

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 4059

(SENATE AUTHORS: MARTY, Kupec and Boldon)

DATE	D-PG	OFFICIAL STATUS
03/02/2026	6458	Introduction and first reading Referred to State and Local Government
03/04/2026	6489	Author added Lang
03/05/2026	6523	Authors added Kupec; Boldon
03/09/2026	6580	Author added Dornink
04/16/2026	8090a	Comm report: To pass as amended and re-refer to Finance
04/21/2026	8870	Authors stricken Dornink; Lang
05/04/2026	9707	Chief author stricken Xiong Chief author added Marty
	9708a	Comm report: To pass as amended
	9890	Second reading
05/05/2026	9902a	Special Order: Amended
	9932	Third reading Passed as amended

1.1 A bill for an act

1.2 relating to state government finance; appropriating and transferring money for

1.3 prekindergarten through grade 12 education, higher education, agriculture, state

1.4 government, environment and natural resources, energy, renewable development,

1.5 jobs and economic development, labor, public safety, and corrections; making

1.6 policy and technical changes related to those appropriations; deleting land from a

1.7 state park; authorizing the sale of certain state lands; modifying provisions relating

1.8 to peace officer compensation; renaming a state building; establishing a battery

1.9 stewardship program; modifying the Board of Barber Examiners and Board of

1.10 Cosmetologist Examiners; modifying Medicaid fraud, campaign finance, clemency

1.11 provisions, the Data Practices Act, and consumer protection restitution account;

1.12 authorizing administrative rulemaking; imposing penalties; requiring reports;

1.13 amending Minnesota Statutes 2024, sections 8.16, subdivision 1; 10A.01, by adding

1.14 subdivisions; 10A.02, subdivision 15; 10A.025, subdivisions 2, 3, 4, 5, by adding

1.15 a subdivision; 10A.20, subdivision 12, by adding a subdivision; 16A.152,

1.16 subdivision 2; 18J.01; 18J.02; 18J.03; 18J.04, subdivisions 1, 2, 3, 4; 18J.05,

1.17 subdivisions 1, 2, 6; 18J.06; 18J.07, subdivisions 3, 4, 5; 18J.09; 18K.02,

1.18 subdivisions 5, 6; 18K.04, subdivision 1; 21.111; 21.112, by adding a subdivision;

1.19 21.113; 21.115; 21.117; 21.119; 21.1195; 21.891, subdivision 2; 28A.0752; 29.21,

1.20 by adding a subdivision; 29.26; 32D.30, subdivision 5; 41A.19; 115A.03, by adding

1.21 subdivisions; 115A.554; 115A.9157; 115C.08, subdivision 4; 115C.09, by adding

1.22 a subdivision; 116.92, subdivision 6, by adding a subdivision; 122A.20,

1.23 subdivisions 1, 2; 124D.98, by adding a subdivision; 126C.10, subdivision 14;

1.24 136A.64, subdivision 1; 136A.675, by adding a subdivision; 136A.822, subdivision

1.25 9; 136A.823, subdivision 1; 154.001, subdivision 2; 154.003; 154.01; 154.02,

1.26 subdivisions 1, 4, by adding subdivisions; 154.05; 154.07, subdivision 1, by adding

1.27 a subdivision; 154.08; 154.09; 154.11, subdivision 1, by adding a subdivision;

1.28 155A.20; 155A.23, subdivisions 4, 5, 8, 9, 10, 18, by adding a subdivision;

1.29 155A.25, subdivisions 1a, 3, 5, 7; 155A.27, subdivisions 5a, 10, by adding

1.30 subdivisions; 155A.271, subdivision 2; 155A.29, subdivision 2; 155A.30,

1.31 subdivisions 3, 4, 5, 6, 7, 8, 9, 11, 12; 155A.31; 155A.32; 155A.33, subdivisions

1.32 1, 2, 3, 4, 5, 6, by adding a subdivision; 177.27, subdivision 4; 181.03, subdivision

1.33 6; 260E.15; 260E.28, subdivision 1; 299A.41, subdivisions 3, 4, by adding

1.34 subdivisions; 299D.03, subdivisions 2, 2a; 325E.125, subdivision 5; 325E.1251,

1.35 subdivision 2; 471.6161, by adding a subdivision; 583.215; 609.352, subdivisions

1.36 1, 4, by adding subdivisions; 609.52, subdivision 2; 638.09, by adding a

1.37 subdivision; 638.12, subdivision 2; 638.14, subdivision 5; 638.16, subdivision 1;

1.38 Minnesota Statutes 2025 Supplement, sections 8.37, subdivisions 3, 5; 17.1017,

2.1 subdivision 9; 17.133, subdivisions 1, 2; 28A.04, subdivision 1; 28A.08, subdivision
 2.2 3; 126C.10, subdivision 3; 126C.15, subdivision 2; 136A.69, subdivision 1;
 2.3 136A.821, subdivision 5; 136A.824, subdivisions 1, 2; 136A.833, subdivision 2;
 2.4 216B.16, subdivision 15; 256B.12; 260E.065, by adding a subdivision; 260E.20,
 2.5 subdivision 1; 609.902, subdivision 4; 628.26; Laws 2023, chapter 40, article 4,
 2.6 section 2, subdivision 6, as amended; Laws 2023, chapter 43, article 1, section 2,
 2.7 subdivision 5, as amended; Laws 2023, chapter 55, article 8, section 19, subdivision
 2.8 5, as amended; Laws 2023, chapter 70, article 20, section 12, as amended; Laws
 2.9 2024, chapter 90, article 1, section 52; Laws 2024, chapter 104, article 1, section
 2.10 2; Laws 2025, chapter 34, article 1, section 2, subdivisions 2, 3, as amended, 4, as
 2.11 amended; Laws 2025, First Special Session chapter 10, article 8, section 18,
 2.12 subdivision 5; article 12, section 8; proposing coding for new law in Minnesota
 2.13 Statutes, chapters 13; 21; 115A; 181; 216B; 216C; 299A; 299D; 609; repealing
 2.14 Minnesota Statutes 2024, sections 18K.02, subdivision 7; 18K.03, subdivision 2;
 2.15 28A.075; 115A.9155; 115A.961, subdivisions 1, 2, 3; 136A.657; 136A.834,
 2.16 subdivisions 2, 3, 4; 155A.275; 325E.125, subdivisions 1, 2, 2a, 3, 4; 325E.1251,
 2.17 subdivision 1; 609.466; Minnesota Statutes 2025 Supplement, section 136A.834,
 2.18 subdivisions 1, 5; Laws 2017, First Special Session chapter 4, article 1, section
 2.19 29; Minnesota Rules, parts 2100.2500; 2100.2600; 2100.2900; 2100.3000;
 2.20 2100.3200; 2100.3300; 2100.4500; 2100.5200, subparts 1, 2, 5; 2100.5300;
 2.21 2100.6000.

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

2.23

ARTICLE 1

2.24

PREKINDERGARTEN THROUGH GRADE 12 EDUCATION

2.25 Section 1. Minnesota Statutes 2024, section 122A.20, subdivision 1, is amended to read:

2.26 Subdivision 1. **Grounds for revocation, suspension, or denial.** (a) The Professional
 2.27 Educator Licensing and Standards Board or Board of School Administrators, whichever
 2.28 has jurisdiction over a teacher's licensure, may, on the written complaint of the school board
 2.29 employing a teacher, a teacher organization, or any other interested person, refuse to issue,
 2.30 refuse to renew, suspend, or revoke a teacher's license to teach for any of the following
 2.31 causes:

- 2.32 (1) immoral character or conduct;
- 2.33 (2) failure, without justifiable cause, to teach for the term of the teacher's contract;
- 2.34 (3) gross inefficiency or willful neglect of duty;
- 2.35 (4) failure to meet licensure requirements; or
- 2.36 (5) fraud or misrepresentation in obtaining a license.

2.37 The written complaint must specify the nature and character of the charges.

2.38 (b) The Professional Educator Licensing and Standards Board or Board of School
 2.39 Administrators, whichever has jurisdiction over a teacher's licensure, shall refuse to issue,
 2.40 refuse to renew, or automatically revoke a teacher's license to teach without the right to a

3.1 hearing upon receiving a certified copy of a conviction showing that the teacher has been
3.2 convicted of child abuse, as defined in section 609.185, sex trafficking in the first degree
3.3 under section 609.322, subdivision 1, sex trafficking in the second degree under section
3.4 609.322, subdivision 1a, engaging in hiring, or agreeing to hire a minor to engage in
3.5 prostitution under section 609.324, subdivision 1, sexual abuse under section 609.342,
3.6 609.343, 609.344, 609.345, 609.3451, subdivision 3, or 617.23, subdivision 3, solicitation
3.7 of children to engage in sexual conduct or communication of sexually explicit materials to
3.8 children, or grooming under section 609.352, interference with privacy under section 609.746
3.9 or harassment or stalking under section 609.749 and the victim was a minor, using minors
3.10 in a sexual performance under section 617.246, possessing pornographic works involving
3.11 a minor under section 617.247, or any other offense not listed in this paragraph that requires
3.12 the person to register as a predatory offender under section 243.166, or a crime under a
3.13 similar law of another state or the United States. The board shall send notice of this licensing
3.14 action to the district in which the teacher is currently employed.

3.15 (c) A person whose license to teach has been revoked, not issued, or not renewed under
3.16 paragraph (b), may petition the board to reconsider the licensing action if the person's
3.17 conviction for child abuse or sexual abuse is reversed by a final decision of the court of
3.18 appeals or the supreme court or if the person has received a pardon for the offense. The
3.19 petitioner shall attach a certified copy of the appellate court's final decision or the pardon
3.20 to the petition. Upon receiving the petition and its attachment, the board shall schedule and
3.21 hold a disciplinary hearing on the matter under section 214.10, subdivision 2, unless the
3.22 petitioner waives the right to a hearing. If the board finds that, notwithstanding the reversal
3.23 of the petitioner's criminal conviction or the issuance of a pardon, the petitioner is disqualified
3.24 from teaching under paragraph (a), clause (1), the board shall affirm its previous licensing
3.25 action. If the board finds that the petitioner is not disqualified from teaching under paragraph
3.26 (a), clause (1), it shall reverse its previous licensing action.

3.27 (d) For purposes of this subdivision, the Professional Educator Licensing and Standards
3.28 Board is delegated the authority to suspend or revoke coaching licenses.

3.29 Sec. 2. Minnesota Statutes 2024, section 122A.20, subdivision 2, is amended to read:

3.30 Subd. 2. **Mandatory reporting.** (a) A school board, superintendent, charter school
3.31 board, charter school executive director, or charter school authorizer must report to the
3.32 Professional Educator Licensing and Standards Board, the Board of School Administrators,
3.33 or the Board of Trustees of the Minnesota State Colleges and Universities, whichever has
3.34 jurisdiction over the teacher's or administrator's license, when its teacher or administrator

4.1 is discharged or resigns from employment after a charge is filed with the school board under
4.2 section 122A.41, subdivisions 6, paragraph (a), clauses (1), (2), and (3), and 7, or after
4.3 charges are filed that are grounds for discharge under section 122A.40, subdivision 13,
4.4 paragraph (a), clauses (1) to (5), or when a teacher or administrator is suspended or resigns
4.5 while an investigation is pending under section 122A.40, subdivision 13, paragraph (a),
4.6 clauses (1) to (5), or chapter 260E; or 122A.41, subdivisions 6, clauses (1), (2), and (3),
4.7 and 7; or when a teacher or administrator is suspended without an investigation under section
4.8 122A.41, subdivisions 6, paragraph (a), clauses (1), (2), and (3), and 7, or chapter 260E.
4.9 The report must be made to the appropriate licensing board within ten days after the
4.10 discharge, suspension, or resignation has occurred. The licensing board to which the report
4.11 is made must investigate the report for violation of subdivision 1 and the reporting board,
4.12 administrator, or authorizer must cooperate in the investigation. Notwithstanding any
4.13 provision in chapter 13 or any law to the contrary, upon written request from the licensing
4.14 board having jurisdiction over the license, a board, charter school, authorizer, charter school
4.15 executive director, or school superintendent shall provide the licensing board with information
4.16 about the teacher or administrator from the district's files, any termination or disciplinary
4.17 proceeding, any settlement or compromise, or any investigative file. Upon written request
4.18 from the appropriate licensing board, a board or school superintendent may, at the discretion
4.19 of the board or school superintendent, solicit the written consent of a student and the student's
4.20 parent to provide the licensing board with information that may aid the licensing board in
4.21 its investigation and license proceedings. The licensing board's request need not identify a
4.22 student or parent by name. The consent of the student and the student's parent must meet
4.23 the requirements of chapter 13 and Code of Federal Regulations, title 34, section 99.30.
4.24 The licensing board may provide a consent form to the district. Any data transmitted to any
4.25 board under this section is private data under section 13.02, subdivision 12, notwithstanding
4.26 any other classification of the data when it was in the possession of any other agency.

4.27 (b) The licensing board to which a report is made must transmit to the Attorney General's
4.28 Office any record or data it receives under this subdivision for the sole purpose of having
4.29 the Attorney General's Office assist that board in its investigation. When the Attorney
4.30 General's Office has informed an employee of the appropriate licensing board in writing
4.31 that grounds exist to suspend or revoke a teacher's license to teach, that licensing board
4.32 must consider suspending or revoking or decline to suspend or revoke the teacher's or
4.33 administrator's license within 45 days of receiving a stipulation executed by the teacher or
4.34 administrator under investigation or a recommendation from an administrative law judge
4.35 that disciplinary action be taken.

5.1 (c) The Professional Educator Licensing and Standards Board and Board of School
 5.2 Administrators must report to the appropriate law enforcement authorities a revocation,
 5.3 suspension, or agreement involving a loss of license, relating to a teacher or administrator's
 5.4 inappropriate sexual conduct with a minor. For purposes of this section, "law enforcement
 5.5 authority" means a police department, county sheriff, or Tribal police department. A report
 5.6 by the Professional Educator Licensing and Standards Board to appropriate law enforcement
 5.7 authorities does not diminish, modify, or otherwise affect the responsibilities of a school
 5.8 board or any person mandated to report abuse under chapter 260E.

5.9 (d) A police department or county sheriff must notify the appropriate licensing board
 5.10 when a teacher is criminally charged with an offense listed in subdivision 1, paragraph (b),
 5.11 or is charged with any other offense not listed in this section that requires the person to
 5.12 register as a predatory offender under section 243.166.

5.13 Sec. 3. Minnesota Statutes 2024, section 124D.98, is amended by adding a subdivision to
 5.14 read:

5.15 Subd. 6. **Exclusion of 2025-2026 reading assessments.** Notwithstanding subdivisions
 5.16 2 and 3, for purposes of calculating proficiency aid and growth aid for fiscal years 2027,
 5.17 2028, and 2029 only, tests administered during the 2025-2026 school year must be excluded
 5.18 from the three-year average proficiency percentage and from the three-year average growth
 5.19 percentage. The commissioner may adjust the dollar amounts for proficiency aid and growth
 5.20 aid for fiscal years 2027, 2028, and 2029 only to ensure that the total aid amount under this
 5.21 section is not less than the amount estimated for these fiscal years under the February 2026
 5.22 forecast.

5.23 Sec. 4. Minnesota Statutes 2025 Supplement, section 126C.10, subdivision 3, is amended
 5.24 to read:

5.25 Subd. 3. **Compensatory education revenue.** (a) A district's compensatory revenue
 5.26 equals the sum of its compensatory revenue for each building in the district and the amounts
 5.27 designated under Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision
 5.28 8, for fiscal year 2017. Revenue shall be paid to the district and must be allocated according
 5.29 to section 126C.15, subdivision 2.

5.30 (b) For fiscal years 2024, 2025, and 2026, the compensatory education revenue for each
 5.31 building in the district equals the formula allowance minus \$839 times the compensation
 5.32 revenue pupil units computed according to section 126C.05, subdivision 3.

6.1 (c) For fiscal year 2027 and later, the compensatory education revenue for each building
 6.2 in the district equals its compensatory pupils multiplied by the building compensatory
 6.3 allowance.

6.4 (d) When the district contracting with an alternative program under section 124D.69
 6.5 changes prior to the start of a school year, the compensatory revenue generated by pupils
 6.6 attending the program shall be paid to the district contracting with the alternative program
 6.7 for the current school year, and shall not be paid to the district contracting with the alternative
 6.8 program for the prior school year.

6.9 (e) When the fiscal agent district for an area learning center changes prior to the start of
 6.10 a school year, the compensatory revenue shall be paid to the fiscal agent district for the
 6.11 current school year, and shall not be paid to the fiscal agent district for the prior school year.

6.12 (f) Notwithstanding paragraph ~~(e)~~ (b), for fiscal year 2026, if the sum of the amounts
 6.13 calculated under paragraph ~~(e)~~ (b) is less than \$838,947,000, the commissioner must
 6.14 proportionately increase the revenue to each building until the total statewide revenue
 6.15 calculated for each building equals \$838,947,000.

6.16 (g) Notwithstanding paragraph (c), for fiscal year 2027 and later, if the sum of the
 6.17 amounts calculated under paragraph (c) is less than \$857,152,000, the commissioner must
 6.18 proportionately increase the revenue to each building until the total statewide revenue
 6.19 calculated for each building equals \$857,152,000.

6.20 (h) Notwithstanding paragraph (c), for fiscal year 2027 only, the compensatory education
 6.21 revenue for each building equals the greater of:

6.22 (1) the amount calculated for the building under paragraphs (c) and (g); or

6.23 (2) the building minimum amount calculated under paragraph (i).

6.24 (i) For purposes of paragraph (h), the building minimum amount equals the product of:

6.25 (1) the compensatory education revenue for the building for fiscal year 2026;

6.26 (2) the lesser of one or the ratio of the number of pupils enrolled in the building on
 6.27 October 1, 2025, to the number of pupils enrolled in the building on October 1, 2024; and

6.28 (3) 0.7746.

6.29 Sec. 5. Minnesota Statutes 2024, section 126C.10, subdivision 14, is amended to read:

6.30 Subd. 14. **Uses of total operating capital revenue.** Total operating capital revenue may
 6.31 be used only for the following purposes:

- 7.1 (1) to acquire land for school purposes;
- 7.2 (2) to acquire or construct buildings for school purposes;
- 7.3 (3) to rent or lease buildings, including the costs of building repair or improvement that
7.4 are part of a lease agreement;
- 7.5 (4) to improve and repair school sites and buildings, and equip or reequip school buildings
7.6 with permanent attached fixtures, including library media centers and gender-neutral
7.7 single-user restrooms, locker room privacy stalls, or other spaces with privacy features,
7.8 including single-user shower stalls, changing stalls, or other single-user facilities;
- 7.9 (5) for a surplus school building that is used substantially for a public nonschool purpose;
- 7.10 (6) to eliminate barriers or increase access to school buildings by individuals with a
7.11 disability;
- 7.12 (7) to bring school buildings into compliance with the State Fire Code adopted according
7.13 to chapter 299F;
- 7.14 (8) to remove asbestos from school buildings, encapsulate asbestos, or make
7.15 asbestos-related repairs;
- 7.16 (9) to clean up and dispose of polychlorinated biphenyls found in school buildings;
- 7.17 (10) to clean up, remove, dispose of, and make repairs related to storing heating fuel or
7.18 transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section
7.19 296A.01;
- 7.20 (11) for energy audits for school buildings and to modify buildings if the audit indicates
7.21 the cost of the modification can be recovered within ten years;
- 7.22 (12) to improve buildings that are leased according to section 123B.51, subdivision 4;
- 7.23 (13) to pay special assessments levied against school property but not to pay assessments
7.24 for service charges;
- 7.25 (14) to pay principal and interest on state loans for energy conservation according to
7.26 section 216C.37 or loans made under the Douglas J. Johnson Economic Protection Trust
7.27 Fund Act according to sections 298.292 to 298.297;
- 7.28 (15) to purchase or lease interactive telecommunications equipment;
- 7.29 (16) by board resolution, to transfer money into the debt redemption fund to: (i) pay the
7.30 amounts needed to meet, when due, principal and interest payments on certain obligations

8.1 issued according to chapter 475; or (ii) pay principal and interest on debt service loans or
8.2 capital loans according to section 126C.70;

8.3 (17) to pay operating capital-related assessments of any entity formed under a cooperative
8.4 agreement between two or more districts;

8.5 (18) to purchase or lease computers and related hardware, software, and annual licensing
8.6 fees, copying machines, telecommunications equipment, and other noninstructional
8.7 equipment;

8.8 (19) to purchase or lease assistive technology or equipment for instructional programs;

8.9 (20) to purchase textbooks as defined in section 123B.41, subdivision 2;

8.10 (21) to purchase new and replacement library media resources or technology;

8.11 (22) to lease or purchase vehicles;

8.12 (23) to purchase or lease telecommunications equipment, computers, and related
8.13 equipment for integrated information management systems for:

8.14 (i) managing and reporting learner outcome information for all students under a
8.15 results-oriented graduation rule;

8.16 (ii) managing student assessment, services, and achievement information required for
8.17 students with individualized education programs; and

8.18 (iii) other classroom information management needs;

8.19 (24) to pay personnel costs directly related to the acquisition, operation, and maintenance
8.20 of telecommunications systems, computers, related equipment, and network and applications
8.21 software;

8.22 (25) to pay the costs directly associated with closing a school facility, including moving
8.23 and storage costs;

8.24 (26) to pay the costs of supplies and equipment necessary to provide access to menstrual
8.25 products at no charge to students in restrooms and as otherwise needed in school facilities;
8.26 ~~and~~

8.27 (27) to pay the costs of the opiate antagonists required under section 121A.224; and

8.28 (28) to pay utility service costs.

8.29 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2027 and later.

9.1 Sec. 6. Minnesota Statutes 2025 Supplement, section 126C.15, subdivision 2, is amended
9.2 to read:

9.3 Subd. 2. **Building allocation.** (a) A district or cooperative must allocate at least 80
9.4 percent of its compensatory revenue to each school building in the district or cooperative
9.5 where the children who have generated the revenue are served unless the school district or
9.6 cooperative has received permission under Laws 2005, First Special Session chapter 5,
9.7 article 1, section 50, to allocate compensatory revenue according to student performance
9.8 measures developed by the school board.

