	\$4,350	\$1,450	\$2,900
53.28	3. Food handler operating under authority of				
53.29	this chapter solely as a special event food				
53.30	stand as defined in Minnesota Statutes,				
53.31	section 157.15		\$75	\$25	\$50
53.32	4. Meat or poultry processing solely under				
53.33	supervision of the U.S. Department of				
53.34	Agriculture				
53.35	(a) Having gross sales or service of less				
53.36	than \$125,000 for the immediately previous				
53.37	license or fiscal year		\$190	\$63	\$127
53.38	(b) Having \$125,001 to \$250,000 gross				
53.39	sales or service for the immediately				
53.40	previous license or fiscal year		\$365	\$122	\$243
53.41	(c) Having \$250,001 to \$500,000 gross				
53.42	sales or service for the immediately				
53.43	previous license or fiscal year		\$450	\$150	\$300
53.44	(d) Having \$500,001 to \$1,000,000 gross				
53.45	sales or service for the immediately				
53.46	previous license or fiscal year		\$565	\$188	\$377
53.47	(e) Having \$1,000,001 to \$5,000,000 gross				
53.48	sales or service for the immediately				
53.49	previous license or fiscal year		\$725	\$241	\$483

54.1	(f) Having \$5,000,001 to \$10,000,000 gross			
54.2	sales or service for the immediately			
54.3	previous license or fiscal year	\$885	\$295	\$590
54.4	(g) Having \$10,000,001 to \$15,000,000			
54.5	gross sales or service for the immediately			
54.6	previous license or fiscal year	\$1,305	\$435	\$807
54.7	(h) Having \$15,000,001 to \$20,000,000			
54.8	gross sales or service for the immediately			
54.9	previous license or fiscal year	\$1,515	\$505	\$1,010
54.10	(i) Having \$20,000,001 to \$25,000,000			
54.11	gross sales or service for the immediately			
54.12	previous license or fiscal year	\$1,745	\$582	\$1,163
54.13	(j) Having \$25,000,001 to \$50,000,000			
54.14	gross sales or service for the immediately			
54.15	previous license or fiscal year	\$1,975	\$658	\$1,317
54.16	(k) Having \$50,000,001 to \$100,000,000			
54.17	gross sales or service for the immediately			
54.18	previous license or fiscal year	\$2,215	\$738	\$1,477
54.19	(l) Having \$100,000,001 or more gross			
54.20	sales or service for the immediately			
54.21	previous license or fiscal year	\$2,465	\$822	\$1,643

54.22 Sec. 35. Minnesota Statutes 2024, section 32D.30, subdivision 5, is amended to read:

54.23 Subd. 5. **Reporting.** No later than ~~July 1~~ September 15 of each even-numbered year,
 54.24 the commissioner must submit a detailed accomplishment report and work plan detailing
 54.25 future plans for, and the actual and anticipated accomplishments from, expenditures under
 54.26 this section to the chairs and ranking minority members of the legislative committees and
 54.27 divisions with jurisdiction over agriculture policy and finance. If the commissioner
 54.28 significantly modifies a submitted work plan ~~during the fiscal year~~, the commissioner must
 54.29 notify the chairs and ranking minority members.

54.30 Sec. 36. Minnesota Statutes 2024, section 41A.19, is amended to read:

54.31 **41A.19 REPORT; INCENTIVE PROGRAMS.**

54.32 ~~By January 15~~ Each year, the commissioner shall report on the incentive programs under
 54.33 sections 41A.16, 41A.17, 41A.18, and 41A.20 to the legislative committees with jurisdiction
 54.34 over environment and agriculture policy and finance in the report under section 41A.12,
 54.35 subdivision 3. The report shall include information on production and incentive expenditures
 54.36 under the programs.

55.1 Sec. 37. Minnesota Statutes 2024, section 41B.048, subdivision 2, is amended to read:

55.2 Subd. 2. **Establishment.** The authority shall establish and implement an agroforestry
55.3 loan program to help finance the production of short rotation woody crops, agroforestry
55.4 crops, agroforestry systems, such as silvopasture and alley systems, and other systems.

55.5 Sec. 38. Minnesota Statutes 2024, section 41B.048, subdivision 4, is amended to read:

55.6 Subd. 4. **Definitions.** (a) The definitions in this subdivision apply to this section.

55.7 (b) "Agroforestry" has the meaning given in section 17.458, subdivision 1.

55.8 (c) "Agroforestry system" means an agricultural production system that integrates trees,
55.9 shrubs, or other woody perennial species or animals into the system, with the intention to
55.10 harvest wood, food, feed, medicinal products, or other products from the system.

55.11 ~~(b)~~ (d) "Growing cycle" means the number of years from planting to harvest.

55.12 ~~(e)~~ (e) "Harvest" means the day that the crop arrives at the scale of the buyer of the crop.

55.13 ~~(d)~~ (f) "Short rotation woody crops" or "crop" means hybrid poplar and other woody
55.14 plants that are harvested for their fiber within 15 years of planting.