9.9 (b) A district or cooperative may allocate no more than 20 percent of the amount of
9.10 compensatory revenue that the district receives to school sites according to a plan adopted
9.11 by the school board. The money reallocated under this paragraph must be spent for the
9.12 purposes listed in subdivision 1, but may be spent on students in any grade, including
9.13 students attending school readiness or other prekindergarten programs.

9.14 (c) For the purposes of this section and section 126C.05, subdivision 3, "building" means
9.15 education site as defined in section 123B.04, subdivision 1.

9.16 (d) Notwithstanding section 123A.26, subdivision 1, compensatory revenue generated
9.17 by students served at a cooperative unit shall be paid to the cooperative unit.

9.18 (e) A district or cooperative with school building openings, school building closings,
9.19 changes in attendance area boundaries, or other changes in programs or student demographics
9.20 between the prior year and the current year may reallocate compensatory revenue among
9.21 sites to reflect these changes. A district or cooperative must report to the department any
9.22 adjustments it makes according to this paragraph and the department must use the adjusted
9.23 compensatory revenue allocations in preparing the report required under section 123B.76,
9.24 subdivision 3, paragraph (c).

9.25 (f) For fiscal years 2026 ~~and~~, 2027, and 2028 only, notwithstanding the percentages
9.26 specified in paragraphs (a) and (b), a district may allocate up to 40 percent of the amount
9.27 of compensatory revenue that the district receives to school sites according to a plan adopted
9.28 by the school board, consistent with the purposes listed in subdivision 1.

9.29 Sec. 7. Minnesota Statutes 2025 Supplement, section 260E.065, is amended by adding a
9.30 subdivision to read:

9.31 Subd. 4. **Commissioner of children, youth, and families; education-related mandated**
9.32 **reporter training module on grooming.** (a) By August 1, 2027, the commissioner of
9.33 children, youth, and families must update the existing mandated reporter training that is

10.1 specifically applicable to professionals or professionals' delegates engaged in education, to
 10.2 include but not be limited to:

10.3 (1) the requirement to report allegations of maltreatment involving students ages 18
 10.4 through 21, including students receiving special education services, up to and including
 10.5 graduation and the issuance of a secondary or high school diploma; and

10.6 (2) addressing grooming and threatened sexual abuse, including the duty to report
 10.7 grooming as maltreatment under section 260E.06, and how to identify the signs of grooming.

10.8 (b) The commissioner must consult with the Department of Education while updating
 10.9 the training.

10.10 Sec. 8. Minnesota Statutes 2024, section 260E.15, is amended to read:

10.11 **260E.15 SCREENING GUIDELINES.**

10.12 (a) Child protection staff, supervisors, and others involved in child protection screening
 10.13 shall follow the guidance provided in the maltreatment screening guidelines issued by the
 10.14 commissioner and, when notified by the commissioner, shall immediately implement updated
 10.15 procedures and protocols.

10.16 (b) Any modification to the screening guidelines must be preapproved by the
 10.17 commissioner and must not be less protective of children than is mandated by statute. The
 10.18 county agency must consult with the county attorney before proposing modifications to the
 10.19 commissioner. The guidelines may provide additional protection for children but must not
 10.20 limit reports that are screened in or provide additional limits on consideration of reports
 10.21 that were screened out in making a screening determination.

10.22 (c) The screening guidelines issued by the commissioner must not limit an agency's
 10.23 ability to screen in and investigate a report of alleged maltreatment that occurred more than
 10.24 three years prior to the date of the report.

10.25 Sec. 9. Minnesota Statutes 2025 Supplement, section 260E.20, subdivision 1, is amended
 10.26 to read:

10.27 Subdivision 1. **General duties.** (a) The local welfare agency shall offer services to
 10.28 prevent future maltreatment, safeguarding and enhancing the welfare of the maltreated child,
 10.29 and supporting and preserving family life whenever possible.

10.30 (b) If the report alleges a violation of a criminal statute involving maltreatment or child
 10.31 endangerment under section 609.378, the local law enforcement agency and local welfare

11.1 agency shall coordinate the planning and execution of their respective investigation and
11.2 assessment efforts to avoid a duplication of fact-finding efforts and multiple interviews.
11.3 Each agency shall prepare a separate report of the results of the agency's investigation or
11.4 assessment.

11.5 (c) In cases of alleged child maltreatment resulting in death, the local agency may rely
11.6 on the fact-finding efforts of a law enforcement investigation to make a determination of
11.7 whether or not maltreatment occurred.

11.8 (d) When necessary, the local welfare agency shall seek authority to remove the child
11.9 from the custody of a parent, guardian, or adult with whom the child is living.

11.10 (e) In performing any of these duties, the local welfare agency shall maintain an
11.11 appropriate record.

11.12 (f) In conducting a family assessment, noncaregiver human trafficking assessment, or
11.13 investigation, the local welfare agency shall gather information on the existence of substance
11.14 abuse and domestic violence.

11.15 (g) If the family assessment, noncaregiver human trafficking assessment, or investigation
11.16 indicates there is a potential for abuse of alcohol or other drugs by the parent, guardian, or
11.17 person responsible for the child's care, the local welfare agency must coordinate a
11.18 comprehensive assessment pursuant to section 245G.05.

11.19 (h) The agency may use either a family assessment or investigation to determine whether
11.20 the child is safe when responding to a report resulting from birth match data under section
11.21 260E.03, subdivision 23, paragraph (c). If the child subject of birth match data is determined
11.22 to be safe, the agency shall consult with the county attorney to determine the appropriateness
11.23 of filing a petition alleging the child is in need of protection or services under section
11.24 260C.007, subdivision 6, clause (16), in order to deliver needed services. If the child is
11.25 determined not to be safe, the agency and the county attorney shall take appropriate action
11.26 as required under section 260C.503, subdivision 2.

11.27 (i) When conducting any family assessment, noncaregiver human trafficking assessment,
11.28 or investigation, the agency shall ask the child, if age appropriate; parents; extended family;
11.29 and reporter about the child's heritage, including the child's Tribal lineage pursuant to section
11.30 260.761 and the child's race, culture, and ethnicity pursuant to section 260.63, subdivision
11.31 10.

12.1 (j) Nothing in this chapter shall prevent a local welfare agency or local law enforcement
 12.2 agency from investigating alleged maltreatment that occurred more than three years prior
 12.3 to the date of the maltreatment report.

12.4 Sec. 10. Minnesota Statutes 2024, section 260E.28, subdivision 1, is amended to read:

12.5 Subdivision 1. **Immediate investigation for alleged maltreatment in a facility.** (a)
 12.6 The commissioner of human services; children, youth, and families; health; or education,
 12.7 whichever is responsible for investigating the report, shall immediately investigate if the
 12.8 report alleges that:

12.9 (1) a child who is in the care of a facility as defined in section 260E.03 is the victim of
 12.10 maltreatment in a facility by an individual in that facility or has been the victim of
 12.11 maltreatment in a facility by an individual in that facility within the three years preceding
 12.12 the report; or

12.13 (2) a child is the victim of maltreatment in a facility by an individual in a facility defined
 12.14 in section 260E.03, subdivision 6, while in the care of that facility within the three years
 12.15 preceding the report.

12.16 (b) The commissioner of the agency responsible for investigating the report shall arrange
 12.17 for the transmittal to the commissioner of reports received by local agencies and may delegate
 12.18 to a local welfare agency the duty to investigate reports. The commissioner of the agency
 12.19 responsible for investigating the report or local welfare agency may interview any children
 12.20 who are or have been in the care of a facility under investigation and the children's parents,
 12.21 guardians, or legal custodians.

12.22 (c) In conducting an investigation under this section, the commissioner has the powers
 12.23 and duties specified for a local welfare agency under this chapter.

12.24 (d) Nothing in this chapter shall prevent the agency responsible for screening and
 12.25 investigating allegations of maltreatment from investigating alleged maltreatment that
 12.26 occurred more than three years prior to the date of the maltreatment report.

12.27 Sec. 11. Minnesota Statutes 2024, section 471.6161, is amended by adding a subdivision
 12.28 to read:

12.29 Subd. 9. **School districts and charter schools; reports.** (a) For purposes of this
 12.30 subdivision, an entity offering or providing group health insurance includes both health
 12.31 plan companies and third-party administrators of health plans.

13.1 (b) By July 15, 2026, and July 1 each year thereafter, the Legislative Budget Office must
13.2 send an annual survey regarding health insurance costs to all school districts and charter
13.3 schools in this state.

13.4 (c) The annual survey must be completed by the school district or charter school using
13.5 data from its most recent plan year, be returned to the Legislative Budget Office by September
13.6 1 of each year, and provide the following information about school employees who meet
13.7 the definition of public employee under section 179A.03, subdivision 14:

13.8 (1) the total number of salaried employees;

13.9 (2) the total number of nonsalaried or hourly employees;

13.10 (3) for those participating in the group health insurance offered by the school district or
13.11 charter school, the total number of people, as of May 1, in each of the following categories:

13.12 (i) salaried employees;

13.13 (ii) nonsalaried or hourly employees; and

13.14 (iii) retirees and any other persons who continue to receive coverage through the school
13.15 district's or charter school's health plan after separation from employment;

13.16 (4) the total number of employees not participating in the health plan;

13.17 (5) the total number of insured persons covered by the health plan;

13.18 (6) the total dollar amount the school district or charter school paid in health insurance
13.19 premiums on behalf of all employees, not including employee contributions transmitted to
13.20 an entity providing group health insurance coverage or payments made on behalf of former
13.21 employees;

13.22 (7) if a school district or charter school funds an individual coverage health reimbursement
13.23 arrangement, the total amount contributed by the school district or charter school;

13.24 (8) the total amount employees paid in health insurance premiums;

13.25 (9) an accounting of all forms of compensation, either direct or indirect, including but
13.26 not limited to fees, commissions, incentives, or rewards of any kind paid to a broker or
13.27 agent, regardless of whether it was billed as a flat fee, or percentage of premium and whether
13.28 paid directly by the school district or charter school or through the entity offering group
13.29 health insurance;

13.30 (10) the name of any entity providing group health insurance the school district or charter
13.31 school has contracted with and the expiration date of the contract;

- 14.1 (11) the date range of the most recent plan year;
- 14.2 (12) for each type of health plan offered to employees of a school district or charter
14.3 school:
- 14.4 (i) the name of the plan and its actuarial value, using the minimum value calculator
14.5 information required in bid proposals under section 471.6161, subdivision 8, paragraph (d),
14.6 clause (2), and described in the Code of Federal Regulations, title 45, section 156.145. The
14.7 plan data must also delineate amounts for single, family, and two-party plans, if offered;
- 14.8 (ii) the monthly contribution by the school district or charter school for each employee
14.9 group per plan, including contributions to individual coverage health reimbursement
14.10 arrangements;
- 14.11 (iii) the amount per month an employee must pay in health insurance premiums for the
14.12 plan; and
- 14.13 (iv) the plan design for each type of plan including:
- 14.14 (A) in-network deductibles;
- 14.15 (B) in-network out-of-pocket limits;
- 14.16 (C) out-of-network limits;
- 14.17 (D) co-payment;
- 14.18 (E) the employee's share of coinsurance; and
- 14.19 (F) the prescription annual out of pocket maximum, if separate from subitem (B);
- 14.20 (13) the dollar or percentage cost for all prescription levels, commonly generic or tier
14.21 1, formulary or tier 2, and nonformulary or tier 3;
- 14.22 (14) the total amount of annual contributions, per employee, paid by the school district
14.23 or charter school to an individual coverage health reimbursement arrangement or health
14.24 savings account, excluding amounts contributed solely to a health care retirement account;
- 14.25 (15) the total amount assessed by the entity providing group health insurance as an
14.26 administrative fee and the rate of the fee assessed;
- 14.27 (16) if a school district is self-insured, the total amount that is in a district set aside health
14.28 insurance reserve account; and
- 14.29 (17) any additional items as determined by the Legislative Budget Office.

15.1 (d) The Legislative Budget Office must compile information from the surveys described
 15.2 above and provide a report by December 1 of each year to the chairs and ranking minority
 15.3 members of the legislative committees with jurisdiction over education and health insurance.
 15.4 The Legislative Budget Office must post the report, including the executive summary and
 15.5 all underlying data received from school districts and charter schools, on its public website.
 15.6 Data posted on the Legislative Budget Office's website must be in a standardized format.

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

15.8 Sec. 12. Minnesota Statutes 2024, section 609.352, subdivision 1, is amended to read:

15.9 Subdivision 1. **Definitions.** As used in this section:

15.10 (a) "child" means a person 15 years of age or younger;

15.11 (b) "pattern" means two or more instances of conduct;

15.12 ~~(b)~~ (c) "sexual conduct" means sexual contact of the individual's primary genital area,
 15.13 sexual penetration as defined in section 609.341, or sexual performance as defined in section
 15.14 617.246; and

15.15 ~~(e)~~ (d) "solicit" means commanding, entreating, or attempting to persuade a specific
 15.16 person in person, by telephone, by letter, or by computerized or other electronic means.

15.17 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
 15.18 committed on or after that date.

15.19 Sec. 13. Minnesota Statutes 2024, section 609.352, is amended by adding a subdivision
 15.20 to read:

15.21 Subd. 2c. **Grooming.** (a) A person 18 years of age or older commits the felony offense
 15.22 of grooming, and may be sentenced as provided in subdivision 4, if the person:

15.23 (1) expresses the desire or intent to engage in sexual conduct with a child; and

15.24 (2) engages in a deliberate pattern of conduct to methodically develop a false trusting
 15.25 relationship with the child that is intended to strategically manipulate the child to engage
 15.26 in sexual conduct with the person at a future time, regardless of whether any sexual conduct
 15.27 occurs.

15.28 (b) For purposes of this subdivision, a deliberate pattern of conduct may include but is
 15.29 not limited to:

16.1 (1) communications or conversations sharing desires about sexual intimacy or sexual
16.2 contact between the person and the child;

16.3 (2) normalizing sexualized physical conduct or attempts to initiate such conduct;

16.4 (3) watching the child undress or appearing undressed in front of the child; or

16.5 (4) use of threats or control in an attempt to ensure secrecy or compliance from the child.

16.6 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
16.7 committed on or after that date.

16.8 Sec. 14. Minnesota Statutes 2024, section 609.352, is amended by adding a subdivision
16.9 to read:

16.10 Subd. 2d. **Violations by persons in positions of authority.** A person who commits any
16.11 of the acts described in subdivisions 2 through 2c is guilty of a felony if:

16.12 (1) the person is in a current or recent position of authority, as defined in section 609.341,
16.13 subdivision 10, over the victim;

16.14 (2) the person is more than 36 months older than the victim; and

16.15 (3) the victim is under the age of 18 years.

16.16 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
16.17 committed on or after that date.

16.18 Sec. 15. Minnesota Statutes 2024, section 609.352, is amended by adding a subdivision
16.19 to read:

16.20 Subd. 2e. **School violations.** A person who commits any of the acts described in
16.21 subdivisions 2 through 2c is guilty of a felony if:

16.22 (1) the person is a licensed educator employed or contracted to provide service for an
16.23 elementary, middle, or secondary school; and

16.24 (2) the victim, regardless of age, is enrolled as a student at the school.

16.25 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
16.26 committed on or after that date.

17.1 Sec. 16. Minnesota Statutes 2024, section 609.352, subdivision 4, is amended to read:

17.2 Subd. 4. **Penalty.** A person convicted under subdivision 2 ~~or~~, 2a, 2c, 2d, or 2e is guilty
 17.3 of a felony and may be sentenced to imprisonment for not more than five years, or to payment
 17.4 of a fine of not more than \$10,000, or both.

17.5 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
 17.6 committed on or after that date.

17.7 Sec. 17. Laws 2023, chapter 55, article 8, section 19, subdivision 5, as amended by Laws
 17.8 2024, chapter 115, article 8, section 4, is amended to read:

17.9 Subd. 5. **Grants for gender-neutral single-user restrooms.** (a) For grants to school
 17.10 districts for remodeling, constructing, or repurposing space for gender-neutral single-user
 17.11 restrooms:

17.12 \$ 1,000,000 2024

17.13 \$ 1,000,000 2025

17.14 (b) A school district or a cooperative unit under Minnesota Statutes, section 123A.24,
 17.15 subdivision 2, may apply for a grant of not more than \$75,000 per site under this subdivision
 17.16 in the form and manner specified by the commissioner. The commissioner must award at
 17.17 least one grant under this subdivision to Independent School District No. 709, Duluth, for
 17.18 a demonstration grant for a project awaiting construction.

17.19 (c) The commissioner must ensure that grants are awarded to schools to reflect the
 17.20 geographic diversity of the state.

17.21 (d) Up to \$75,000 each year is available for grant administration and monitoring.

17.22 (e) By February 1 of each year, the commissioner must annually report to the committees
 17.23 of the legislature with jurisdiction over education on the number of grants that were awarded
 17.24 each year and the number of grant applications that were unfunded during that year.

17.25 (f) Any balance in the first year does not cancel but is available in the second year.

17.26 (g) These appropriations are available until June 30, 2029.

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

18.1 Sec. 18. Laws 2025, First Special Session chapter 10, article 8, section 18, subdivision 5,
18.2 is amended to read:

18.3 Subd. 5. **Grants for gender-neutral single-user restrooms.** (a) For grants to school
18.4 districts for remodeling, constructing, or repurposing space for gender-neutral single-user
18.5 restrooms:

18.6 \$ 1,000,000 2026

18.7 \$ 1,000,000 2027

18.8 (b) A school district or a cooperative unit under Minnesota Statutes, section 123A.24,
18.9 subdivision 2, may apply for a grant of not more than \$75,000 per site under this subdivision
18.10 in the form and manner specified by the commissioner.

18.11 (c) The commissioner must ensure that grants are awarded to schools to reflect the
18.12 geographic diversity of the state.

18.13 (d) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, up to \$75,000
18.14 of the appropriation in each year is available for grant administration.

18.15 (e) By February 1 of each even-numbered year, the commissioner must ~~annually~~ report
18.16 to the legislative committees with jurisdiction over kindergarten through grade 12 education
18.17 on the number of grants that were awarded each year and the number of grant applications
18.18 that were unfunded each year.

18.19 (f) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

18.20 (g) These appropriations are available until June 30, 2031.

18.21 Sec. 19. Laws 2025, First Special Session chapter 10, article 12, section 8, is amended to
18.22 read:

18.23 Sec. 8. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

18.24 Subdivision 1. **Department of Education.** The sums indicated in this section are
18.25 appropriated from the general fund to the Department of Education for the fiscal years
18.26 designated. Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

18.27 Subd. 2. **Department.** (a) For the Department of Education:

18.28 \$ 46,508,000 2026

18.29 ~~41,196,000~~

18.30 \$ 42,647,000 2027

18.31 Of these amounts:

- 19.1 (1) \$405,000 each year is for the Board of School Administrators;
- 19.2 (2) \$1,000,000 each year is for regional centers of excellence under Minnesota Statutes,
19.3 section 120B.115;
- 19.4 (3) \$720,000 each year is for implementing Minnesota's Learning for English Academic
19.5 Proficiency and Success Act (LEAPS) under Laws 2014, chapter 272, article 1, as amended;
- 19.6 (4) \$480,000 each year is for the Department of Education's mainframe update;
- 19.7 (5) \$6,000,000 in fiscal year 2026 only is for legal fees and costs associated with: (i)
19.8 litigation in which the department, commissioner, or department employee operating in
19.9 their official capacity is the defendant, respondent, appellant, or relator; (ii) litigation initiated
19.10 by the department, commissioner, or department employee operating in their official capacity
19.11 to stop payment or recover funds in cases of alleged malfeasance or misuse; (iii) expenses
19.12 for required administrative legal activities, including data practices operations and appeals
19.13 from administrative decisions; and (iv) legal staff required for clauses (i), (ii), and (iii);
- 19.14 (6) \$2,359,000 each year is for modernizing district data submissions;
- 19.15 (7) \$573,000 each year is for engagement and rulemaking related to Specific Learning
19.16 Disability;
- 19.17 (8) \$2,000,000 each year is for the Office of the Inspector General established under
19.18 Minnesota Statutes, section 127A.21;
- 19.19 (9) \$800,000 each year is for audit and internal control resources;
- 19.20 (10) \$175,000 each year is for administrative expenses for unemployment aid, and, in
19.21 consultation with the Department of Employment and Economic Development, guidance
19.22 to educational institutions eligible for reimbursement under Minnesota Statutes 2024, section
19.23 124D.995, including written guidance for school employees on eligibility for unemployment
19.24 benefits between academic terms;
- 19.25 (11) \$550,000 each year is for General Counsel and Inspector General staff and case
19.26 management and fiscal analysis technology to support program compliance and integrity;
19.27 ~~and~~
- 19.28 (12) \$572,000 each year is for administration of the Summer Electronic Benefits Transfer
19.29 Program; and
- 19.30 (13) \$1,451,000 in fiscal year 2027 only is for increasing the capacity of the student
19.31 maltreatment program. The base for the allocation under this clause is \$1,441,000 in fiscal
19.32 year 2028 and \$1,442,000 in fiscal year 2029 and later.

20.1 (b) None of the amounts appropriated under this subdivision may be used for Minnesota's
20.2 Washington, D.C., office.

20.3 (c) The expenditures of federal grants and aids as shown in the biennial budget document
20.4 and its supplements are approved and appropriated and must be spent as indicated.

20.5 (d) The base for fiscal year 2028 ~~and later~~ is ~~\$41,326,000~~ \$42,767,000. The base for
20.6 fiscal year 2029 and later is \$42,768,000.

20.7 **Sec. 20. BASE ADJUSTMENT; DEPARTMENT OF CORRECTIONS.**

20.8 The commissioner of management and budget must increase the total budget base
20.9 established in law for incarceration and prerelease services at the Department of Corrections
20.10 by \$13,000 for fiscal year 2028 and by \$35,000 for fiscal year 2029 and later for bed costs
20.11 related to criminal grooming offenses.

20.12 **Sec. 21. APPROPRIATION; DEPARTMENT OF EDUCATION.**

20.13 \$25,489,000 in fiscal year 2027 is appropriated from the general fund to the commissioner
20.14 of education for additional general education aid.

20.15 **Sec. 22. APPROPRIATION; LEGISLATIVE COORDINATING COMMISSION.**

20.16 \$18,000 in fiscal year 2026 and \$74,000 in fiscal year 2027 are appropriated from the
20.17 general fund to the Legislative Coordinating Commission for the Legislative Budget Office
20.18 to complete the annual report required by Minnesota Statutes, section 471.6161, subdivision
20.19 9. The base for this appropriation is \$36,000 in fiscal year 2028 and later.

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

20.21 **Sec. 23. SCHOOL DISTRICT FUND TRANSFERS.**

20.22 Subdivision 1. **Ivanhoe Public Schools.** Notwithstanding Minnesota Statutes, section
20.23 123B.79, 123B.80, or 142D.11, subdivision 9, on June 30, 2026, Independent School District
20.24 No. 403, Ivanhoe, may permanently transfer up to \$68,000 from its early childhood family
20.25 education reserve balance in the community service fund to its undesignated balance in the
20.26 general fund, provided that the school board approves the transfer.

20.27 Subd. 2. **Maple Lake Public Schools.** Notwithstanding Minnesota Statutes, section
20.28 123B.79, 123B.80, or 475.61, subdivision 4, on June 30, 2026, Independent School District
20.29 No. 881, Maple Lake Public Schools, may permanently transfer up to \$1,800,000 from its

21.1 building construction fund to the reserved account for operating capital in the general fund
 21.2 without making a levy reduction, provided that the school board approves the transfer.

21.3 Subd. 3. **Moorhead Area Public Schools.** (a) Notwithstanding Minnesota Statutes,
 21.4 section 123B.79, 123B.80, or 124D.20, subdivision 10, on June 30, 2026, Independent
 21.5 School District No. 152, Moorhead Area Public Schools, may permanently transfer up to
 21.6 \$80,114 from its restricted fund balance in the community service fund to its undesignated
 21.7 balance in the general fund, provided that the school board approves the transfer.

21.8 (b) Notwithstanding Minnesota Statutes, section 123B.595, subdivisions 10, 11, and 12;
 21.9 123B.79; or 123B.80, on June 30, 2026, Independent School District No. 152, Moorhead
 21.10 Area Public Schools, may permanently transfer up to \$150,388 from its long-term facilities
 21.11 maintenance reserve account in the general fund to its undesignated balance in the general
 21.12 fund, provided that the school board approves the transfer.

21.13 Subd. 4. **West St. Paul-Mendota Heights-Eagan.** Notwithstanding Minnesota Statutes,
 21.14 section 123B.79, 123B.80, or 475.61, subdivision 4, on June 30, 2026, Independent School
 21.15 District No. 197, West St. Paul-Mendota Heights-Eagan, may permanently transfer up to
 21.16 \$4,500,000 from its building construction fund to the reserve account for operating capital
 21.17 in the general fund without making a levy reduction, provided that the school board approves
 21.18 the transfer.

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

21.20 **ARTICLE 2**

21.21 **HIGHER EDUCATION APPROPRIATIONS**

21.22 Section 1. **APPROPRIATION; OFFICE OF HIGHER EDUCATION.**

21.23 \$52,000,000 in fiscal year 2027 is appropriated from the general fund to the commissioner
 21.24 of the Office of Higher Education for the state grant program under Minnesota Statutes,
 21.25 section 136A.121. This appropriation is in addition to the appropriation in Laws 2025, First
 21.26 Special Session chapter 5, article 1, section 2, subdivision 2. This is a onetime appropriation.

21.27 **ARTICLE 3**

21.28 **HIGHER EDUCATION POLICY**

21.29 Section 1. Minnesota Statutes 2024, section 136A.64, subdivision 1, is amended to read:

21.30 Subdivision 1. **Schools to provide information.** As a basis for registration, schools
 21.31 shall provide the office with such information as the office needs to determine the nature

- 22.1 and activities of the school, including but not limited to the following which shall be
22.2 accompanied by an affidavit attesting to its accuracy and truthfulness:
- 22.3 (1) articles of incorporation, constitution, bylaws, or other operating documents;
- 22.4 (2) a duly adopted statement of the school's mission and goals;
- 22.5 (3) evidence of current school or program licenses granted by departments or agencies
22.6 of any state;
- 22.7 (4) compliance audits and audited financial statements that meet the requirements of
22.8 Code of Federal Regulations, title 34, section 668.23; United States Code, title 20, chapter
22.9 28, section 1094; Code of Federal Regulations, title 2, subpart A, part 200, subpart F, under
22.10 200.501 and 200.503; and United States Code, title 31, chapter 75, which shall be submitted
22.11 to the office on the same schedule stated under section 136A.675, subdivision 1a, paragraph
22.12 (a);
- 22.13 (5) all current promotional and recruitment materials and advertisements; ~~and~~
- 22.14 (6) the current school catalog and, if not contained in the catalog:
- 22.15 (i) the members of the board of trustees or directors, if any;
- 22.16 (ii) the current institutional officers;
- 22.17 (iii) current full-time and part-time faculty with degrees held or applicable experience;
- 22.18 (iv) a description of all school facilities;
- 22.19 (v) a description of all current course offerings;
- 22.20 (vi) all requirements for satisfactory completion of courses, programs, and degrees;
- 22.21 (vii) the school's policy about freedom or limitation of expression and inquiry;
- 22.22 (viii) a current schedule of fees, charges for tuition, required supplies, student activities,
22.23 housing, and all other standard charges;
- 22.24 (ix) the school's policy about refunds and adjustments;
- 22.25 (x) the school's policy about granting credit for prior education, training, and experience;
- 22.26 (xi) the school's policies about student admission, evaluation, suspension, and dismissal;
22.27 and
- 22.28 (xii) the school's disclosure to students on the student complaint process under section
22.29 136A.672; and

23.1 (7) enrollment data by academic term or calendar period following the submission
 23.2 schedules in section 136A.675, subdivision 1a, paragraph (b).

23.3 Sec. 2. Minnesota Statutes 2024, section 136A.675, is amended by adding a subdivision
 23.4 to read:

23.5 Subd. 1a. **Institutional reporting schedules for audits and enrollment data.** (a) An
 23.6 institution must submit to the office the required audit reports under section 136A.64,
 23.7 subdivision 1, clause (4), by the earlier of 30 days after the issuance date of an audit or nine
 23.8 months after the last day of the institution's fiscal year.

23.9 (b) An institution must submit to the office the enrollment data required under section
 23.10 136A.64, subdivision 1, clause (7), using one of the two following schedules:

23.11 (1) a school with limited program start dates within its academic year shall provide the
 23.12 office with a copy of the school's internal enrollment report for each academic term as soon
 23.13 as it is released internally. The school may provide the report with no additional data or
 23.14 required calculations; or

23.15 (2) a school with multiple or rolling program start dates must provide enrollment data
 23.16 to the office at least four times per year. Each school must determine four reporting dates
 23.17 per year that would result in the most useful data being provided to the office and must
 23.18 provide the office with the school's proposed enrollment reporting schedule.

23.19 Sec. 3. Minnesota Statutes 2025 Supplement, section 136A.69, subdivision 1, is amended
 23.20 to read:

23.21 **Subdivision 1. Registration fees.** (a) The office shall collect reasonable registration fees
 23.22 that are sufficient to recover, but do not exceed, its costs of administering the registration
 23.23 program. At the end of each fiscal year, the office must review the total amount of registration
 23.24 fees collected and the total costs of administering the registration program. The office shall
 23.25 charge the fees listed in paragraphs (b) ~~to (d)~~ and (c) for new registrations.

23.26 (b) A new school must pay registration fees based on the institution's total full-time
 23.27 equivalent enrollment in the following amounts:

23.28 (1) \$5,000 for institutions with 2,500 or fewer full-time equivalent enrollment;

23.29 (2) \$7,500 for institutions with 2,501 to 5,000 full-time equivalent enrollment;

23.30 (3) \$10,000 for institutions with 5,001 to 7,500 full-time equivalent enrollment;

23.31 (4) \$15,000 for institutions with 7,501 to 10,000 full-time equivalent enrollment; and

24.1 (5) \$20,000 for institutions with 10,001 or greater full-time equivalent enrollment, and
 24.2 for institutions with no data on the previous year's full-time equivalent enrollment.

24.3 Full-time equivalent enrollment is established using the previous year's full-time equivalent
 24.4 enrollment as established in the United States Department of Education Integrated
 24.5 Postsecondary Education Data System. If enrollment cannot be established using the United
 24.6 States Department of Education Integrated Postsecondary Education Data System, the office
 24.7 may establish an institution's full-time equivalent enrollment through verification of its
 24.8 enrollment data submitted in accordance with section 136A.64, subdivision 1, clause (7).

24.9 (c) A new school must pay registration fees in an amount equal to the fee under paragraph
 24.10 (b), plus fees for each nondegree program or degree as follows:

24.11 nondegree program \$250

24.12 degree program \$750

24.13 ~~(d) In addition to the fees under paragraphs (b) and (c), a fee of \$600 must be paid for~~
 24.14 ~~an initial application that: (1) has had four revisions, corrections, amendment requests, or~~
 24.15 ~~application reminders for the same application or registration requirement; or (2) cumulatively~~
 24.16 ~~has had six revisions, corrections, amendment requests, or application reminders for the~~
 24.17 ~~same license application and the school seeks to continue with the application process with~~
 24.18 ~~additional application submissions. If this fee is paid, the school may submit two final~~
 24.19 ~~application submissions for review prior to application denial under section 136A.65,~~
 24.20 ~~subdivision 8. This provision excludes from its scope nonrepetitive questions or clarifications~~
 24.21 ~~initiated by the school before the submission of the application, initial interpretation questions~~
 24.22 ~~or inquiries from the office regarding a completed application, and initial requests from the~~
 24.23 ~~office for verification or validation of a completed application.~~

24.24 ~~(e)~~ (d) The annual renewal registration fee is based on an institution's total full-time
 24.25 equivalent enrollment in the following amounts:

24.26 (1) \$1,500 for institutions with 2,500 or fewer full-time equivalent enrollment;

24.27 (2) \$3,000 for institutions with 2,501 to 5,000 full-time equivalent enrollment;

24.28 (3) \$5,000 for institutions with 5,001 to 10,000 full-time equivalent enrollment; and

24.29 (4) \$7,500 for institutions with 10,001 or greater full-time equivalent enrollment, and
 24.30 for institutions with no data on the previous year's full-time equivalent enrollment.

24.31 Full-time equivalent enrollment is established using the previous year's full-time equivalent
 24.32 enrollment as established in the United States Department of Education Integrated
 24.33 Postsecondary Education Data System. If enrollment cannot be established using the United

25.1 States Department of Education Integrated Postsecondary Education Data System, the office
 25.2 may establish an institution's full-time equivalent enrollment through verification of its
 25.3 enrollment data submitted in accordance with section 136A.64, subdivision 1, clause (7).

25.4 ~~(f) In addition to the fee under paragraph (e), a fee of \$600 must be paid for a renewal~~
 25.5 ~~application that: (1) has had four revisions, corrections, amendment requests, or application~~
 25.6 ~~reminders for the same application or registration requirement; or (2) cumulatively has had~~
 25.7 ~~six revisions, corrections, amendment requests, or application reminders for the same license~~
 25.8 ~~application and the school seeks to continue with the application process with additional~~
 25.9 ~~application submissions. If this fee is paid, the school may submit two final application~~
 25.10 ~~submissions for review prior to application denial under section 136A.65, subdivision 8.~~
 25.11 ~~This provision excludes from its scope nonrepetitive questions or clarifications initiated by~~
 25.12 ~~the school before the submission of the application, initial interpretation questions or inquiries~~
 25.13 ~~from the office regarding a completed application, and initial requests from the office for~~
 25.14 ~~verification or validation of a completed application.~~

25.15 Sec. 4. Minnesota Statutes 2025 Supplement, section 136A.821, subdivision 5, is amended
 25.16 to read:

25.17 Subd. 5. **Private career school.** "Private career school" means a person who maintains
 25.18 a physical presence for any program at less than an associate degree level. Private career
 25.19 school does not extend to:

25.20 (1) public postsecondary institutions with a physical presence in Minnesota;

25.21 (2) postsecondary institutions registered under sections 136A.61 to 136A.71;

25.22 (3) postsecondary institutions exempt from registration under section 136A.653,
 25.23 subdivisions 1b, 2, 3, and 3a; ~~136A.657;~~₂ or 136A.658 due to the nature of the institution's
 25.24 programs;

25.25 (4) schools exclusively engaged in training physically or mentally disabled persons;

25.26 (5) courses taught to students in an apprenticeship program registered by the United
 25.27 States Department of Labor or Minnesota Department of Labor and taught by or required
 25.28 by a trade union in which students are not responsible for tuition, fees, or any other charges,
 25.29 regardless of payment or reimbursement method;

25.30 (6) programs contracted by persons or government agencies for the training of their own
 25.31 employees for which no fee is charged to the employee, regardless of whether that fee is
 25.32 reimbursed by the employer or a third party after the employee successfully completes the

26.1 training, except for institutions or programs required to obtain a limited license exclusively
26.2 to receive the dual training grant;

26.3 (7) schools with no physical presence in Minnesota engaged exclusively in offering
26.4 distance programs that are located in and approved by other states or jurisdictions if the
26.5 distance education program does not include internships, externships, field placements, or
26.6 clinical placements for residents of Minnesota;

26.7 (8) schools licensed or approved by other state boards or agencies authorized under
26.8 Minnesota law to issue licenses for institutions or programs, except for institutions or
26.9 programs required to be licensed exclusively to participate in state financial aid or be listed
26.10 on the eligible training provider list, access WIOA funding, or receive the dual training
26.11 grant;

26.12 (9) review classes, courses, or programs intended to prepare students to sit for
26.13 undergraduate, graduate, postgraduate, or occupational licensing, certification, or entrance
26.14 examinations;

26.15 (10) classes, courses, or programs conducted by a bona fide trade, professional, or
26.16 fraternal organization, solely for that organization's membership and not available to the
26.17 public. In making the determination that the organization is bona fide, the office may request
26.18 the school provide three certified letters from persons that qualify as evaluators under section
26.19 136A.828, subdivision 3, paragraph (l), that the organization is recognized in Minnesota;

26.20 (11) ~~programs in the fine arts provided by organizations~~ exempt from taxation under
26.21 section 290.05 and registered with the attorney general under chapter 309. ~~For purposes of~~
26.22 ~~this clause, "fine arts" means activities resulting in artistic creation or artistic performance~~
26.23 ~~of works of the imagination which are engaged in for the primary purpose of creative~~
26.24 ~~expression rather than commercial sale, vocational or career advancement, or employment;~~
26.25 or

26.26 (12) classes, courses, or programs intended to fulfill the continuing education
26.27 requirements for a bona fide licensure or certification in a profession that have been approved
26.28 by a legislatively or judicially established board or agency responsible for regulating the
26.29 practice of the profession or by an industry-specific certification entity and that are offered
26.30 exclusively to individuals with the professional licensure or certification.

26.31 Sec. 5. Minnesota Statutes 2024, section 136A.822, subdivision 9, is amended to read:

26.32 Subd. 9. **Fees and terms of license.** An application for an initial license under sections
26.33 136A.821 to 136A.833 shall be accompanied by a ~~nonrefundable~~ an application fee as

27.1 provided in section 136A.824 that is sufficient to recover, but not exceed, the administrative
 27.2 costs of the office. At the end of each fiscal year, the office must review the total amount
 27.3 of initial licensure application fees collected and the total administrative costs of the office
 27.4 for initial licensures.

27.5 All licenses shall expire one year from the date issued by the office, except as provided
 27.6 in section 136A.823.

27.7 Sec. 6. Minnesota Statutes 2024, section 136A.823, subdivision 1, is amended to read:

27.8 Subdivision 1. **Application.** Application for renewal of a license must be made at least
 27.9 60 days before expiration of the current license on a form provided by the office. A renewal
 27.10 application shall be accompanied by a ~~nonrefundable~~ fee as provided in section 136A.824
 27.11 that is sufficient to recover, but does not exceed, the administrative costs of the office. At
 27.12 the end of each fiscal year, the office must review the total amount of renewal licensure
 27.13 application fees collected and the total administrative costs of the office for renewal
 27.14 licensures.

27.15 Sec. 7. Minnesota Statutes 2025 Supplement, section 136A.824, subdivision 1, is amended
 27.16 to read:

27.17 Subdivision 1. **Initial licensure fee.** ~~(a)~~ The office processing fee for an initial licensure
 27.18 application is:

27.19 (1) \$3,730 for a private career school that will offer no more than one program during
 27.20 its first year of operation;

27.21 (2) \$1,500 for a private career school licensed by another state agency and seeking a
 27.22 limited license exclusively in order to participate in state financial aid; and

27.23 (3) \$3,730, plus \$500 for each additional program offered by the private career school,
 27.24 for a private career school during its first year of licensed operation.

27.25 ~~(b) In addition to the fee under paragraph (a), a fee of \$600 must be paid for an initial~~
 27.26 ~~application that: (1) has had four revisions, corrections, amendment requests, or application~~
 27.27 ~~reminders for the same application or licensure requirement; or (2) cumulatively has had~~
 27.28 ~~six revisions, corrections, amendment requests, or application reminders for the same license~~
 27.29 ~~application and the private career school seeks to continue with the application process with~~
 27.30 ~~additional application submissions. If this fee is paid, the private career school may submit~~
 27.31 ~~two final application submissions for review prior to application denial under section~~
 27.32 ~~136A.829, subdivision 1, clause (2). This provision excludes from its scope nonrepetitive~~

28.1 ~~questions or clarifications initiated by the school before the submission of the application;~~
 28.2 ~~initial interpretation questions or inquiries from the office regarding a completed application;~~
 28.3 ~~and initial requests from the office for verification or validation of a completed application.~~

28.4 Sec. 8. Minnesota Statutes 2025 Supplement, section 136A.824, subdivision 2, is amended
 28.5 to read:

28.6 Subd. 2. **Renewal licensure fee; late fee.** (a) The office processing fee for a renewal
 28.7 licensure application is:

28.8 (1) for a private career school, the license renewal fee is \$3,160; and

28.9 (2) for a private career school licensed by another state agency and that also has a limited
 28.10 license with the office exclusively in order to participate in state financial aid, the license
 28.11 renewal fee is \$1,500.

28.12 (b) If a license renewal application is not received by the office by the expiration of the
 28.13 current license, a late fee of \$100 per business day, not to exceed \$3,000, shall be assessed.

28.14 ~~(c) In addition to the fee under paragraph (a), a fee of \$600 must be paid for a renewal~~
 28.15 ~~application that: (1) has had four revisions, corrections, amendment requests, or application~~
 28.16 ~~reminders for the same application or licensure requirement; or (2) cumulatively has had~~
 28.17 ~~six revisions, corrections, amendment requests, or application reminders for the same license~~
 28.18 ~~application and the private career school seeks to continue with the application process with~~
 28.19 ~~additional application submissions. If this fee is paid, the private career school may submit~~
 28.20 ~~two final application submissions for review prior to application denial under section~~
 28.21 ~~136A.829, subdivision 1, clause (2). This provision excludes from its scope nonrepetitive~~
 28.22 ~~questions or clarifications initiated by the school before the submission of the application;~~
 28.23 ~~initial interpretation questions or inquiries from the office regarding a completed application;~~
 28.24 ~~and initial requests from the office for verification or validation of a completed application.~~

28.25 Sec. 9. Minnesota Statutes 2025 Supplement, section 136A.833, subdivision 2, is amended
 28.26 to read:

28.27 Subd. 2. **Exemption reasons.** Sections 136A.821 to 136A.832 shall not apply to the
 28.28 following:

28.29 (1) ~~private career schools engaged exclusively in the teaching of avocational programs~~
 28.30 ~~that are engaged primarily for personal development, recreation, or remedial education, and~~
 28.31 ~~are not generally intended for vocational or career advancement, including adult basic~~

29.1 ~~education, exercise or fitness teacher programs, modeling, or acting, as determined by the~~
 29.2 ~~office;~~

29.3 ~~(2)~~ classes, courses, or programs providing 40 or fewer clock hours of instruction; and

29.4 ~~(3)~~ (2) private career schools providing training, instructional programs, or courses where
 29.5 tuition, fees, and any other charges for a student to participate do not exceed \$500.

29.6 Sec. 10. **REPEALER.**

29.7 (a) Minnesota Statutes 2024, sections 136A.657; and 136A.834, subdivisions 2, 3, and
 29.8 4, are repealed.

29.9 (b) Minnesota Statutes 2025 Supplement, section 136A.834, subdivisions 1 and 5, are
 29.10 repealed.

29.11 **ARTICLE 4**

29.12 **AGRICULTURE APPROPRIATIONS**

29.13 Section 1. **APPROPRIATION; AGRICULTURAL UTILIZATION RESEARCH**
 29.14 **INSTITUTE.**

29.15 \$80,000 in fiscal year 2026 is appropriated from the general fund to the board of directors
 29.16 of the Agricultural Utilization Research Institute for legal costs. This is a onetime
 29.17 appropriation and is available until June 30, 2029.