55.15 Sec. 39. Minnesota Statutes 2024, section 41B.048, subdivision 5, is amended to read:

55.16 Subd. 5. **Eligibility for growers of short rotation woody crops.** To be eligible for this
55.17 program, a borrower must:

55.18 (1) be a resident of Minnesota or any entity eligible to own farm land under section
55.19 500.24;

55.20 (2) be or plan to become a grower of short rotation woody crops on agricultural land
55.21 that is suitable for the profitable production of short rotation woody crops;

55.22 (3) be a member of a producer-owned cooperative that will contract to market the short
55.23 rotation woody crop to be planted by the borrower;

55.24 (4) demonstrate an ability to repay the loan;

55.25 (5) not receive assistance under this program for more than \$150,000 in the producer's
55.26 lifetime;

55.27 (6) agree to work with appropriate local, state, and federal agencies, and the marketing
55.28 cooperative, to develop an acceptable establishment and maintenance plan;

56.1 (7) agree not to plant short-rotation woody crops within one-quarter of a mile of state
56.2 or federally protected prairie; and

56.3 (8) meet any other requirements the authority may impose by administrative procedure
56.4 or by rule.

56.5 Sec. 40. Minnesota Statutes 2024, section 41B.048, is amended by adding a subdivision
56.6 to read:

56.7 Subd. 5a. Eligibility for agroforestry systems and practices. To be eligible for this
56.8 program, a borrower must:

56.9 (1) be a resident of Minnesota or any entity eligible to own farm land under section
56.10 500.24;

56.11 (2) be a farmer or agricultural landowner implementing: (i) the use of an agroforestry
56.12 system, such as a silvopasture or an alley system, on agricultural land; or (ii) the use of
56.13 agroforestry practices, such as biochar processing, on agricultural land;

56.14 (3) demonstrate an ability to repay the loan;

56.15 (4) not receive assistance under this program for more than \$150,000 in the producer's
56.16 lifetime; and

56.17 (5) meet any other requirements the authority may impose by administrative procedure
56.18 or by rule.

56.19 Sec. 41. Minnesota Statutes 2024, section 41B.048, is amended by adding a subdivision
56.20 to read:

56.21 Subd. 6a. Loans for agroforestry systems and practices. (a) The authority may
56.22 participate with eligible lenders in agroforestry loans to farmers and agricultural landowners
56.23 who are eligible under subdivision 5a. The authority's participation is limited to 45 percent
56.24 or \$75,000 of total accumulative principal per loan.

56.25 (b) The interest rates and repayment terms of the authority's participation interest may
56.26 differ from those of the lender's retained portion of the loan.

56.27 (c) Standards for loan amortization must be set by the Rural Finance Authority and must
56.28 not exceed ten years.

56.29 (d) Security for the loan must be a personal note executed by the borrower and whatever
56.30 other security is required by the eligible lender or the authority.

57.1 (e) The authority may prescribe forms and establish an application process for applicants
57.2 to apply for a loan.

57.3 (f) The authority may impose a reasonable, nonrefundable application fee for each
57.4 application for an agroforestry loan under this program. The authority may review the fee
57.5 annually and make adjustments as necessary. The initial application fee is \$50. Application
57.6 fees received by the authority must be deposited in the Rural Finance Authority administrative
57.7 account established in section 41B.03.

57.8 (g) Loans under this program must be made using money in the revolving loan account
57.9 established in section 41B.06.

57.10 (h) All repayments of financial assistance granted under this section, including principal
57.11 and interest, must be deposited into the revolving loan account established under section
57.12 41B.06.

57.13 (i) The interest payable on loans for the agroforestry loan program must be at a rate
57.14 determined by the authority.

57.15 Sec. 42. **REPEALER.**

57.16 Minnesota Statutes 2024, sections 18K.02, subdivision 7; 18K.03, subdivision 2; and
57.17 28A.075, are repealed.

APPENDIX
Article locations for 26-08002

ARTICLE 1 APPROPRIATIONS..... Page.Ln 1.16
ARTICLE 2 AGRICULTURE POLICY..... Page.Ln 17.28

18K.02 DEFINITIONS.

Subd. 7. **Processor.** "Processor" means a person or business that converts raw hemp into a product.

18K.03 AGRICULTURAL CROP; POSSESSION AUTHORIZED.

Subd. 2. **Sale to medical cannabis manufacturers.** A licensee under this chapter may sell hemp products derived from industrial hemp grown in this state to medical cannabis manufacturers as authorized under sections 152.22 to 152.37.

28A.075 DELEGATION TO LOCAL COMMUNITY HEALTH BOARD.

(a) At the request of a local community health board that licensed and inspected grocery and convenience stores on January 1, 1999, the commissioner must enter into agreements before January 1, 2001, with local community health boards to delegate to the appropriate local community health board the licensing and inspection duties of the commissioner pertaining to retail food handlers that are grocery or convenience stores. At the request of a local community health board that licensed and inspected part of any grocery or convenience store on January 1, 1999, the commissioner must enter into agreements before July 1, 2001, with local community health boards to delegate to the appropriate local community health board the licensing and inspection duties of the commissioner pertaining to retail food handlers that are grocery or convenience stores. At any time thereafter, the commissioner may enter into an agreement with a local community health board that licensed and inspected all or part of any grocery or convenience store on January 1, 1999, to delegate to the appropriate local community health board the licensing and inspection duties of the commissioner pertaining to retail food handlers such as grocery or convenience stores. Retail food handlers inspected under the state meat inspection program of chapter 31A are exempt from delegation.

(b) A local community health board must adopt an ordinance consistent with the Minnesota Food Code, Minnesota Rules, chapter 4626, for all of its jurisdiction to regulate retail food handlers and the ordinance (Food Code) must not be in conflict with standards set in law or rule.

(c) A fee to recover the estimated costs of enforcement of this chapter must be established by ordinance and must be fair, reasonable, and proportionate to the actual cost of the licensing and inspection services. The fee must only be maintained and used for the estimated costs of enforcing this chapter.