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

29.19 Sec. 2. Laws 2023, chapter 43, article 1, section 2, subdivision 5, as amended by Laws
 29.20 2024, chapter 126, article 1, section 1, subdivision 5, is amended to read:

29.21 Subd. 5. **Administration and Financial**

29.22 **Assistance**

16,643,000

14,587,000

29.23 (a) \$474,000 the first year and \$474,000 the
 29.24 second year are for payments to county and
 29.25 district agricultural societies and associations
 29.26 under Minnesota Statutes, section 38.02,
 29.27 subdivision 1. Aid payments to county and
 29.28 district agricultural societies and associations
 29.29 must be disbursed no later than July 15 of each
 29.30 year. These payments are the amount of aid

- 30.1 from the state for an annual fair held in the
30.2 previous calendar year.
- 30.3 (b) \$350,000 the first year and \$350,000 the
30.4 second year are for grants to the Minnesota
30.5 Agricultural Education and Leadership
30.6 Council for programs of the council under
30.7 Minnesota Statutes, chapter 41D. The base for
30.8 this appropriation is \$250,000 in fiscal year
30.9 2026 and each year thereafter.
- 30.10 (c) \$2,000 the first year is for a grant to the
30.11 Minnesota State Poultry Association. This is
30.12 a onetime appropriation. Notwithstanding
30.13 Minnesota Statutes, section 16A.28, any
30.14 unencumbered balance does not cancel at the
30.15 end of the first year and is available for the
30.16 second year.
- 30.17 (d) \$18,000 the first year and \$18,000 the
30.18 second year are for grants to the Minnesota
30.19 Livestock Breeders Association. This is a
30.20 onetime appropriation.
- 30.21 (e) \$60,000 the first year and \$60,000 the
30.22 second year are for grants to the Northern
30.23 Crops Institute that may be used to purchase
30.24 equipment. This is a onetime appropriation.
- 30.25 (f) \$34,000 the first year and \$34,000 the
30.26 second year are for grants to the Minnesota
30.27 State Horticultural Society. This is a onetime
30.28 appropriation.
- 30.29 (g) \$25,000 the first year and \$25,000 the
30.30 second year are for grants to the Center for
30.31 Rural Policy and Development. This is a
30.32 onetime appropriation.
- 30.33 (h) \$75,000 the first year and \$75,000 the
30.34 second year are appropriated from the general

31.1 fund to the commissioner of agriculture for
31.2 grants to the Minnesota Turf Seed Council for
31.3 basic and applied research on: (1) the
31.4 improved production of forage and turf seed
31.5 related to new and improved varieties; and (2)
31.6 native plants, including plant breeding,
31.7 nutrient management, pest management,
31.8 disease management, yield, and viability. The
31.9 Minnesota Turf Seed Council may subcontract
31.10 with a qualified third party for some or all of
31.11 the basic or applied research. Any
31.12 unencumbered balance does not cancel at the
31.13 end of the first year and is available in the
31.14 second year. The Minnesota Turf Seed Council
31.15 must prepare a report outlining the use of the
31.16 grant money and related accomplishments. No
31.17 later than January 15, 2025, the council must
31.18 submit the report to the chairs and ranking
31.19 minority members of the legislative
31.20 committees and divisions with jurisdiction
31.21 over agriculture finance and policy. This is a
31.22 onetime appropriation.

31.23 (i) \$100,000 the first year and \$100,000 the
31.24 second year are for grants to GreenSeam for
31.25 assistance to agriculture-related businesses to
31.26 support business retention and development,
31.27 business attraction and creation, talent
31.28 development and attraction, and regional
31.29 branding and promotion. These are onetime
31.30 appropriations. No later than December 1,
31.31 2024, and December 1, 2025, GreenSeam
31.32 must report to the chairs and ranking minority
31.33 members of the legislative committees with
31.34 jurisdiction over agriculture and rural
31.35 development with information on new and
31.36 existing businesses supported, number of new

32.1 jobs created in the region, new educational
32.2 partnerships and programs supported, and
32.3 regional branding and promotional efforts.

32.4 (j) \$1,950,000 the first year and \$1,950,000
32.5 the second year are for grants to Second
32.6 Harvest Heartland on behalf of Minnesota's
32.7 six Feeding America food banks for the
32.8 following purposes:

32.9 (1) at least \$850,000 each year must be
32.10 allocated to purchase milk for distribution to
32.11 Minnesota's food shelves and other charitable
32.12 organizations that are eligible to receive food
32.13 from the food banks. Milk purchased under
32.14 the grants must be acquired from Minnesota
32.15 milk processors and based on low-cost bids.
32.16 The milk must be allocated to each Feeding
32.17 America food bank serving Minnesota
32.18 according to the formula used in the
32.19 distribution of United States Department of
32.20 Agriculture commodities under The
32.21 Emergency Food Assistance Program. Second
32.22 Harvest Heartland may enter into contracts or
32.23 agreements with food banks for shared funding
32.24 or reimbursement of the direct purchase of
32.25 milk. Each food bank that receives funding
32.26 under this clause may use up to two percent
32.27 for administrative expenses. Notwithstanding
32.28 Minnesota Statutes, section 16A.28, any
32.29 unencumbered balance the first year does not
32.30 cancel and is available the second year;

32.31 (2) to compensate agricultural producers and
32.32 processors for costs incurred to harvest and
32.33 package for transfer surplus fruits, vegetables,
32.34 and other agricultural commodities that would
32.35 otherwise go unharvested, be discarded, or be

33.1 sold in a secondary market. Surplus
33.2 commodities must be distributed statewide to
33.3 food shelves and other charitable organizations
33.4 that are eligible to receive food from the food
33.5 banks. Surplus food acquired under this clause
33.6 must be from Minnesota producers and
33.7 processors. Second Harvest Heartland may
33.8 use up to 15 percent of each grant awarded
33.9 under this clause for administrative and
33.10 transportation expenses; and
33.11 (3) to purchase and distribute protein products,
33.12 including but not limited to pork, poultry, beef,
33.13 dry legumes, cheese, and eggs to Minnesota's
33.14 food shelves and other charitable organizations
33.15 that are eligible to receive food from the food
33.16 banks. Second Harvest Heartland may use up
33.17 to two percent of each grant awarded under
33.18 this clause for administrative expenses. Protein
33.19 products purchased under the grants must be
33.20 acquired from Minnesota processors and
33.21 producers.
33.22 Second Harvest Heartland must submit
33.23 quarterly reports to the commissioner and the
33.24 chairs and ranking minority members of the
33.25 legislative committees with jurisdiction over
33.26 agriculture finance in the form prescribed by
33.27 the commissioner. The reports must include
33.28 but are not limited to information on the
33.29 expenditure of funds, the amount of milk or
33.30 other commodities purchased, and the
33.31 organizations to which this food was
33.32 distributed. The base for this appropriation is
33.33 \$1,700,000 for fiscal year 2026 and each year
33.34 thereafter.

34.1 (k) \$25,000 the first year and \$25,000 the
34.2 second year are for grants to the Southern
34.3 Minnesota Initiative Foundation to promote
34.4 local foods through an annual event that raises
34.5 public awareness of local foods and connects
34.6 local food producers and processors with
34.7 potential buyers.

34.8 (l) \$300,000 the first year and \$300,000 the
34.9 second year are for grants to The Good Acre
34.10 for the Local Emergency Assistance Farmer
34.11 Fund (LEAFF) program to compensate
34.12 emerging farmers for crops donated to hunger
34.13 relief organizations in Minnesota. This is a
34.14 onetime appropriation.

34.15 (m) \$750,000 the first year and \$750,000 the
34.16 second year are to expand the Emerging
34.17 Farmers Office and provide services to
34.18 beginning and emerging farmers to increase
34.19 connections between farmers and market
34.20 opportunities throughout the state. This
34.21 appropriation may be used for grants,
34.22 translation services, training programs, or
34.23 other purposes in line with the
34.24 recommendations of the Emerging Farmer
34.25 Working Group established under Minnesota
34.26 Statutes, section 17.055, subdivision 1. The
34.27 base for this appropriation is \$1,000,000 in
34.28 fiscal year 2026 and each year thereafter.

34.29 (n) \$50,000 the first year is to provide
34.30 technical assistance and leadership in the
34.31 development of a comprehensive and
34.32 well-documented state aquaculture plan. The
34.33 commissioner must provide the state
34.34 aquaculture plan to the legislative committees

35.1 with jurisdiction over agriculture finance and
35.2 policy by February 15, 2025.

35.3 (o) \$337,000 the first year and \$337,000 the
35.4 second year are for farm advocate services.

35.5 Of these amounts, \$50,000 the first year and
35.6 \$50,000 the second year are for the

35.7 continuation of the farmland transition

35.8 programs and may be used for grants to

35.9 farmland access teams to provide technical

35.10 assistance to potential beginning farmers.

35.11 Farmland access teams must assist existing

35.12 farmers and beginning farmers with

35.13 transitioning farm ownership and farm

35.14 operation. Services provided by teams may

35.15 include but are not limited to mediation

35.16 assistance, designing contracts, financial

35.17 planning, tax preparation, estate planning, and

35.18 housing assistance.

35.19 (p) \$260,000 the first year and \$260,000 the

35.20 second year are for a pass-through grant to

35.21 Region Five Development Commission to

35.22 provide, in collaboration with Farm Business

35.23 Management, statewide mental health

35.24 counseling support to Minnesota farm

35.25 operators, families, and employees, and

35.26 individuals who work with Minnesota farmers

35.27 in a professional capacity. Region Five

35.28 Development Commission may use up to 6.5

35.29 percent of the grant awarded under this

35.30 paragraph for administration.

35.31 (q) \$1,000,000 the first year is for transfer to

35.32 the agricultural emergency account established

35.33 under Minnesota Statutes, section 17.041.

35.34 (r) \$1,084,000 the first year and \$500,000 the

35.35 second year are to support IT modernization

36.1 efforts, including laying the technology
36.2 foundations needed for improving customer
36.3 interactions with the department for licensing
36.4 and payments. This is a onetime appropriation.

36.5 (s) \$275,000 the first year is for technical
36.6 assistance grants to certified community
36.7 development financial institutions that
36.8 participate in United States Department of
36.9 Agriculture loan or grant programs for small
36.10 or emerging farmers, including but not limited
36.11 to the Increasing Land, Capital, and Market
36.12 Access Program. For purposes of this
36.13 paragraph, "emerging farmer" has the meaning
36.14 given in Minnesota Statutes, section 17.055,
36.15 subdivision 1. The commissioner may use up
36.16 to 6.5 percent of this appropriation for costs
36.17 incurred to administer the program.

36.18 Notwithstanding Minnesota Statutes, section
36.19 16A.28, any unencumbered balance does not
36.20 cancel at the end of the first year and is
36.21 available in the second year. This is a onetime
36.22 appropriation.

36.23 (t) \$1,425,000 the first year and \$1,425,000
36.24 the second year are for transfer to the
36.25 agricultural and environmental revolving loan
36.26 account established under Minnesota Statutes,
36.27 section 17.117, subdivision 5a, for low-interest
36.28 loans under Minnesota Statutes, section
36.29 17.117.

36.30 (u) \$150,000 the first year and \$150,000 the
36.31 second year are for administrative support for
36.32 the Rural Finance Authority.

36.33 (v) The base in fiscal years 2026 and 2027 is
36.34 \$150,000 each year to coordinate
36.35 climate-related activities and services within

37.1 the Department of Agriculture and
37.2 counterparts in local, state, and federal
37.3 agencies and to hire a full-time climate
37.4 implementation coordinator. The climate
37.5 implementation coordinator must coordinate
37.6 efforts seeking federal funding for Minnesota's
37.7 agricultural climate adaptation and mitigation
37.8 efforts and develop strategic partnerships with
37.9 the private sector and nongovernment
37.10 organizations.

37.11 (w) \$1,200,000 the first year and \$930,000 the
37.12 second year are to maintain the current level
37.13 of service delivery. The base for this
37.14 appropriation is \$1,065,000 in fiscal year 2026
37.15 and \$1,065,000 in fiscal year 2027 and each
37.16 year thereafter.

37.17 (x) \$250,000 the first year is for a grant to the
37.18 Board of Regents of the University of
37.19 Minnesota to purchase equipment for the
37.20 Veterinary Diagnostic Laboratory to test for
37.21 chronic wasting disease, African swine fever,
37.22 avian influenza, and other animal diseases.
37.23 The Veterinary Diagnostic Laboratory must
37.24 report expenditures under this paragraph to
37.25 the legislative committees with jurisdiction
37.26 over agriculture finance and higher education
37.27 with a report submitted by January 3, 2024,
37.28 and a final report submitted by December 31,
37.29 2024. The reports must include a list of
37.30 equipment purchased, including the cost of
37.31 each item.

37.32 (y) \$1,000,000 the first year and \$1,000,000
37.33 the second year are to award and administer
37.34 down payment assistance grants under
37.35 Minnesota Statutes, section 17.133, with

38.1 priority given to eligible applicants with no
38.2 more than \$100,000 in annual gross farm
38.3 product sales and eligible applicants who are
38.4 producers of industrial hemp, cannabis, or one
38.5 or more of the following specialty crops as
38.6 defined by the United States Department of
38.7 Agriculture for purposes of the specialty crop
38.8 block grant program: fruits and vegetables,
38.9 tree nuts, dried fruits, medicinal plants,
38.10 culinary herbs and spices, horticulture crops,
38.11 floriculture crops, and nursery crops.

38.12 Notwithstanding Minnesota Statutes, section
38.13 16A.28, any unencumbered balance at the end
38.14 of the first year does not cancel and is
38.15 available in the second year and appropriations
38.16 encumbered under contract by June 30, 2025,
38.17 are available until June 30, 2027.

38.18 (z) \$222,000 the first year and \$322,000 the
38.19 second year are for meat processing training
38.20 and retention incentive grants under section
38.21 5. By December 1 each year in 2026 and 2027,
38.22 the commissioner must submit a report to the
38.23 chairs and ranking minority members of the
38.24 legislative committees with jurisdiction over
38.25 agriculture finance and policy detailing uses
38.26 of the funds in this paragraph, including award
38.27 amounts to each partner organization, how
38.28 much of each award was used, the types of
38.29 expenses paid for with the funds, and the
38.30 number of employees served. The
38.31 commissioner may use up to 6.5 percent of
38.32 this appropriation for costs incurred to
38.33 administer the program. Notwithstanding
38.34 Minnesota Statutes, section 16A.28, any
38.35 unencumbered balance does not cancel at the
38.36 end of the first year and is available in the

39.1 second year. This is a onetime appropriation
39.2 and is available until June 30, 2027.

39.3 (aa) \$300,000 the first year and \$300,000 the
39.4 second year are for transfer to the Board of
39.5 Regents of the University of Minnesota to
39.6 evaluate, propagate, and maintain the genetic
39.7 diversity of oilseeds, grains, grasses, legumes,
39.8 and other plants including flax, timothy,
39.9 barley, rye, triticale, alfalfa, orchard grass,
39.10 clover, and other species and varieties that
39.11 were in commercial distribution and use in
39.12 Minnesota before 1970, excluding wild rice.
39.13 This effort must also protect traditional seeds
39.14 brought to Minnesota by immigrant
39.15 communities. This appropriation includes
39.16 funding for associated extension and outreach
39.17 to small and Black, Indigenous, and People of
39.18 Color (BIPOC) farmers. This is a onetime
39.19 appropriation.

39.20 (bb) \$300,000 the second year is to award and
39.21 administer beginning farmer equipment and
39.22 infrastructure grants under Minnesota Statutes,
39.23 section 17.055. This is a onetime
39.24 appropriation.

39.25 (cc) \$25,000 the first year is for the credit
39.26 market report. Notwithstanding Minnesota
39.27 Statutes, section 16A.28, any unencumbered
39.28 balance does not cancel at the end of the first
39.29 year and is available in the second year. This
39.30 is a onetime appropriation.

39.31 (dd) The commissioner shall continue to
39.32 increase connections with ethnic minority and
39.33 immigrant farmers to farming opportunities
39.34 and farming programs throughout the state.

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

40.2 Sec. 3. Laws 2025, chapter 34, article 1, section 2, subdivision 2, is amended to read:

40.3 Subd. 2. **Protection Services**

40.4 Appropriations by Fund

40.5			21,207,000
40.6	General	20,828,000	<u>21,457,000</u>
40.7	Remediation	399,000	399,000

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

40.12 (b) \$639,000 the first year and \$639,000 the
 40.13 second year are for the soil health financial
 40.14 assistance program under Minnesota Statutes,
 40.15 section 17.134. The commissioner may award
 40.16 no more than \$50,000 of the appropriation
 40.17 each year to a single recipient.

40.18 Notwithstanding Minnesota Statutes, section
 40.19 16B.98, subdivision 14, the commissioner may
 40.20 use up to 6.5 percent of this appropriation for
 40.21 costs incurred to administer the program. Any
 40.22 unencumbered balance does not cancel at the
 40.23 end of the first year and is available in the
 40.24 second year. Appropriations encumbered
 40.25 under contract on or before June 30, 2027, for
 40.26 soil health financial assistance grants are
 40.27 available until June 30, 2029.

40.28 (c) \$275,000 the first year and \$250,000 the
 40.29 second year are for compensation for livestock
 40.30 destroyed or crippled by a wolf under
 40.31 Minnesota Statutes, section 3.737. The first
 40.32 year appropriation may be spent to compensate
 40.33 for livestock that were destroyed or crippled
 40.34 during fiscal year 2025. If the amount in the

41.1 first year is insufficient, the amount in the
41.2 second year is available in the first year. The
41.3 commissioner may use up to \$5,000 each year
41.4 to reimburse expenses incurred by university
41.5 extension educators to provide fair market
41.6 values of destroyed or crippled livestock. If
41.7 the commissioner receives federal money to
41.8 pay claims for destroyed or crippled livestock,
41.9 an equivalent amount of this appropriation
41.10 may be used to reimburse nonlethal prevention
41.11 methods performed by federal wildlife services
41.12 staff. The base for this appropriation is
41.13 \$175,000 in fiscal year 2028 and each year
41.14 thereafter.

41.15 (d) \$255,000 the first year and \$230,000 the
41.16 second year are for compensation for crop or
41.17 fence damage caused by elk under Minnesota
41.18 Statutes, section 3.7371. If the amount in the
41.19 first year is insufficient, the amount in the
41.20 second year is available in the first year. The
41.21 commissioner may use up to \$10,000 of the
41.22 appropriation each year to reimburse expenses
41.23 incurred by the commissioner or the
41.24 commissioner's approved agent to investigate
41.25 and resolve claims, as well as for costs
41.26 associated with training for approved agents.
41.27 The commissioner may use up to \$40,000 of
41.28 the appropriation each year for grants to
41.29 producers for measures to protect stored crops
41.30 from elk damage. If the commissioner
41.31 determines that claims made under Minnesota
41.32 Statutes, section 3.737 or 3.7371, are
41.33 unusually high, amounts appropriated for
41.34 either program may be transferred to the
41.35 appropriation for the other program. The base

42.1 for this appropriation is \$155,000 in fiscal year
42.2 2028 and each year thereafter.

42.3 (e) \$825,000 the first year and \$825,000 the
42.4 second year are to replace capital equipment
42.5 in the Department of Agriculture's analytical
42.6 laboratory.

42.7 (f) \$750,000 the first year and \$750,000 the
42.8 second year are for additional meat and poultry
42.9 inspection services. The commissioner is
42.10 encouraged to seek inspection waivers, match
42.11 federal money, and offer more online
42.12 inspections for the purposes of this paragraph.
42.13 This is a onetime appropriation.

42.14 (g) \$500,000 the first year and \$500,000 the
42.15 second year are for grants to counties to
42.16 support county agricultural inspectors. The
42.17 commissioner may use up to three percent of
42.18 the appropriation each year for administration.
42.19 This is a onetime appropriation. County
42.20 agricultural inspectors and county-designated
42.21 employees must annually submit an
42.22 application, on a form approved by the
42.23 commissioner, to be eligible for funding
42.24 during a given year. The commissioner must
42.25 equally divide available grant money among
42.26 eligible counties. To be eligible for grants
42.27 under this section, a county must employ a
42.28 county agricultural inspector or a
42.29 county-designated employee who:
42.30 (1) has attended training for new county
42.31 agricultural inspectors offered by the
42.32 commissioner;

43.1 (2) coordinates with the commissioner to
43.2 review applicable laws and enforcement
43.3 procedures;

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

43.6 (4) conducts an annual meeting and training
43.7 for local weed inspectors; and

43.8 (5) assists the commissioner with control
43.9 programs and other agricultural programs
43.10 when requested under Minnesota Statutes,
43.11 section 18.81, subdivision 1b, as directed by
43.12 the county board.

43.13 (h) \$250,000 the first year and \$250,000 the
43.14 second year are appropriated to establish and
43.15 administer the biofertilizer innovation and
43.16 efficiency program ~~under Minnesota Statutes,~~
43.17 ~~section 18C.113.~~ The commissioner may use
43.18 up to 6.5 percent of this appropriation for costs
43.19 incurred to administer the program.

43.20 Notwithstanding Minnesota Statutes, section
43.21 16A.28, any unencumbered balance at the end
43.22 of fiscal year 2026 does not cancel and is
43.23 available until June 30, 2027. This is a onetime
43.24 appropriation.

43.25 ~~(j)~~ (i) \$75,000 the first year is to conduct an
43.26 evaluation of the practice performance and
43.27 economic performance of the Olmsted County
43.28 groundwater protection and soil health
43.29 initiative, including the cover crop program,
43.30 alternative crops program, and haying,
43.31 grazing, and pasture enhancement program.
43.32 The evaluation must look at environmental
43.33 outcomes, include a cost-benefit analysis, and
43.34 be submitted to the chairs and ranking

44.1 minority members of the legislative
 44.2 committees and divisions with jurisdiction
 44.3 over agriculture policy and finance by June 1,
 44.4 2027. The commissioner may contract with
 44.5 an independent third party to conduct the
 44.6 evaluation.

44.7 ~~(k)~~ (j) \$420,000 the first year and \$924,000
 44.8 the second year are to support current services.

44.9 Sec. 4. Laws 2025, chapter 34, article 1, section 2, subdivision 3, as amended by Laws
 44.10 2025, First Special Session chapter 11, section 11, is amended to read:

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

44.13 (a) \$634,000 the first year and \$634,000 the
 44.14 second year are for the continuation of the
 44.15 dairy development and profitability
 44.16 enhancement program, including dairy
 44.17 profitability teams and dairy business planning
 44.18 grants under Minnesota Statutes, section
 44.19 32D.30.

44.20 (b) The commissioner may use funds
 44.21 appropriated in this subdivision for annual
 44.22 cost-share payments to resident farmers or
 44.23 entities that sell, process, or package
 44.24 agricultural products in this state for the costs
 44.25 of organic certification. The commissioner
 44.26 may allocate these funds for assistance to
 44.27 persons transitioning from conventional to
 44.28 organic agriculture.

44.29 (c) \$100,000 the first year and \$100,000 the
 44.30 second year are for mental health outreach and
 44.31 support to farmers, ranchers, farm workers
 44.32 and employees, and others in the agricultural
 44.33 community and profession and for farm and
 44.34 farm worker safety grant and outreach

45.1 programs under Minnesota Statutes, section
45.2 17.1195. Mental health outreach and support
45.3 may include a 24-hour hotline, stigma
45.4 reduction, and education. Notwithstanding
45.5 Minnesota Statutes, section 16A.28, any
45.6 unencumbered balance does not cancel at the
45.7 end of the first year and is available in the
45.8 second year. The base for this appropriation
45.9 is \$50,000 in fiscal year 2028 and each year
45.10 thereafter.

45.11 (d) \$700,000 the first year and \$700,000 the
45.12 second year are for the local food purchasing
45.13 assistance grant program under article 3,
45.14 section 35. Notwithstanding Minnesota
45.15 Statutes, section 16A.28, any unencumbered
45.16 balance does not cancel at the end of the first
45.17 year and is available in the second year.

45.18 (e) \$1,000,000 the second year is to expand
45.19 the Emerging Farmers Office and provide
45.20 services to beginning and emerging farmers
45.21 to increase connections between farmers and
45.22 market opportunities throughout the state. This
45.23 appropriation may be used for grants,
45.24 translation services, training programs, or
45.25 other purposes in line with the
45.26 recommendations of the emerging farmer
45.27 working group established under Minnesota
45.28 Statutes, section 17.055, subdivision 1.

45.29 ~~(e)~~ (f) \$18,257,000 the first year and
45.30 \$18,007,000 the second year are for the
45.31 agricultural growth, research, and innovation
45.32 program under Minnesota Statutes, section
45.33 41A.12. The base for this appropriation is
45.34 \$17,449,000 in fiscal year 2028 and each year
45.35 thereafter.

46.1 ~~(f)~~ (g) Except as provided in paragraph ~~(g)~~ (h),
46.2 the commissioner may allocate the
46.3 appropriation in paragraph ~~(e)~~ (f) each year
46.4 among the following areas: facilitating the
46.5 startup, modernization, improvement, or
46.6 expansion of livestock operations, including
46.7 beginning and transitioning livestock
46.8 operations with preference given to robotic
46.9 dairy-milking equipment; assisting
46.10 value-added agricultural businesses to begin
46.11 or expand, to access new markets, or to
46.12 diversify, including aquaponics systems, with
46.13 preference given to hemp fiber processing
46.14 equipment; facilitating the startup,
46.15 modernization, or expansion of other
46.16 beginning and transitioning farms, including
46.17 by providing loans under Minnesota Statutes,
46.18 section 41B.056; sustainable agriculture
46.19 on-farm research and demonstration; the
46.20 development or expansion of food hubs and
46.21 other alternative community-based food
46.22 distribution systems; enhancing renewable
46.23 energy infrastructure and use; crop research,
46.24 including basic and applied turf seed research;
46.25 Farm Business Management tuition assistance;
46.26 supporting the commercialization of an
46.27 innovative material additive utilizing
46.28 agricultural coproducts or waste streams to
46.29 produce fiber-based barrier packaging to
46.30 reduce perfluoroalkyl and polyfluoroalkyl
46.31 substances (PFAS) and plastics in packaging
46.32 products; and good agricultural practices and
46.33 good handling practices certification
46.34 assistance. Notwithstanding Minnesota
46.35 Statutes, section 16B.98, subdivision 14, the
46.36 commissioner may use up to 7.5 percent of

47.1 the appropriation in paragraph ~~(e)~~ (f) for costs
47.2 incurred to administer the program.

47.3 ~~(g)~~ (h) Of the amount appropriated for the
47.4 agricultural growth, research, and innovation
47.5 program under Minnesota Statutes, section
47.6 41A.12:

47.7 (1) \$1,000,000 the first year and \$1,000,000
47.8 the second year are for distribution in equal
47.9 amounts to each of the state's county fairs to
47.10 preserve and promote Minnesota agriculture;

47.11 (2) \$3,000,000 the first year and \$3,000,000
47.12 the second year are for incentive payments
47.13 under Minnesota Statutes, sections 41A.16,
47.14 41A.17, 41A.18, and 41A.20. If this
47.15 appropriation exceeds the total amount for
47.16 which all producers are eligible in a fiscal
47.17 year, the balance of the appropriation is
47.18 available for other purposes under this
47.19 paragraph;

47.20 (3) \$2,750,000 the first year and \$2,750,000
47.21 the second year are for grants that enable retail
47.22 petroleum dispensers, fuel storage tanks, and
47.23 other equipment to dispense biofuels to the
47.24 public in accordance with the biofuel
47.25 replacement goals established under
47.26 Minnesota Statutes, section 239.7911. A retail
47.27 petroleum dispenser selling petroleum for use
47.28 in spark ignition engines for vehicle model
47.29 years after 2000 is eligible for grant money
47.30 under this clause if the retail petroleum
47.31 dispenser has no more than 20 retail petroleum
47.32 dispensing sites and each site is located in
47.33 Minnesota. The grant money must be used to
47.34 replace or upgrade equipment that does not
47.35 have the ability to be certified for E25. A grant

48.1 award must not exceed 65 percent of the cost
48.2 of the appropriate technology. A grant award
48.3 must not exceed \$200,000 per station. The
48.4 commissioner must cooperate with biofuel
48.5 stakeholders in the implementation of the grant
48.6 program. The commissioner, in cooperation
48.7 with any economic or community development
48.8 financial institution and any other entity with
48.9 which the commissioner contracts, must
48.10 submit a the report on under Minnesota
48.11 Statutes, section 41A.12, subdivision 3, that
48.12 includes metrics of the biofuels infrastructure
48.13 financial assistance program ~~by January 15~~
48.14 each year to the chairs and ranking minority
48.15 members of the legislative committees and
48.16 divisions with jurisdiction over agriculture
48.17 policy and finance. The annual report must
48.18 include but not be limited to a summary of the
48.19 following metrics: (i) the number and types
48.20 of projects financed; (ii) the amount of dollars
48.21 leveraged or matched per project; (iii) the
48.22 geographic distribution of financed projects;
48.23 (iv) any market expansion associated with
48.24 upgraded infrastructure; (v) the demographics
48.25 of the areas served; (vi) the costs of the
48.26 program; and (vii) the number of grants to
48.27 minority-owned or female-owned businesses;
48.28 (4) \$350,000 the first year and \$250,000 the
48.29 second year are for grants to facilitate the
48.30 startup, modernization, or expansion of meat,
48.31 poultry, egg, and milk processing facilities. A
48.32 grant award under this clause must not exceed
48.33 \$200,000;
48.34 (5) \$1,594,000 the first year and \$1,544,000
48.35 the second year are for providing more fruits,

49.1 vegetables, meat, poultry, grain, and dairy for
49.2 children in school and early childhood
49.3 education settings, including, at the
49.4 commissioner's discretion, providing grants
49.5 to reimburse schools and early childhood
49.6 education and child care providers for
49.7 purchasing equipment and agricultural
49.8 products. Of the amount appropriated,
49.9 \$150,000 each year is for a statewide
49.10 coordinator of farm-to-institution strategy and
49.11 programming. The coordinator must consult
49.12 with relevant stakeholders and provide
49.13 technical assistance and training for
49.14 participating farmers and eligible grant
49.15 recipients. The base for this appropriation is
49.16 \$1,636,000 in fiscal year 2028 and each year
49.17 thereafter. At the commissioner's discretion,
49.18 for state administration of federal cooperative
49.19 agreements for purchasing Minnesota grown
49.20 and raised foods for schools, child care
49.21 providers, food banks, and other institutions,
49.22 the commissioner may use an amount of state
49.23 funds equal to no more than 7.5 percent of the
49.24 total federal funds awarded to the state. The
49.25 commissioner shall expend any available
49.26 federal administrative funds awarded for this
49.27 purpose before using state funds;

49.28 (6) up to \$1,750,000 the first year and up to
49.29 \$1,750,000 the second year are for grants to
49.30 facilitate the development of urban agriculture,
49.31 including projects related to youth education,
49.32 community and economic development,
49.33 value-added processing, and vocational
49.34 training;

50.1 (7) \$1,000,000 the first year and \$1,000,000
50.2 the second year are for the food retail
50.3 improvement and development program under
50.4 Minnesota Statutes, section 17.1017;

50.5 (8) up to \$200,000 the first year and up to
50.6 \$200,000 the second year are for cooperative
50.7 development grants under Minnesota Statutes,
50.8 section 17.1016;

50.9 (9) \$250,000 the first year and \$150,000 the
50.10 second year are for the protecting livestock
50.11 grant program for producers to support the
50.12 installation of measures to prevent the
50.13 transmission of avian influenza. For the
50.14 appropriation in this clause, a grant applicant
50.15 must document a cost-share of 20 percent. An
50.16 applicant's cost-share amount may be reduced
50.17 up to \$2,000 to cover time and labor costs.
50.18 This is a onetime appropriation; and

50.19 (10) up to \$525,000 the first year and up to
50.20 \$525,000 the second year are to award AGRI
50.21 Works grants to institutions and organizations
50.22 to provide regional and statewide services.
50.23 Preference shall be given to legislatively
50.24 created entities and organizations that enhance
50.25 agricultural, horticultural, or rural community
50.26 and economic development, marketing, and
50.27 promotion, and research and education. A
50.28 grant award under this clause must not exceed
50.29 \$200,000. Grants made under this paragraph
50.30 are subject to the requirements in Minnesota
50.31 Statutes, sections 16B.98 and 16B.981. This
50.32 is a onetime appropriation.

50.33 ~~(h)~~ (i) Notwithstanding Minnesota Statutes,
50.34 section 16A.28, the appropriation in paragraph
50.35 ~~(e)~~ (f) does not cancel at the end of the second

51.1 year and is available until June 30, 2029.
 51.2 Appropriations encumbered under contract on
 51.3 or before June 30, 2029, for agricultural
 51.4 growth, research, and innovation grants are
 51.5 available until June 30, 2032. At the end of
 51.6 fiscal year 2027, the commissioner must
 51.7 prioritize any money resulting from canceled
 51.8 contracts to be used for AGRI Works grants
 51.9 under paragraph ~~(g)~~ (h), clause (10).

51.10 Sec. 5. Laws 2025, chapter 34, article 1, section 2, subdivision 4, as amended by Laws
 51.11 2025, First Special Session chapter 11, section 12, is amended to read:

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

51.14 (a) \$474,000 the first year and \$474,000 the
 51.15 second year are for payments to county and
 51.16 district agricultural societies and associations
 51.17 under Minnesota Statutes, section 38.02,
 51.18 subdivision 1. Aid payments to county and
 51.19 district agricultural societies and associations
 51.20 must be disbursed no later than July 15 each
 51.21 year. These payments are the amount of aid
 51.22 from the state for an annual fair held in the
 51.23 previous calendar year.

51.24 (b) \$300,000 the first year and \$300,000 the
 51.25 second year are for grants to the Minnesota
 51.26 Agricultural Education and Leadership
 51.27 Council for programs of the council under
 51.28 Minnesota Statutes, chapter 41D. The base for
 51.29 this appropriation is \$250,000 in fiscal year
 51.30 2028 and each year thereafter.

51.31 (c) \$1,250,000 the first year ~~and \$1,250,000~~
 51.32 ~~the second year are~~ is to award and administer
 51.33 farm down payment assistance grants under
 51.34 Minnesota Statutes, section 17.133, with

52.1 priority given to eligible applicants with no
52.2 more than \$100,000 in annual gross farm
52.3 product sales and eligible applicants who are
52.4 producers of industrial hemp, cannabis, or one
52.5 or more of the following specialty crops as
52.6 defined by the United States Department of
52.7 Agriculture for purposes of the specialty crop
52.8 block grant program: fruits and vegetables,
52.9 tree nuts, dried fruits, medicinal plants,
52.10 culinary herbs and spices, horticulture crops,
52.11 floriculture crops, and nursery crops.
52.12 Notwithstanding Minnesota Statutes, section
52.13 16A.28, any unencumbered balance at the end
52.14 of the first year does not cancel and is
52.15 available in the second year ~~and appropriations~~
52.16 ~~encumbered under contract by June 30, 2027,~~
52.17 ~~are available~~ and any unencumbered balance
52.18 at the end of the second year does not cancel
52.19 and is available until June 30, 2029. ~~The base~~
52.20 ~~for this appropriation is \$1,000,000 in fiscal~~
52.21 ~~year 2028 and each year thereafter~~ This is a
52.22 onetime appropriation.

52.23 (d) \$1,000,000 the first year and \$1,000,000
52.24 the second year are for the purchase of milk
52.25 for distribution to Minnesota's food shelves
52.26 and other charitable organizations that are
52.27 eligible to receive food from the food banks.
52.28 Milk purchased with grant money must be
52.29 acquired from Minnesota milk processors and
52.30 based on low-cost bids. The milk must be
52.31 allocated to each Feeding America food bank
52.32 serving Minnesota according to the formula
52.33 used in the distribution of United States
52.34 Department of Agriculture commodities under
52.35 The Emergency Food Assistance Program.
52.36 The commissioner may enter into contracts or

53.1 agreements with food banks for shared funding
53.2 or reimbursement of the direct purchase of
53.3 milk. Each food bank that receives funding
53.4 under this paragraph may use up to two
53.5 percent for administrative expenses.

53.6 Notwithstanding Minnesota Statutes, section
53.7 16A.28, any unencumbered balance the first
53.8 year does not cancel and is available the
53.9 second year.

53.10 (e) \$260,000 the first year and \$260,000 the
53.11 second year are for a pass-through grant to
53.12 Region Five Development Commission to
53.13 provide, in collaboration with Farm Business
53.14 Management, statewide mental health
53.15 counseling support to Minnesota farm
53.16 operators, families, and employees, and
53.17 individuals who work with Minnesota farmers
53.18 in a professional capacity. Region Five
53.19 Development Commission may use up to 7.5
53.20 percent of the grant awarded under this
53.21 paragraph for administration.

53.22 (f) \$1,000,000 the first year ~~and \$1,000,000~~
53.23 ~~the second year are~~ is to expand the Emerging
53.24 Farmers Office and provide services to
53.25 beginning and emerging farmers to increase
53.26 connections between farmers and market
53.27 opportunities throughout the state. This
53.28 appropriation may be used for grants,
53.29 translation services, training programs, or
53.30 other purposes in line with the
53.31 recommendations of the emerging farmer
53.32 working group established under Minnesota
53.33 Statutes, section 17.055, subdivision 1.

53.34 (g) \$137,000 the first year and \$203,000 the
53.35 second year are to support current services.

54.1 (h) \$337,000 the first year and \$337,000 the
54.2 second year are for farm advocate services.
54.3 Of these amounts, \$50,000 the first year and
54.4 \$50,000 the second year are for the
54.5 continuation of the farmland transition
54.6 programs and may be used for grants to
54.7 farmland access teams to provide technical
54.8 assistance to potential beginning farmers.
54.9 Farmland access teams must assist existing
54.10 farmers and beginning farmers with
54.11 transitioning farm ownership and farm
54.12 operation. Services provided by teams may
54.13 include but are not limited to mediation
54.14 assistance, designing contracts, financial
54.15 planning, tax preparation, estate planning, and
54.16 housing assistance.

54.17 (i) \$3,000,000 the first year is for transfer to
54.18 the Public Facilities Authority for a grant to
54.19 First District Association to acquire land for
54.20 and to design, engineer, construct, equip, and
54.21 furnish a wastewater treatment project. This
54.22 appropriation is in addition to the
54.23 appropriation in Laws 2023, chapter 71, article
54.24 1, section 15, subdivision 7. This appropriation
54.25 is available until the project is completed or
54.26 abandoned, subject to Minnesota Statutes,
54.27 section 16A.642.

54.28 ~~(k)~~ (j) \$50,000 the first year is to be awarded
54.29 as a grant in a competitive bid process to an
54.30 entity that is not a for-profit entity to conduct
54.31 a study of market and workforce factors that
54.32 may contribute to the incorrect marking for
54.33 the installation of underground
54.34 telecommunications infrastructure that is
54.35 located within ten feet of existing underground

55.1 utilities or that crosses the existing
55.2 underground utilities. The study must include
55.3 recommendations to the legislature and be
55.4 submitted to the chairs and ranking minority
55.5 members of the legislative committees and
55.6 divisions with jurisdiction over agriculture
55.7 policy and finance by June 1, 2027.

55.8 ~~(j)~~ (k) \$50,000 the first year is to conduct a
55.9 study and develop recommendations for
55.10 establishing an incentive-based program to
55.11 support and encourage agricultural retailers
55.12 in promoting 4R nutrient management
55.13 practices. The 4R nutrient management
55.14 practices include: the right source of nutrients,
55.15 at the right rate and right time, in the right
55.16 place.

55.17 (1) As part of the study, the department must
55.18 evaluate strategies for leveraging cost-share
55.19 programs, including the feasibility of
55.20 coordinating with the Agricultural Water
55.21 Quality Certification Program and other efforts
55.22 related to the state's Nutrient Reduction
55.23 Strategy.

55.24 (2) The commissioner must submit a report
55.25 detailing its findings, including potential
55.26 funding sources and proposal outlines for
55.27 funding requests where appropriate. The
55.28 commissioner must submit the report to the
55.29 chairs and ranking minority members of the
55.30 legislative committees with jurisdiction over
55.31 agriculture and environment by March 15,
55.32 2026.

55.33 (l) \$1,250,000 the second year is to award and
55.34 administer farm down payment assistance
55.35 grants under Minnesota Statutes, section

56.1 17.133, with priority given to eligible
 56.2 applicants with annual gross farm product
 56.3 sales between \$1,000 and \$100,000. Of this
 56.4 appropriation, up to 50 percent may be
 56.5 awarded by lottery to priority applicants who
 56.6 possess a purchase agreement as of June 30,
 56.7 2026. Notwithstanding Minnesota Statutes,
 56.8 section 16A.28, any unencumbered balance
 56.9 at the end of the second year does not cancel
 56.10 and is available until June 30, 2030. The base
 56.11 for this appropriation is \$1,000,000 in fiscal
 56.12 year 2028 and each year thereafter.

56.13 ~~(s)~~ (m) The commissioner shall continue to
 56.14 increase connections with ethnic minority and
 56.15 immigrant farmers to farming opportunities
 56.16 and farming programs throughout the state.

56.17 **EFFECTIVE DATE.** This section is effective July 1, 2026.

56.18 **ARTICLE 5**

56.19 **AGRICULTURE POLICY**

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

56.22 Subd. 9. **Legislative report.** The commissioner, in cooperation with any economic or
 56.23 community development financial institution and any other entity with which it contracts,
 56.24 shall submit ~~an annual~~ the report on under section 41A.12, subdivision 3, that includes
 56.25 metrics of the food retail improvement and development program ~~by January 15~~ of each
 56.26 year to the chairs and ranking minority members of the house of representatives and senate
 56.27 committees and divisions with jurisdiction over agriculture policy and finance. The ~~annual~~
 56.28 report shall include, ~~but not be limited to,~~ a summary of the following metrics:

- 56.29 (1) the number and types of projects financed;
- 56.30 (2) the amount of dollars leveraged or matched per project;
- 56.31 (3) the geographic distribution of financed projects;
- 56.32 (4) the number and types of technical assistance recipients;

- 57.1 (5) the demographics of the areas served;
- 57.2 (6) the costs of the program;
- 57.3 (7) the number of SNAP dollars spent;
- 57.4 (8) any increase in retail square footage;
- 57.5 (9) the number of loans or grants to businesses owned by women and Black, Indigenous,
- 57.6 or Persons of Color; and
- 57.7 (10) measurable economic and health outcomes, including, but not limited to, increases
- 57.8 in sales and consumption of locally sourced and other fresh fruits and vegetables, the number
- 57.9 of construction and retail jobs retained or created, and any health initiatives associated with
- 57.10 the program.

57.11 Sec. 2. Minnesota Statutes 2025 Supplement, section 17.133, subdivision 1, is amended

57.12 to read:

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

57.14 the meanings given.

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

57.16 (1) is a resident of Minnesota who intends to acquire farmland located within the state

57.17 and provide the majority of the day-to-day physical labor and management of the farm;

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

57.19 (3) has earned at least \$1,000 in farm income or has evidence of farming experience;

57.20 (4) has a net worth that does not exceed the limit under section 41B.03, subdivision 3,

57.21 paragraph (a), clause (2);

57.22 ~~(3)~~ (5) has not, and whose spouse has not, at any time had a direct or indirect ownership

57.23 interest in farmland; and

57.24 ~~(4)~~ (6) is not, and whose spouse is not, a family member of the owner of the farmland

57.25 that the individual intends to acquire. "Family member" has the meaning given in section

57.26 267(c)(4) of the Internal Revenue Code.

57.27 (c) "Evidence of farming experience" means that an individual has:

57.28 (1) completed an approved farm business management program;

57.29 (2) a four-year degree in an agriculture-related field; or

57.30 (3) at least three years of experience managing a comparable farm.

58.1 ~~(e)~~ (d) "Farm down payment" means an initial, partial payment required by a lender or
 58.2 seller to purchase farmland.

58.3 ~~(d)~~ (e) "Incubator farm" means a farm where:

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

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

58.12 ~~(e)~~ (f) "Limited land access" means farming without ownership of land and:

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

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

58.17 ~~(f)~~ (g) "Limited market access" means the individual has gross sales of no more than
 58.18 \$100,000 per year from the sale of farm products.

58.19 **EFFECTIVE DATE.** This section is effective July 1, 2026.

58.20 Sec. 3. Minnesota Statutes 2025 Supplement, section 17.133, subdivision 2, is amended
 58.21 to read:

58.22 Subd. 2. **Grants.** The commissioner may award farm down payment assistance grants
 58.23 of up to 30 percent of the purchase price of a farm, with a maximum grant of \$20,000 per
 58.24 eligible farmer. Each award must be matched with at least \$8,000 of other funding. Grants
 58.25 under this subdivision may be awarded by a randomized selection process after applications
 58.26 are collected over a period of no less than 30 calendar days. An eligible farmer must commit
 58.27 to own and farm the land purchased with assistance provided under this section for at least
 58.28 five years. For the first five years, each recipient must verify gross farm income of at least
 58.29 \$1,000 or demonstrate investment of at least \$1,000 in farm business infrastructure,
 58.30 equipment, perennial crops, or livestock. For each year that a grant recipient does not own
 58.31 and farm the land during the five-year period, the grant recipient must pay a penalty to the
 58.32 commissioner equal to 20 percent of the grant amount.

59.1 **EFFECTIVE DATE.** This section is effective July 1, 2026.

59.2 Sec. 4. Minnesota Statutes 2024, section 18J.01, is amended to read:

59.3 **18J.01 DEFINITIONS.**

59.4 (a) The definitions in this section; chapters 18G, 18H, 18K, 27, 223, 231, and 232; and
 59.5 sections 18G.02, 18H.02, 18K.02, 27.01, 223.16, 231.01, and 232.21 21.111 to 21.125 and
 59.6 21.80 to 21.92 apply to this chapter.

59.7 (b) For purposes of this chapter, "associated rules" means rules adopted under this
 59.8 chapter, chapter 18G, 18H, 18K, 27, 223, 231, or 232, or sections 21.111 to 21.125 and
 59.9 21.80 to 21.92.

59.10 Sec. 5. Minnesota Statutes 2024, section 18J.02, is amended to read:

59.11 **18J.02 DUTIES OF COMMISSIONER.**

59.12 The commissioner shall administer and enforce this chapter, chapters 18G, 18H, 18K,
 59.13 27, 223, 231, and 232; sections 21.111 to 21.125, and 21.80 to 21.92; and associated rules.

59.14 Sec. 6. Minnesota Statutes 2024, section 18J.03, is amended to read:

59.15 **18J.03 CIVIL LIABILITY.**

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

59.19 Sec. 7. Minnesota Statutes 2024, section 18J.04, subdivision 1, is amended to read:

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

59.26 Sec. 8. Minnesota Statutes 2024, section 18J.04, subdivision 2, is amended to read:

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

60.1 (1) inspection of inventory and equipment for the manufacture, storage, handling,
60.2 distribution, disposal, or any other process regulated under chapter 18G, 18H, 18K, 27, 223,
60.3 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;

60.4 (2) sampling of sites, seeds, plants, products, grain, household goods, general
60.5 merchandise, produce, or other living or nonliving objects that are manufactured, stored,
60.6 distributed, handled, or disposed of at those sites and regulated under chapter 18G, 18H,
60.7 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;

60.8 (3) inspection of records related to the manufacture, distribution, storage, handling, or
60.9 disposal of seeds, plants, products, grain, household goods, general merchandise, produce,
60.10 or other living or nonliving objects regulated under chapter 18G, 18H, 18K, 27, 223, 231,
60.11 or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;

60.12 (4) investigating compliance with chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections
60.13 21.111 to 21.125 or 21.80 to 21.92; or associated rules; or

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

60.16 (b) The commissioner may enter any public or private premises during or after regular
60.17 business hours without notice of inspection when a suspected violation of chapter 18G,
60.18 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
60.19 rules may threaten public health or the environment.

60.20 Sec. 9. Minnesota Statutes 2024, section 18J.04, subdivision 3, is amended to read:

60.21 Subd. 3. **Notice of inspection samples and analyses.** (a) The commissioner shall provide
60.22 the owner, operator, or agent in charge with a receipt describing any samples obtained. If
60.23 requested, the commissioner shall split any samples obtained and provide them to the owner,
60.24 operator, or agent in charge. If an analysis is made of the samples, a copy of the results of
60.25 the analysis must be furnished to the owner, operator, or agent in charge within 30 days
60.26 after an analysis has been performed. If an analysis is not performed, the commissioner
60.27 must notify the owner, operator, or agent in charge within 30 days of the decision not to
60.28 perform the analysis.

60.29 (b) The sampling and analysis must be done according to methods provided for under
60.30 applicable provisions of chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to
60.31 21.125 or 21.80 to 21.92; or associated rules. In cases not covered by those sections and
60.32 methods or in cases where methods are available in which improved applicability has been
60.33 demonstrated the commissioner may adopt appropriate methods from other sources.

61.1 Sec. 10. Minnesota Statutes 2024, section 18J.04, subdivision 4, is amended to read:

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

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

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

61.15 Sec. 11. Minnesota Statutes 2024, section 18J.05, subdivision 1, is amended to read:

61.16 Subdivision 1. **Enforcement required.** (a) A violation of chapter 18G, 18H, 18K, 27,
61.17 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or an associated rule is a
61.18 violation of this chapter.

61.19 (b) Upon the request of the commissioner, county attorneys, sheriffs, and other officers
61.20 having authority in the enforcement of the general criminal laws must take action to the
61.21 extent of their authority necessary or proper for the enforcement of chapter 18G, 18H, 18K,
61.22 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules or
61.23 valid orders, standards, stipulations, and agreements of the commissioner.

61.24 Sec. 12. Minnesota Statutes 2024, section 18J.05, subdivision 2, is amended to read:

61.25 Subd. 2. **Commissioner's discretion.** If minor violations of chapter 18G, 18H, 18K,
61.26 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules occur
61.27 or the commissioner believes the public interest will be best served by a suitable notice of
61.28 warning in writing, this section does not require the commissioner to:

61.29 (1) report the violation for prosecution;

61.30 (2) institute seizure proceedings; or

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

62.1 Sec. 13. Minnesota Statutes 2024, section 18J.05, subdivision 6, is amended to read:

62.2 Subd. 6. **Agent for service of process.** All persons licensed, permitted, registered, or
62.3 certified under chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or
62.4 21.80 to 21.92; or associated rules must appoint the commissioner as the agent upon whom
62.5 all legal process may be served and service upon the commissioner is deemed to be service
62.6 on the licensee, permittee, registrant, or certified person.

62.7 Sec. 14. Minnesota Statutes 2024, section 18J.06, is amended to read:

62.8 **18J.06 FALSE STATEMENT OR RECORD.**

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

62.11 (1) an application for registration, license, certification, or permit under chapter 18G,
62.12 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
62.13 rules;

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

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

62.18 Sec. 15. Minnesota Statutes 2024, section 18J.07, subdivision 3, is amended to read:

62.19 Subd. 3. **Cancellation of registration, permit, license, certification.** The commissioner
62.20 may cancel or revoke a registration, permit, license, or certification provided for under
62.21 chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92;
62.22 or associated rules or refuse to register, permit, license, or certify under provisions of chapter
62.23 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or
62.24 associated rules if the registrant, permittee, licensee, or certified person has used fraudulent
62.25 or deceptive practices in the evasion or attempted evasion of a provision of chapter 18G,
62.26 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
62.27 rules.

62.28 Sec. 16. Minnesota Statutes 2024, section 18J.07, subdivision 4, is amended to read:

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

63.1 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules and notify the
 63.2 owner, custodian, other responsible party, or registrant.

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

63.7 Sec. 17. Minnesota Statutes 2024, section 18J.07, subdivision 5, is amended to read:

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

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

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

63.16 **18J.09 CREDITING OF PENALTIES, FEES, AND COSTS.**

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

63.22 Sec. 19. Minnesota Statutes 2024, section 18K.02, subdivision 5, is amended to read:

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

64.1 Sec. 20. Minnesota Statutes 2024, section 18K.02, subdivision 6, is amended to read:

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

64.5 Sec. 21. Minnesota Statutes 2024, section 18K.04, subdivision 1, is amended to read:

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

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

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

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

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

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

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

64.27 Sec. 22. Minnesota Statutes 2024, section 21.111, is amended to read:

64.28 **21.111 DEFINITIONS.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

67.1 Subd. 6. **Person.** "Person" includes an individual, a partnership, a corporation, a company,
67.2 a society, an association, and firms a firm.

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

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

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

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

67.12 Sec. 23. Minnesota Statutes 2024, section 21.112, is amended by adding a subdivision to
67.13 read:

67.14 Subd. 1a. **Interstate cooperation.** In order to best use state resources, the commissioner
67.15 may enter into agreements with other seed potato certification entities to carry out the
67.16 purposes of sections 21.111 to 21.125. An agreement under this subdivision may provide
67.17 for field inspections, shipping point inspections, winter testing, and other certification
67.18 functions to be carried out by personnel employed by either the commissioner or other seed
67.19 potato certification entities according to methods determined by the seed potato certification
67.20 entities. The commissioner may extend seed potato certification services to a state where
67.21 growers wish to grow certified seed potatoes and where the state does not have a seed potato
67.22 certification program. Any agreement under this subdivision must be reported to the chairs
67.23 and ranking minority members of the legislative committees responsible for the budget or
67.24 policy of the seed potato inspection program and to the commissioner of management and
67.25 budget.

67.26 Sec. 24. Minnesota Statutes 2024, section 21.113, is amended to read:

67.27 **21.113 SHIPPING POINT CERTIFICATES OF INSPECTION; CERTIFICATES**
67.28 **OF ORIGIN; AND BULK CERTIFICATES.**

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

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

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

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

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

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

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

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

68.26 Sec. 25. Minnesota Statutes 2024, section 21.115, is amended to read:

68.27 **21.115 FEES; SEED POTATO INSPECTION ACCOUNT.**

68.28 The commissioner shall fix the fees for all inspections and certifications in such amounts
 68.29 as from time to time may be found necessary to pay the expenses of carrying out and
 68.30 enforcing the purposes of sections 21.111 to ~~21.122~~ 21.125, with a reasonable reserve, and
 68.31 shall require the same to be paid before such inspections or certifications are made. All
 68.32 moneys collected as fees or as penalties for violations of any of the provisions of such
 68.33 sections shall be paid into the agricultural fund and credited to the seed potato inspection

69.1 account of the commissioner, which account is hereby created and appropriated for carrying
69.2 out the purposes of sections 21.111 to ~~21.122~~ 21.125. Interest, if any, received on deposits
69.3 of these moneys shall be credited to the account, and there shall be paid into this fund any
69.4 sum provided by the legislature for the purpose of carrying out the provisions of such
69.5 sections.

69.6 Sec. 26. Minnesota Statutes 2024, section 21.117, is amended to read:

69.7 **21.117 APPLICATIONS FOR INSPECTIONS; WITHDRAWALS;**
69.8 **AMENDMENTS.**

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

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

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

69.22 Sec. 27. Minnesota Statutes 2024, section 21.119, is amended to read:

69.23 **21.119 USE OF CERTAIN TERMS FORBIDDEN; EXCEPTIONS.**

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

70.1 Sec. 28. Minnesota Statutes 2024, section 21.1195, is amended to read:

70.2 **21.1195 MINIMUM STANDARDS FOR PLANTING.**

70.3 (a) Seed potatoes may not be planted in the state in lots of totaling ten or more acres
 70.4 unless the seed meets the minimum disease standards prescribed by the commissioner. Seed
 70.5 potatoes may meet the standards by being certified in accordance with this chapter and rules
 70.6 adopted by the commissioner, or under the certification program of another state or province
 70.7 which, in the judgment of the commissioner, provides equivalent assurances of seed potato
 70.8 quality. Seed potatoes may be planted without certification if they have had at least field
 70.9 inspection as required for certified seed potatoes, have passed the field inspection standards
 70.10 of disease tolerance, and are free from ring rot. A person that plants seed potatoes in violation
 70.11 of this section is subject to a civil penalty of \$20 per acre for each acre or part of an acre
 70.12 planted in violation of this section. Failure to maintain complete and accurate records in
 70.13 accordance with this section or rules adopted by the commissioner is an additional violation
 70.14 resulting in a separate civil penalty of \$200 for each failure is a violation and subject to
 70.15 enforcement under chapter 18J.

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

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

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

70.29 **Sec. 29. [21.123] SEED POTATO CERTIFICATION.**

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

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

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

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

71.5 (4) a grower must submit an application for certification before June 16 each year on
71.6 forms provided by the commissioner. The commissioner must charge a ten percent late
71.7 registration fee to a grower who submitted an application postmarked after June 15 and
71.8 before July 1. The commissioner may extend the deadline due to special circumstances,
71.9 such as a natural disaster, that make it impractical or impossible for planting to be completed
71.10 by the deadline and that affect an area or large number of growers. A grower must make a
71.11 request for an extension in writing before June 16;

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

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

71.18 (7) a grower must comply with sections 21.111 to 21.125. A grower's violation of sections
71.19 21.111 to 21.125 is cause for the commissioner to reject the grower's field or lot. A grower
71.20 must not sell or label potatoes as certified seed potatoes when the potatoes were grown in
71.21 a rejected field or lot.

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

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

71.30 (c) The commissioner may not accept an application for certification from a grower in
71.31 a community or county without sufficient acreage for total inspection fee charges to cover
71.32 the cost of wages and expenses of the commissioner to complete an inspection. The

72.1 commissioner may make a determination of sufficient acreage under this paragraph before
72.2 conducting an inspection as part of the certification process.

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

72.8 (e) The following classes of seed potatoes are eligible for planting as certified seed
72.9 potatoes: Prenuclear (PN), Generation 1 (G1), Generation 2 (G2), Generation 3 (G3),
72.10 Generation 4 (G4), Generation 5 (G5), and experimental class seed potatoes. The
72.11 commissioner may authorize the planting of Certified (C) class or Generation 6 (G6) class
72.12 seed potatoes if the commissioner determines that the seeds do not pose a serious threat of
72.13 disease to the public.

72.14 Subd. 3. **Bacterial ring rot or potato spindle tuber viroid.** If the commissioner finds
72.15 the presence of bacterial ring rot or potato spindle tuber viroid in a field or lot, the
72.16 commissioner must reject the entire field or lot. If the commissioner discovers a single plant
72.17 in a field or a tuber in storage that is infected with bacterial ring rot or potato spindle tuber
72.18 viroid, the commissioner must reject the entire field or lot where the plant was grown. If
72.19 the commissioner has not found bacterial ring rot or potato spindle tuber viroid in a field
72.20 or lot, the field or lot is not necessarily free from either disease.

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

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

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

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

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

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

73.11 Subd. 5. **Seed potato certification classes.** Seed potato certification classes must be
73.12 differentiated by the potatoes' compliance with disease tolerances, varietal purity, and seed
73.13 origin. Seed potato certification classes are: Prenuclear (PN), Generation 1 (G1), Generation
73.14 2 (G2), Generation 3 (G3), Generation 4 (G4), Generation 5 (G5), Generation 6 (G6), and
73.15 Certified (C).

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

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

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

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

73.32 Subd. 7. **Protected varieties.** If an applicant seeks to enter a seed potato variety protected
73.33 under the Plant Variety Protection Act Amendments of 1994 into the certification system,

74.1 the applicant must submit a written statement from the breeder, originator, or originator's
74.2 designee that the applicant has full and unrestricted rights to introduce the protected variety
74.3 into the certification system. The applicant must ensure that the written statement
74.4 accompanies the certification application for any protected seed potato variety.

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

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

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

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

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

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

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

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

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

74.30 (c) The commissioner must make at least two field inspections of a field during the
74.31 growing season. The commissioner must conduct a final inspection of a field for bacterial
74.32 ring rot during the time of year that symptoms of bacterial ring rot are most likely to be
74.33 observed. If the commissioner is unable to conduct a final inspection under this paragraph

75.1 due to management practices of the grower or for a reason that is out of the grower's control,
75.2 such as a natural disaster, the grower must ensure that laboratory testing is conducted to
75.3 maintain eligibility for certification. An additional inspection or additional laboratory testing
75.4 may be necessary to meet phytosanitary requirements in established markets in another state
75.5 or in a Canadian province.

75.6 Subd. 9. **Roguing.** If any of the diseases listed in section 21.124, subdivision 1, are
75.7 present in a field in amounts greater than the maximum disease tolerance level, the grower
75.8 must rogue the field and remove the infected plants before the final inspection by the
75.9 commissioner. If a grower has completed roguing a field after tubers have formed, the
75.10 grower must remove and destroy all tubers from rogued plants.

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

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

75.17 (c) If a grower plans to store a lot in a public warehouse or storage unit that is not directly
75.18 under the grower's control, the grower must send a complete record of storage to the
75.19 commissioner prior to storing the lot. The record must include the address and location of
75.20 the public warehouse or storage unit, the variety of potatoes in each bin, and the number of
75.21 potatoes in each bin. If a warehouse receipt for the lot is available, the grower must submit
75.22 a copy of the warehouse receipt to the commissioner. If more than one grower stores lots
75.23 in the same public warehouse or storage unit, the grower must label each lot according to
75.24 paragraph (b).

75.25 (d) A grower must not use the same equipment for grading and handling lots of certified
75.26 seed potatoes and other potatoes. If a grower has used the same equipment for grading and
75.27 handling certified seed potatoes and other potatoes, the commissioner must reject the grower's
75.28 lots.

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

75.33 (f) By November 1 of each crop year, a grower must submit to the commissioner a
75.34 completed storage and yield report for each lot on a form prescribed by the commissioner.

76.1 The commissioner may extend the deadline after November 1 due to special circumstances,
76.2 such as a natural disaster, that would make it impractical or impossible for a grower to
76.3 complete harvesting and storage by November 1 and that affect an area or a large number
76.4 of growers. A grower must submit a written request for an extension to the commissioner
76.5 before November 1 of the crop year for which the extension is sought.

76.6 Subd. 11. **Tags; bulk certificates.** (a) Once the commissioner has informed a grower
76.7 that the grower's potatoes meet the certification requirements in sections 21.111 to 21.125,
76.8 a grower may tag the potatoes using an approved tag indicating the grade of potatoes as
76.9 blue-tag-certified seed potato grade, yellow-tag-certified seed potato grade, or
76.10 white-tag-certified seed potato grade. A grower's name, the city where the farm is located,
76.11 the potato variety, and the crop year must be printed on a tag under this subdivision.

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

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

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

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

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

76.30 (1) the blue-tag-certified seed potato grade is the first grade of certified seed potatoes.
76.31 The blue-tag-certified seed potato grade is stricter than other grades. The blue-tag-certified
76.32 seed potato grade does not allow as many physical defects of tubers as other grades. A
76.33 grower may use the blue-tag-certified seed potato grade for intrastate and interstate shipments
76.34 of certified seed potatoes;

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

77.5 (3) the white-tag-certified seed potato grade is the third grade of certified seed potatoes.
 77.6 The number of physical defects that the white-tag-certified seed potato grade allows is
 77.7 determined by an agreement between the purchaser and seller of the certified seed potatoes.
 77.8 A grower may use the white-tag-certified seed potato grade for intrastate and interstate
 77.9 shipments of certified seed potatoes.

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

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

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

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

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

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

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

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

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

77.28 Sec. 30. **[21.124] REQUIREMENTS FOR PRODUCTION OF DIFFERENT**
 77.29 **CLASSES OF CERTIFIED SEED POTATOES.**

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

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

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

78.3 (3) potato virus X;

78.4 (4) potato virus S;

78.5 (5) potato virus A;

78.6 (6) potato virus M;

78.7 (7) potato virus Y;

78.8 (8) potato spindle tuber viroid; and

78.9 (9) potato leafroll virus.

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

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

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

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

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

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

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

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

79.3 (b) Subject to the commissioner's approval, lots in Generation 1 class may be exempt
79.4 from winter testing requirements if leaves collected during the growing season are laboratory
79.5 tested and shown to be within the allowable tolerance of potato virus X, potato virus Y, and
79.6 other pathogens identified by the commissioner.

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

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

79.10 Subd. 3. **Generation 2 class certified seed potatoes.** Generation 2 class seed potatoes
79.11 must originate from Generation 1 class seed potatoes. Generation 2 class seed potatoes must
79.12 not contain more than the allowable tolerances of disease and varietal mixture in subdivision
79.13 9.

79.14 Subd. 4. **Generation 3 class certified seed potatoes.** Generation 3 class seed potatoes
79.15 must originate from Generation 2 class seed potatoes. Generation 3 class seed potatoes must
79.16 not contain more than the allowable tolerances of disease and varietal mixture in subdivision
79.17 9.

79.18 Subd. 5. **Generation 4 class certified seed potatoes.** Generation 4 class seed potatoes
79.19 must originate from Generation 3 class seed potatoes. Generation 4 class seed potatoes must
79.20 not contain more than the allowable tolerances for disease and varietal mixture in subdivision
79.21 9.

79.22 Subd. 6. **Generation 5 class certified seed potatoes.** Generation 5 class seed potatoes
79.23 must originate from Generation 4 class seed potatoes. Generation 5 class seed potatoes must
79.24 not contain more than the allowable tolerances for disease and varietal mixture in subdivision
79.25 9.

79.26 Subd. 7. **Generation 6 class certified seed potatoes.** Generation 6 class seed potatoes
79.27 must originate from Generation 5 class seed potatoes. Generation 6 class seed potatoes must
79.28 not contain more than the allowable tolerances for disease and varietal mixture in subdivision
79.29 9.

79.30 Subd. 8. **Certified class certified seed potatoes.** Certified class seed potatoes must
79.31 originate from generation classes of seed potatoes. Certified class seed potatoes must not
79.32 contain more than the allowable tolerances for disease and varietal mixture in subdivision
79.33 9.

80.1 **Subd. 9. Allowable tolerances for diseases and varietal mixture by generation**
 80.2 **class.** The numbers represent the percentage of potatoes that may be affected out of an
 80.3 **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>
80.4								
80.5	<u>Tolerances:</u>							
80.6	<u>Severe Mosaic from</u>							
80.7	<u>potato virus Y, A, M,</u>							
80.8	<u>X, and/or S</u>							
	<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>
80.9	<u>Leafroll</u>							
	<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>
80.10	<u>Total</u>							
	<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>
80.11	<u>Other viruses</u>							
	<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>
80.12	<u>Mycoplasmas (haywire,</u>							
80.13	<u>witches broom, yellow</u>							
80.14	<u>dwarf)</u>							
	<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>
80.15	<u>Total</u>							
	<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>
80.16	<u>Blackleg</u>							
	<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>
80.17	<u>Varietal mixture</u>							
	<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>
80.18	<u>Ring Rot and Spindle</u>							
80.19	<u>Tuber</u>							
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
80.20	<u>Winter Test:</u>							
80.21	<u>Virus or expressing</u>							
80.22	<u>symptoms of chemical</u>							
80.23	<u>damage</u>							
	<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>

80.24 **Sec. 31. [21.125] MINNESOTA CERTIFIED SEED POTATO GRADES AND**
 80.25 **TOLERANCES.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

82.25 Subd. 6. **Condition after transit.** Deterioration that developed in transit must affect the
82.26 condition of potatoes. Deterioration that developed in transit must not affect the grade of
82.27 potatoes.

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

82.30 (1) at the time of the shipping point inspection, potatoes must be of one variety;
82.31 unwashed; fairly well-shaped; free from bacterial ring rot, late blight, freezing, black heart,
82.32 and soft rot or wet breakdown; free from damage caused by soil or other foreign matter,

83.1 second growth, air cracks, cuts, shriveling, sprouts, pitted scabs, surface scabs, powdery
83.2 scabs, russet scabs, dry rot, other diseases, insects or worms, mechanical or other means,
83.3 or flattened or depressed areas with underlying flesh discoloration; and free from serious
83.4 damage caused by hollow heart, wireworm, growth cracks, or internal discoloration other
83.5 than hollow heart. Sunburn and silver scurf must not be considered factors that affect the
83.6 grading of potatoes. This clause does not apply to hollow heart if the potatoes are labeled
83.7 "hollow heart exempt" on the affixed tag or accompanying certificate; and

83.8 (2) for round or intermediate shaped varieties, the maximum potato size is 12 ounces
83.9 (340.2 grams) and, unless otherwise specified, the minimum size must not be less than 1-1/2
83.10 inches (38.1 millimeters) in diameter. For long varieties, the maximum size is 14 ounces
83.11 (396.9 grams) and, unless otherwise specified, the minimum size must not be less than 1-1/2
83.12 inches (38.1 millimeters) in diameter. For all varieties, the minimum diameter for size "B"
83.13 must not be less than 1-1/2 inches (38.1 millimeters) and the maximum size must not be
83.14 more than 2-1/4 inches (57.1 millimeters) in diameter. The department may grade potatoes
83.15 that do not meet the maximum and minimum size specifications as Minnesota
83.16 blue-tag-certified seed potatoes if the buyer agrees to accept potatoes of alternate size
83.17 specifications from the grower and the specifications are listed on the affixed tag or
83.18 accompanying bulk certificate issued by the department.

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

83.21 (1) for defects:

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

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

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

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

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

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

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

- 84.1 (B) damage by surface scab, powdery scab, or pitted scab, 2.0 percent;
- 84.2 (C) damage by dry rot, 2.0 percent, of which not more than 1.0 percent is late blight
- 84.3 tuber rot;
- 84.4 (D) bacterial ring rot, 0.0 percent; and
- 84.5 (E) late blight tuber rot, 1.0 percent; and
- 84.6 (vii) the presence of the following does not affect seed quality and must not be scored
- 84.7 against the potatoes' grade:
- 84.8 (A) brown discoloration following skinning;
- 84.9 (B) dried stems;
- 84.10 (C) flattened or depressed areas showing no underlying flesh discoloration;
- 84.11 (D) greening;
- 84.12 (E) sunburn;
- 84.13 (F) skin checks; and
- 84.14 (G) silver scurf; and
- 84.15 (2) for off size:
- 84.16 (i) up to five percent of potatoes may fail to meet the required or specified minimum
- 84.17 size; and
- 84.18 (ii) up to ten percent of potatoes may fail to meet the required maximum size.
- 84.19 Subd. 8. Minnesota yellow-tag-certified seed potato grade. (a) To be graded as
- 84.20 Minnesota yellow-tag-certified seed potatoes, potatoes must meet the following requirements:
- 84.21 (1) at the time of the shipping point inspection, the potatoes must be of one variety;
- 84.22 unwashed; fairly well-shaped; free from bacterial ring rot, late blight, freezing, black heart,
- 84.23 and soft rot or wet breakdown; free from damage caused by second growth, air cracks, cuts,
- 84.24 shriveling, pitted scabs, surface scabs, powdery scabs, dry rot, other diseases, insects or
- 84.25 worms, or mechanical means or other means; and free from serious damage caused by soil
- 84.26 or other foreign matter, hollow heart, wireworm, growth cracks, russet scabs, or internal
- 84.27 discoloration other than hollow heart. Sunburn and silver scurf must not be considered
- 84.28 factors that affect the grading of potatoes. This clause does not apply to hollow heart if
- 84.29 labeled "hollow heart exempt" on the affixed tag or accompanying certificate; and

85.1 (2) for all varieties, the maximum potato size is 14 ounces (396.9 grams) and the
85.2 minimum size is 1-1/2 inch (38.1 millimeter) in diameter. For all varieties, the minimum
85.3 diameter for size "B" must not be less than 1-1/2 inches (38.1 millimeters) and the maximum
85.4 diameter must not be more than 2-1/4 inches (57.1 millimeters). The department may grade
85.5 potatoes that do not meet the maximum and minimum size specifications as Minnesota
85.6 yellow-tag-certified seed potatoes if the buyer agrees to accept potatoes with alternate size
85.7 specifications from the grower and the size specifications are listed on the affixed tag or
85.8 accompanying bulk certificate issued by the department.

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

85.11 (1) for defects:

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

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

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

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

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

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

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

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

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

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

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

85.31 (A) brown discoloration following skinning;

- 86.1 (B) dried stems;
- 86.2 (C) flattened or depressed areas showing no underlying flesh discoloration;
- 86.3 (D) greening;
- 86.4 (E) sunburn;
- 86.5 (F) skin checks;
- 86.6 (G) silver scurf; and
- 86.7 (H) sprouts; and
- 86.8 (2) for off size:
- 86.9 (i) five percent for potatoes that fail to meet the required or specified minimum size;
- 86.10 and
- 86.11 (ii) ten percent for potatoes that fail to meet the required maximum size.
- 86.12 (c) The potatoes must be fairly well-shaped, with an exception for long varieties when
- 86.13 specified as "except for shape." When specified as "except for shape," the tubers may be
- 86.14 misshapen.
- 86.15 Subd. 9. **Minnesota white-tag-certified seed potato grade.** Minnesota white-tag-certified
- 86.16 seed potato grade consists of certified seed potatoes that are graded according to agreement
- 86.17 between the seller and the purchaser as to size and defects, except that not more than one-half
- 86.18 percent of soft rot, frozen, or wet breakdown and two percent dry rot, of which not more
- 86.19 than one percent late blight tuber rot is allowed.
- 86.20 Sec. 32. Minnesota Statutes 2024, section 21.891, subdivision 2, is amended to read:
- 86.21 Subd. 2. **Seed fee permits.** (a) A labeler who wishes to sell seed in Minnesota must
- 86.22 comply with section 21.89, subdivisions 1 and 2, and the procedures in this subdivision.
- 86.23 Each labeler who wishes to sell seed in Minnesota must apply to the commissioner to obtain
- 86.24 a permit. The application must contain the name and address of the applicant, the application
- 86.25 date, and the name and title of the applicant's contact person. Permit fees are based on the
- 86.26 initial sale of seed in Minnesota.
- 86.27 (b) The application for a seed permit covered by section 21.89, subdivision 2, clause
- 86.28 (1), must be accompanied by an application fee of \$75.
- 86.29 (c) The application for a seed permit covered by section 21.89, subdivision 2, clause
- 86.30 (2), must be accompanied by an application fee based on the level of annual gross sales as
- 86.31 follows:

- 87.1 (1) for gross sales of \$0 to \$25,000, the annual permit fee is \$75;
- 87.2 (2) for gross sales of \$25,001 to \$50,000, the annual permit fee is \$150;
- 87.3 (3) for gross sales of \$50,001 to \$100,000, the annual permit fee is \$300;
- 87.4 (4) for gross sales of \$100,001 to \$250,000, the annual permit fee is \$750;
- 87.5 (5) for gross sales of \$250,001 to \$500,000, the annual permit fee is \$1,500;
- 87.6 (6) for gross sales of \$500,001 to \$1,000,000, the annual permit fee is \$3,000; and
- 87.7 (7) for gross sales of \$1,000,001 and above, the annual permit fee is \$4,500.
- 87.8 (d) The application for a seed permit covered by section 21.89, subdivision 2, clause
- 87.9 (3), must be accompanied by an application fee of \$75. Labelers holding seed fee permits
- 87.10 covered under this paragraph need not apply for a new permit or pay the application fee.
- 87.11 Under this permit category, the fees for the following kinds of agricultural seed sold either
- 87.12 in bulk or containers are:
- 87.13 (1) oats, wheat, and barley, 9 cents per hundredweight;
- 87.14 (2) rye, field beans, buckwheat, and flax, 12 cents per hundredweight;
- 87.15 (3) field corn, 17 cents per 80,000 seed unit;
- 87.16 (4) forage, hemp, lawn and turf grasses, and legumes, 69 cents per hundredweight;
- 87.17 (5) sunflower, \$1.96 per hundredweight;
- 87.18 (6) sugar beet, 12 cents per 100,000 seed unit;
- 87.19 (7) soybeans, 7.5 cents per 140,000 seed unit;
- 87.20 (8) for any agricultural seed not listed in clauses (1) to (7), the fee for the crop most
- 87.21 closely resembling it in normal planting rate applies; and
- 87.22 (9) for native grasses and wildflower seed, \$1 per hundredweight.
- 87.23 (e) If, for reasons beyond the control and knowledge of the labeler, seed is shipped into
- 87.24 Minnesota by a person other than the labeler, the responsibility for the seed fees are
- 87.25 transferred to the shipper. An application for a transfer of this responsibility must be made
- 87.26 to the commissioner. Upon approval by the commissioner of the transfer, the shipper is
- 87.27 responsible for payment of the seed permit fees.
- 87.28 (f) Seed permit fees may be included in the cost of the seed either as a hidden cost or as
- 87.29 a line item cost on each invoice for seed sold. To identify the fee on an invoice, the words
- 87.30 "Minnesota seed permit fees" must be used.

88.1 (g) All seed fee permit holders must file semiannual reports with the commissioner,
 88.2 even if no seed was sold during the reporting period. Each semiannual report must be
 88.3 submitted within 30 days of the end of each reporting period. The reporting periods are
 88.4 ~~October 1 to March 31 and April 1 to September 30 of each year or July 1 to December 31~~
 88.5 ~~and January 1 to June 30 of each year~~ must be determined by the commissioner and
 88.6 communicated annually to permit holders. Permit holders may change their reporting periods
 88.7 with the approval of the commissioner.

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

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

88.18 Sec. 33. Minnesota Statutes 2025 Supplement, section 28A.04, subdivision 1, is amended
 88.19 to read:

88.20 Subdivision 1. **Application; date of issuance.** (a) Except as provided under section
 88.21 28A.152, no person ~~shall~~ may engage in the business of manufacturing, processing, selling,
 88.22 handling, or storing food without having first obtained from the commissioner a license for
 88.23 doing such business. Applications for such license ~~shall~~ must be made to the commissioner
 88.24 in such manner and time as required and upon such forms as provided by the commissioner
 88.25 and ~~shall~~ must contain the name and address of the applicant, address or description of each
 88.26 place of business, and the nature of the business to be conducted at each place, and such
 88.27 other pertinent information as the commissioner may require.

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

88.32 (c) A food handler license ~~shall~~ must be issued for the period January 1 to December
 88.33 31 and ~~shall~~ must be renewed thereafter by the licensee on or before January 1 of each year,
 88.34 except that:

89.1 (1) retail and wholesale food handler licenses issued for the period of July 1, 2025, to
89.2 June 30, 2026, must be renewed on or before July 1, 2026, for the period of July 1, 2026,
89.3 to December 31, 2026. The renewal fee for the period of July 1, 2026, to December 31,
89.4 2026, is one-half of the fee for a food handler specified in section 28A.08, subdivision 3;

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

89.10 (3) a license for a food handler operating only at the State Fair must be issued for the
89.11 period of July 1 to June 30 and must be renewed thereafter by the licensee on or before July
89.12 1 of each year.

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

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

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

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

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

90.1 Sec. 34. Minnesota Statutes 2024, section 28A.0752, is amended to read:

90.2 **28A.0752 DELEGATION OF POWERS AND DUTIES.**

90.3 Subdivision 1. **Agreements to perform duties of commissioner.** (a) The commissioner
 90.4 may enter into agreements to delegate ~~licensing and inspection~~ duties of the commissioner
 90.5 to community health boards pertaining to ~~retail~~ food handlers ~~shall~~ whose primary mode
 90.6 of business is to sell or to process and sell food directly to the ultimate consumer. An
 90.7 agreement under this section may include duties of licensing, inspection, reporting, and
 90.8 enforcement duties authorized under ~~sections~~ this chapter and chapters 29 and 30; section
 90.9 17.04, ~~29.21, 29.23, 29.235, 29.236, 29.237, 29.24, 29.25, 29.26, 29.27, and 30.49;~~
 90.10 appropriate sections of the Minnesota Food Law, chapters 31 and 34A;₂ and applicable
 90.11 Minnesota food rules.

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

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

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

90.21 (e) The commissioner must not delegate duties under this section pertaining to food
 90.22 handlers who conduct activities regulated under Code of Federal Regulations, title 21, part
 90.23 111; 112; 113; 114; 117, subpart C; 120; or 123.

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

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

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

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

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

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

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

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

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

91.18 (h) A designated agent may charge a fee to recover the estimated costs of performing
 91.19 duties according to terms of an agreement under this section if the duties involve enforcing
 91.20 the Minnesota Food Law and applicable Minnesota food rules. The fee charged by the
 91.21 designated agent must be fair, reasonable, and proportionate to the actual cost of the duties
 91.22 performed by the designated agent. A designated agent must only use a fee under this
 91.23 paragraph to cover the costs of performing duties according to terms of the agreement under
 91.24 this section.

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

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

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

92.1 ~~(1)~~ (1) This section does not alter the responsibility of the ~~delegating authority~~
 92.2 commissioner for the performance of duties specified by law and rule.

92.3 Sec. 35. Minnesota Statutes 2025 Supplement, section 28A.08, subdivision 3, is amended
 92.4 to read:

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

92.6		Risk	License	Penalties	
92.7	Type of food handler	Category	Fee	Late Renewal	No License
92.9	1. Custom exempt food handler				
92.10	(a) Having \$50,000 or less gross sales or				
92.11	service for the immediately previous				
92.12	license or fiscal year		\$135	\$45	\$90
92.13	(b) Having \$50,001 to \$125,000 gross sales				
92.14	or service for the immediately previous				
92.15	license or fiscal year		\$200	\$67	\$133
92.16	(c) Having \$125,001 to \$500,000 gross				
92.17	sales or service for the immediately				
92.18	previous license or fiscal year		\$370	\$123	\$247
92.19	(d) Having \$500,001 to \$1,000,000 gross				
92.20	sales or service for the immediately				
92.21	previous license or fiscal year		\$475	\$158	\$317
92.22	(e) Having \$1,000,001 to \$5,000,000 gross				
92.23	sales or service for the immediately				
92.24	previous license or fiscal year		\$1,350	\$450	\$900
92.25	(f) Having \$5,000,001 to \$10,000,000 gross				
92.26	sales or service for the immediately				
92.27	previous license or fiscal year		\$1,750	\$583	\$1,167
92.28	(g) Having \$10,000,001 to \$15,000,000				
92.29	gross sales or service for the immediately				
92.30	previous license or fiscal year		\$2,150	\$717	\$1,433
92.31	(h) Having \$15,000,001 to \$20,000,000				
92.32	gross sales or service for the immediately				
92.33	previous license or fiscal year		\$2,550	\$849	\$1,700
92.34	(i) Having \$20,000,001 to \$25,000,000				
92.35	gross sales or service for the immediately				
92.36	previous license or fiscal year		\$2,950	\$984	\$1,967
92.37	(j) Having over \$25,000,001 gross sales or				
92.38	service for the immediately previous				
92.39	license or fiscal year		\$3,350	\$1,117	\$2,233
92.40	2. Food handler				
92.41	(a) Having gross sales of only prepackaged				
92.42	nonperishable food of less than \$30,000				
92.43	for the immediately previous license or		\$90	\$30	\$60

93.1	fiscal year and filing a statement with the				
93.2	commissioner				
93.3	(b) Having gross sales or service of less	High	\$285	\$95	\$190
93.4	than \$50,000 for the immediately previous	Medium	\$195	\$65	\$130
93.5	license or fiscal year	Low	\$135	\$45	\$90
93.6	(c) Having \$50,001 to \$125,000 gross sales	High	\$350	\$117	\$233
93.7	or service for the immediately previous	Medium	\$260	\$87	\$173
93.8	license or fiscal year	Low	\$200	\$67	\$133
93.9	(d) Having \$125,001 to \$250,000 gross	High	\$415	\$138	\$277
93.10	sales or service for the immediately	Medium	\$350	\$117	\$233
93.11	previous license or fiscal year	Low	\$265	\$88	\$177
93.12	(e) Having \$250,001 to \$500,000 gross	High	\$520	\$173	\$347
93.13	sales or service for the immediately	Medium	\$430	\$143	\$287
93.14	previous license or fiscal year	Low	\$370	\$123	\$247
93.15	(f) Having \$500,001 to \$1,000,000 gross	High	\$625	\$208	\$417
93.16	sales or service for the immediately	Medium	\$535	\$178	\$357
93.17	previous license or fiscal year	Low	\$475	\$158	\$317
93.18	(g) Having \$1,000,001 to \$5,000,000 gross	High	\$1,500	\$500	\$1,000
93.19	sales or service for the immediately	Medium	\$1,425	\$475	\$950
93.20	previous license or fiscal year	Low	\$1,350	\$450	\$900
93.21	(h) Having \$5,000,001 to \$10,000,000	High	\$1,900	\$633	\$1,267
93.22	gross sales or service for the immediately	Medium	\$1,825	\$608	\$1,217
93.23	previous license or fiscal year	Low	\$1,750	\$583	\$1,167
93.24	(i) Having \$10,000,001 to \$15,000,000	High	\$2,300	\$767	\$1,533
93.25	gross sales or service for the immediately	Medium	\$2,225	\$742	\$1,483
93.26	previous license or fiscal year	Low	\$2,150	\$717	\$1,433
93.27	(j) Having \$15,000,001 to \$20,000,000	High	\$2,700	\$900	\$1,800
93.28	gross sales or service for the immediately	Medium	\$2,625	\$875	\$1,750
93.29	previous license or fiscal year	Low	\$2,550	\$849	\$1,700
93.30	(k) Having \$20,000,001 to \$25,000,000	High	\$3,100	\$1,033	\$2,067
93.31	gross sales or service for the immediately	Medium	\$3,025	\$1,008	\$2,017
93.32	previous license or fiscal year	Low	\$2,950	\$984	\$1,967
93.33	(l) Having \$25,000,001 to \$50,000,000	High	\$3,500	\$1,167	\$2,333
93.34	gross sales or service for the immediately	Medium	\$3,425	\$1,142	\$2,283
93.35	previous license or fiscal year	Low	\$3,350	\$1,117	\$2,233
93.36	(m) Having \$50,000,001 to \$100,000,000	High	\$4,000	\$1,334	\$2,667
93.37	gross sales or service for the immediately	Medium	\$3,925	\$1,309	\$2,617
93.38	previous license or fiscal year	Low	\$3,850	\$1,284	\$2,567
93.39	(n) Having \$100,000,001 or more gross	High	\$4,500	\$1,500	\$3,000
93.40	sales or service for the immediately	Medium	\$4,425	\$1,475	\$2,950
93.41	previous license or fiscal year	Low	\$4,350	\$1,450	\$2,900
93.42	3. Food handler operating under authority of				
93.43	this chapter solely as a special event food				
93.44	stand as defined in Minnesota Statutes,				
93.45	section 157.15		\$75	\$25	\$50
93.46	4. Meat or poultry processing solely under				
93.47	supervision of the U.S. Department of				
93.48	Agriculture				

94.1	(a) Having gross sales or service of less			
94.2	than \$125,000 for the immediately previous			
94.3	license or fiscal year	\$190	\$63	\$127
94.4	(b) Having \$125,001 to \$250,000 gross			
94.5	sales or service for the immediately			
94.6	previous license or fiscal year	\$365	\$122	\$243
94.7	(c) Having \$250,001 to \$500,000 gross			
94.8	sales or service for the immediately			
94.9	previous license or fiscal year	\$450	\$150	\$300
94.10	(d) Having \$500,001 to \$1,000,000 gross			
94.11	sales or service for the immediately			
94.12	previous license or fiscal year	\$565	\$188	\$377
94.13	(e) Having \$1,000,001 to \$5,000,000 gross			
94.14	sales or service for the immediately			
94.15	previous license or fiscal year	\$725	\$241	\$483
94.16	(f) Having \$5,000,001 to \$10,000,000 gross			
94.17	sales or service for the immediately			
94.18	previous license or fiscal year	\$885	\$295	\$590
94.19	(g) Having \$10,000,001 to \$15,000,000			
94.20	gross sales or service for the immediately			
94.21	previous license or fiscal year	\$1,305	\$435	\$807
94.22	(h) Having \$15,000,001 to \$20,000,000			
94.23	gross sales or service for the immediately			
94.24	previous license or fiscal year	\$1,515	\$505	\$1,010
94.25	(i) Having \$20,000,001 to \$25,000,000			
94.26	gross sales or service for the immediately			
94.27	previous license or fiscal year	\$1,745	\$582	\$1,163
94.28	(j) Having \$25,000,001 to \$50,000,000			
94.29	gross sales or service for the immediately			
94.30	previous license or fiscal year	\$1,975	\$658	\$1,317
94.31	(k) Having \$50,000,001 to \$100,000,000			
94.32	gross sales or service for the immediately			
94.33	previous license or fiscal year	\$2,215	\$738	\$1,477
94.34	(l) Having \$100,000,001 or more gross			
94.35	sales or service for the immediately			
94.36	previous license or fiscal year	\$2,465	\$822	\$1,643

94.37 Sec. 36. Minnesota Statutes 2024, section 29.21, is amended by adding a subdivision to
 94.38 read:

94.39 Subd. 12. **Quality assurance date.** "Quality assurance date" means any date after which
 94.40 the manufacturer or processor reasonably determines that the product may, by spoilage,
 94.41 wiltage, drying, or any other foreseeable and natural phenomenon, lose palatability or desired
 94.42 or nutritive properties.

95.1 Sec. 37. Minnesota Statutes 2024, section 29.26, is amended to read:

95.2 **29.26 EGGS IN POSSESSION OF RETAILER.**

95.3 (a) All eggs sold or offered for sale at retail must have been candled and graded and
 95.4 must be clearly labeled according to Minnesota consumer grades as established by rule
 95.5 under section 29.23. No eggs shall be sold or offered for sale as "ungraded," "unclassified,"
 95.6 or by any other name that does not clearly designate the grade. All eggs in possession of
 95.7 the retailer, either in temporary storage or on display, must be held at a temperature not to
 95.8 exceed 45 degrees Fahrenheit (7 degrees Celsius).

95.9 (b) Grade AA eggs held 31 days past the coded pack date for Grade AA eggs, or Grade
 95.10 A eggs held 46 days past the coded pack date for Grade A eggs, lose their grades and must
 95.11 be removed from sale-, except eggs that are past their quality assurance date may be donated
 95.12 to and distributed by charitable food assistance programs if the eggs:

95.13 (1) are contained in their original packaging;

95.14 (2) have previously been candled and graded;

95.15 (3) are continuously refrigerated;

95.16 (4) are distributed to the end consumer prior to 30 days past the original quality assurance
 95.17 date; and

95.18 (5) are contained in packaging affixed with a label that includes the following information:

95.19 (i) the name of the charitable food assistance program distributing the eggs;

95.20 (ii) a "distribute by" date of no more than 30 days past the original quality assurance
 95.21 date; and

95.22 (iii) the following statement: "Donated Eggs - Not for Resale."

95.23 Sec. 38. Minnesota Statutes 2024, section 32D.30, subdivision 5, is amended to read:

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

96.1 Sec. 39. Minnesota Statutes 2024, section 41A.19, is amended to read:

96.2 **41A.19 REPORT; INCENTIVE PROGRAMS.**

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

96.8 Sec. 40. Minnesota Statutes 2024, section 583.215, is amended to read:

96.9 **583.215 EXPIRATION.**

96.10 Sections 336.9-601, subsections (h) and (i); 550.365; 559.209; 582.039; and 583.20 to
 96.11 583.32, expire June 30, ~~2027~~ 2032.

96.12 Sec. 41. **REPEALER.**

96.13 Minnesota Statutes 2024, sections 18K.02, subdivision 7; 18K.03, subdivision 2; and
 96.14 28A.075, are repealed.

96.15 **ARTICLE 6**

96.16 **ENVIRONMENT AND NATURAL RESOURCES**

96.17 Section 1. Laws 2023, chapter 40, article 4, section 2, subdivision 6, as amended by Laws
 96.18 2025, chapter 36, article 4, section 15, is amended to read:

96.19 **Subd. 6. Department of Administration** 17,040,000 14,105,000

96.20 (a) The amounts in this subdivision are
 96.21 appropriated to the commissioner of
 96.22 administration for grants to the named
 96.23 organizations for the purposes specified in this
 96.24 subdivision. The commissioner of
 96.25 administration may use a portion of this
 96.26 appropriation for costs that are directly related
 96.27 to and necessary for the administration of
 96.28 grants in this subdivision.

96.29 (b) Grant agreements entered into by the
 96.30 commissioner and recipients of appropriations
 96.31 under this subdivision must ensure that money

97.1 appropriated in this subdivision is used to
97.2 supplement and not substitute for traditional
97.3 sources of funding.

97.4 **(c) Minnesota Public Radio**

97.5 \$2,050,000 each year is for Minnesota Public
97.6 Radio to create programming and expand news
97.7 service on Minnesota's cultural heritage and
97.8 history.

97.9 **(d) Association of Minnesota Public Educational**
97.10 **Radio Stations**

97.11 \$2,050,000 the first year and \$2,050,000 the
97.12 second year are to the Association of
97.13 Minnesota Public Educational Radio Stations
97.14 for production and acquisition grants in
97.15 accordance with Minnesota Statutes, section
97.16 129D.19.

97.17 **(e) Public Television**

97.18 \$5,000,000 the first year and \$4,500,000 the
97.19 second year are to the Minnesota Public
97.20 Television Association for production and
97.21 acquisition grants according to Minnesota
97.22 Statutes, section 129D.18. Of the amount in
97.23 the first year, \$1,000,000 is for producing
97.24 Minnesota military and veterans' history
97.25 stories and unique immigrant stories from
97.26 around the state.

97.27 **(f) Wilderness Inquiry**

97.28 \$500,000 the first year and \$600,000 the
97.29 second year are to Wilderness Inquiry to
97.30 preserve Minnesota's outdoor history, culture,
97.31 and heritage by connecting Minnesota youth
97.32 and families to natural resources.

97.33 **(g) Como Park Zoo**

98.1 \$1,725,000 each year is to the Como Park Zoo
98.2 and Conservatory for program development
98.3 that features educational programs and habitat
98.4 enhancement, special exhibits, music
98.5 appreciation programs, and historical garden
98.6 access and preservation.

98.7 **(h) Science Museum of Minnesota**

98.8 \$825,000 each year is to the Science Museum
98.9 of Minnesota for arts, arts education, and arts
98.10 access and to preserve Minnesota's history and
98.11 cultural heritage, including student and teacher
98.12 outreach, statewide educational initiatives, and
98.13 community-based exhibits that preserve
98.14 Minnesota's history and cultural heritage.

98.15 **(i) Appetite for Change**

98.16 \$200,000 the first year is to the nonprofit
98.17 Appetite for Change for the Community Cooks
98.18 programming, which will preserve the cultural
98.19 heritage of growing and cooking food in
98.20 Minnesota.

98.21 **(j) Lake Superior Zoo**

98.22 \$150,000 each year is to the Lake Superior
98.23 Zoo to develop educational exhibits and
98.24 programs.

98.25 **(k) Great Lakes Aquarium**

98.26 \$250,000 each year is to the Lake Superior
98.27 Center Authority to prepare, fabricate, and
98.28 install a hands-on exhibit with interactive
98.29 learning components to educate Minnesotans
98.30 on the history of the natural landscape of the
98.31 state.

98.32 **(l) State Band**

99.1 \$25,000 the first year and \$25,000 the second
99.2 year are to the Minnesota state band to provide
99.3 free concerts throughout the state.

99.4 **(m) Veterans Memorial Park in Wyoming**

99.5 \$100,000 the first year is for a grant to the city
99.6 of Wyoming to build the Veterans Memorial
99.7 Plaza and related interpretive walk in Railroad
99.8 Park.

99.9 **(n) Great Northern Festival**

99.10 \$75,000 the first year and \$75,000 the second
99.11 year are for a grant to support the Great
99.12 Northern Festival, which connects attendees
99.13 to parks, outdoor spaces, and cultural venues
99.14 through a festival.

99.15 **(o) Governor's Council on Developmental
99.16 Disabilities**

99.17 \$50,000 the first year is to the Minnesota
99.18 Governor's Council on Developmental
99.19 Disabilities to continue to preserve and raise
99.20 awareness of the history of Minnesotans with
99.21 developmental disabilities.

99.22 **(p) Minnesota Council on Disability**

99.23 \$125,000 the first year and \$125,000 the
99.24 second year are to the Minnesota Council on
99.25 Disability to provide educational opportunities
99.26 in the arts, history, and cultural heritage of
99.27 Minnesotans with disabilities in conjunction
99.28 with the 50th anniversary of the Minnesota
99.29 Council on Disability. This appropriation is
99.30 available until June 30, 2027.

99.31 **(q) Keller Regional Park**

99.32 \$500,000 the first year is for a grant to Ramsey
99.33 County to preserve Minnesota's cultural

100.1 heritage by enhancing the tuj lub courts at
100.2 Keller Regional Park.

100.3 **(r) Vietnam War Anniversary**

100.4 \$250,000 the first year is for a grant to the
100.5 commissioner of veterans affairs to prepare
100.6 and host a commemoration program for the
100.7 50th anniversary of the Vietnam War.

100.8 **(s) St. Paul Cultural Art Installation**

100.9 \$500,000 the first year is for a grant to
100.10 ~~Forecast Public Art for an~~ the city of St. Paul
100.11 for a public art installation celebrating
100.12 Olympic gold medalist Suni Lee. The project
100.13 funded by this paragraph must be located in
100.14 St. Paul at the Conway Recreation Center or,
100.15 if that site is not practicable, at Lake Phalen
100.16 at the platform containing the bust of Suni
100.17 Lee. This appropriation is available until June
100.18 30, ~~2027~~ 2028.

100.19 **(t) One Heartland Center**

100.20 \$50,000 each year is for a grant to One
100.21 Heartland Center for programming and
100.22 outdoor activities for families and youth in
100.23 Minnesota.

100.24 **(u) Forest Lake Veterans Memorial**

100.25 \$100,000 the first year is for a grant to the
100.26 Forest Lake Veterans Memorial Committee
100.27 to construct a memorial to veterans of the
100.28 United States armed forces at Lakeside
100.29 Memorial Park in the city of Forest Lake. This
100.30 appropriation is available until June 30, 2027.

100.31 **(v) Hmong Plaza**

101.1 \$450,000 the first year is for a grant to the city
101.2 of St. Paul to construct the Hmong Plaza at
101.3 Phalen Lake.

101.4 **(w) Camille Gage Artist Fellowship**

101.5 \$55,000 the first year and \$55,000 the second
101.6 year are for a grant to YWCA Minneapolis to
101.7 fund an annual fellowship to be known as the
101.8 Camille J. Gage Artist Fellowship. Of this
101.9 amount, up to \$5,000 each year may be used
101.10 for administrative expenses. YWCA
101.11 Minneapolis must select a person for the
101.12 Camille J. Gage Artist Fellowship after an
101.13 application process that allows both
101.14 applications by interested persons and
101.15 nominations of persons by third parties. By
101.16 October 1, 2026, YWCA Minneapolis must
101.17 report to the chairs and ranking minority
101.18 members of the legislative committees and
101.19 divisions with jurisdiction over legacy on the
101.20 use of money appropriated under this
101.21 paragraph and on the activities of the person
101.22 selected for the Camille J. Gage Artist
101.23 Fellowship under this paragraph. This
101.24 appropriation is available until June 30, 2026.

101.25 **(x) Minnesota African American Heritage**
101.26 **Museum and Gallery**

101.27 \$235,000 the first year and \$125,000 the
101.28 second year are for arts and cultural heritage
101.29 programming celebrating African American
101.30 and Black communities in Minnesota. Of the
101.31 amount in the first year, \$110,000 is for C.
101.32 Caldwell Fine Arts for an outdoor mural
101.33 project in North Minneapolis to work with
101.34 young people to develop skills while using art
101.35 as the impetus.

102.1 **(y) Tibetan American Foundation of Minnesota**

102.2 \$25,000 the first year and \$25,000 the second
102.3 year are for a grant to the Tibetan American
102.4 Foundation of Minnesota to celebrate and
102.5 teach the art, culture, and heritage of Tibetan
102.6 Americans in Minnesota.

102.7 **(z) Hong De Wu Guan**

102.8 \$25,000 the first year is for a grant to Hong
102.9 De Wu Guan to create cultural arts projects
102.10 like Lion Dance for after-school programs for
102.11 youth.

102.12 **(aa) Sepak Takraw of USA**

102.13 \$50,000 the first year is for a grant to the
102.14 Sepak Takraw of USA to work with youth and
102.15 after-school programs in the community to
102.16 teach the cultural games of tuj lub and sepak
102.17 takraw. This appropriation may not be used
102.18 to hold events.

102.19 **(bb) 30,000 Feet**

102.20 \$75,000 the first year and \$75,000 the second
102.21 year are for a grant to 30,000 Feet, a nonprofit
102.22 organization, to help youth and community
102.23 artists further develop their artistic skills, to
102.24 create community art and artistic
102.25 performances, and to promote and share
102.26 African American history and culture through
102.27 the arts.

102.28 **(cc) Siengkane Lao Minnesota**

102.29 \$50,000 the first year and \$50,000 the second
102.30 year are for a grant to Siengkane Lao MN to
102.31 create cultural arts projects and to preserve
102.32 traditional performances.

102.33 **(dd) Hmong Cultural Center**

103.1 \$150,000 the first year and \$150,000 the
103.2 second year are for a grant to the Hmong
103.3 Cultural Center of Minnesota for
103.4 museum-related programming and educational
103.5 outreach activities to teach the public about
103.6 the historical, cultural, and folk arts heritage
103.7 of Hmong Minnesotans.

103.8 **(ee) Comunidades Latinas Unidas En Servicio**

103.9 \$250,000 the first year and \$250,000 the
103.10 second year are for a grant to Comunidades
103.11 Latinas Unidas En Servicio (CLUES) to
103.12 expand arts programming to celebrate Latino
103.13 cultural heritage; support local artists; and
103.14 provide professional development, networking,
103.15 and presentation opportunities.

103.16 **(ff) Hmong RPA Writing System**

103.17 \$300,000 the first year and \$300,000 the
103.18 second year are for grants to recipients who
103.19 have demonstrated knowledge and interest in
103.20 preserving Hmong culture to preserve Hmong
103.21 Minnesotans' heritage, history, language, and
103.22 culture. Grants must be used in conjunction
103.23 with Minnesota universities to improve and
103.24 develop a unified and standardized Latin
103.25 alphabet form of the Hmong RPA writing
103.26 system. No portion of this appropriation may
103.27 be used to encourage religious membership
103.28 or to conduct personal ceremonies or events.
103.29 This appropriation is available until June 30,
103.30 2028.

103.31 **(gg) Somali Museum of Minnesota**

103.32 \$125,000 the first year and \$125,000 the
103.33 second year are for a grant to the Somali
103.34 Museum of Minnesota for heritage arts and

104.1 cultural vitality programs to provide classes,
104.2 exhibits, presentations, and outreach about the
104.3 Somali community and heritage in Minnesota.

104.4 **(hh) Minnesota Museum of American Art**

104.5 \$200,000 the first year and \$200,000 the
104.6 second year are for a grant to the Minnesota
104.7 Museum of American Art for exhibit
104.8 programming and for a Native American
104.9 Fellowship at the museum.

104.10 **(ii) Fanka Programs**

104.11 \$250,000 the first year and \$250,000 the
104.12 second year are for a grant to Ka Joog
104.13 statewide Somali-based collaborative
104.14 programs for arts and cultural heritage. The
104.15 funding must be used for Fanka programs to
104.16 provide arts education and workshops, mentor
104.17 programs, and community presentations and
104.18 community engagement events throughout
104.19 Minnesota.

104.20 **(jj) The Bakken Museum**

104.21 \$150,000 the first year is for a grant to The
104.22 Bakken Museum for interactive exhibits and
104.23 outreach programs on arts and cultural
104.24 heritage.

104.25 **(kk) 4-H Shooting Sports**

104.26 \$50,000 the first year is to the University of
104.27 Minnesota Extension Office to provide grants
104.28 to Minnesota 4-H chapters that have members
104.29 participating in state and national
104.30 4-H-sanctioned shooting sports events.
104.31 Eligible costs for grant money include
104.32 shooting sports equipment and supplies and
104.33 event fees associated with participating in state
104.34 shooting sports events.

105.1 **(ll) Public Art Saint Paul**

105.2 \$75,000 each year is for a grant to Public Art
 105.3 Saint Paul for art programming at the Wakpa
 105.4 Triennial Art Festival to showcase new art
 105.5 across the Twin Cities by Minnesota artists in
 105.6 outdoor and indoor settings and to encourage
 105.7 visitors to experience the arts and culture
 105.8 produced by local arts and culture
 105.9 organizations.

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

105.11 Sec. 2. Laws 2024, chapter 90, article 1, section 52, is amended to read:

105.12 Sec. 52. **EFFECTIVE DATE.**

105.13 (a) Sections 4 to 51, 4, 7, 10 to 12, 14 to 17, and 19 to 51, and the amendments to
 105.14 Minnesota Rules, parts 6100.5002, 6213.0100, 6213.0400, 6213.0500, 6232.0200, 6232.0300,
 105.15 6232.0400, 6232.0500, 6232.0900, 6232.1250, 6232.1300, 6232.1600, 6232.1950, 6232.1970,
 105.16 6232.1980, 6232.2550, 6232.2800, 6232.3100, 6232.4400, 6234.1600, 6234.1700, 6234.2000,
 105.17 6234.2600, 6236.0300, 6236.0500, 6236.0950, 6237.0200, 6262.1000, 6262.3200, 6264.0400,
 105.18 and 6266.0700, and the repealer as adopted by the commissioner of natural resources and
 105.19 published in the State Register, volume 49, page 1416, June 30, 2025, are effective upon
 105.20 full implementation of the replacement electronic license, permits, and pass portions of the
 105.21 electronic license system.

105.22 (b) Sections 5, 6, 8, 9, 13, and 18 are effective upon full implementation of the vehicle
 105.23 registration portions of the electronic license system.

105.24 (c) The commissioner of natural resources must notify the revisor of statutes when the
 105.25 replacement electronic license system is fully implemented. portions of the replacement
 105.26 electronic licensing system governed by the sections and rule modifications described in
 105.27 paragraph (a) are fully implemented and when the portions of the replacement electronic
 105.28 licensing system governed by the sections described in paragraph (b) are fully implemented.

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

106.1 Sec. 3. **DELETION FROM STATE PARK.**

106.2 **[85.012] [Subd. 42.] Mille Lacs Kathio State Park, Mille Lacs County.** The following
106.3 area is deleted from Mille Lacs Kathio State Park: that part of Government Lot 3, Section
106.4 33, Township 43 North, Range 27 West, Mille Lacs County, Minnesota, lying easterly of
106.5 the easterly right-of-way line of U.S. Trunk Highway 169. Excepting therefrom the following
106.6 described tract of land: commencing at the northwest corner of said Government Lot 3, said
106.7 corner being marked by a 2-½-inch aluminum post with brass cap (Bureau of Land
106.8 Management Monument); thence North 89 degrees 43 minutes 55 seconds East, assumed
106.9 bearing, along the north line of said Government Lot 3, a distance of 1,076.85 feet to the
106.10 point of beginning of the land to be described; thence continuing North 89 degrees 43
106.11 minutes 55 seconds East, along said north line, a distance of 40.88 feet to a ¾-inch iron rod
106.12 with disk stamped MN DNR PROPERTY; thence continuing North 89 degrees 43 minutes
106.13 55 seconds East, along said north line, a distance of 299.64 feet to a ¾-inch rebar with
106.14 plastic cap stamped MN DNR LS 47461; thence South 14 degrees 26 minutes 27 seconds
106.15 East, a distance of 170.18 feet to a ¾-inch iron rod with disk stamped MN DNR PROPERTY;
106.16 thence South 89 degrees 43 minutes 55 seconds West, a distance of 413.14 feet to a ¾-inch
106.17 iron rod; thence continuing South 89 degrees 43 minutes 55 seconds West, a distance of
106.18 10.50 feet; thence North 07 degrees 53 minutes 17 seconds East, a distance of 70.68 feet;
106.19 thence North 18 degrees 01 minute 43 seconds East, a distance of 100.09 feet to the point
106.20 of beginning.

106.21 Sec. 4. **PRIVATE SALE OF SURPLUS LAND BORDERING PUBLIC WATER;**
106.22 **MILLE LACS COUNTY.**

106.23 (a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the
106.24 commissioner of natural resources may sell by private sale the surplus land bordering public
106.25 water that is described in paragraph (c) to a federally recognized Indian Tribe, subject to
106.26 the state's reservation of access and dam easements over the land described in paragraph
106.27 (c) if the state elects to reserve such easements.

106.28 (b) The land must not be sold for less than the appraised value. The buyer must reimburse
106.29 the commissioner for all costs and expenses, including staff costs, incurred by the
106.30 commissioner in making the property salable and in selling the property. The commissioner
106.31 may make necessary changes to the legal description to correct errors and ensure accuracy.

106.32 (c) The land that may be sold is all of or a portion of the land located in Mille Lacs
106.33 County and described as: that part of Government Lot 3, Section 33, Township 43 North,
106.34 Range 27 West, Mille Lacs County, Minnesota, lying easterly of the easterly right-of-way

107.1 line of U.S. Trunk Highway 169. Excepting therefrom the following described tract of land:
107.2 commencing at the northwest corner of said Government Lot 3, said corner being marked
107.3 by a 2-½-inch aluminum post with brass cap (Bureau of Land Management Monument);
107.4 thence North 89 degrees 43 minutes 55 seconds East, assumed bearing, along the north line
107.5 of said Government Lot 3, a distance of 1,076.85 feet to the point of beginning of the land
107.6 to be described; thence continuing North 89 degrees 43 minutes 55 seconds East, along said
107.7 north line, a distance of 40.88 feet to a ¾-inch iron rod with disk stamped MN DNR
107.8 PROPERTY; thence continuing North 89 degrees 43 minutes 55 seconds East, along said
107.9 north line, a distance of 299.64 feet to a ¾-inch rebar with plastic cap stamped MN DNR
107.10 LS 47461; thence South 14 degrees 26 minutes 27 seconds East, a distance of 170.18 feet
107.11 to a ¾-inch iron rod with disk stamped MN DNR PROPERTY; thence South 89 degrees
107.12 43 minutes 55 seconds West, a distance of 413.14 feet to a ¾-inch iron rod; thence continuing
107.13 South 89 degrees 43 minutes 55 seconds West, a distance of 10.50 feet; thence North 07
107.14 degrees 53 minutes 17 seconds East, a distance of 70.68 feet; thence North 18 degrees 01
107.15 minute 43 seconds East, a distance of 100.09 feet to the point of beginning.

107.16 (d) The land to be sold borders on Mille Lacs Lake. The Department of Natural Resources
107.17 has determined that the state's land management interests would best be served if the land
107.18 was conveyed to a federally recognized Indian Tribe.

107.19 **Sec. 5. APPROPRIATION EXTENSIONS.**

107.20 Subdivision 1. **Parks and trails fund appropriation extensions.** (a) The availability
107.21 of the grant to the St. Louis and Lake Counties Regional Railroad Authority for the Mesabi
107.22 Trail project from the parks and trails fund fiscal year 2024 appropriation under Laws 2023,
107.23 chapter 40, article 3, section 3, paragraph (c), is extended to June 30, 2027.

107.24 (b) The availability of the grant to Olmsted County for the Oxbow Park and Zollman
107.25 Zoo project from the parks and trails fund fiscal year 2024 appropriation under Laws 2023,
107.26 chapter 40, article 3, section 3, paragraph (c), is extended to June 30, 2027.

107.27 (c) The availability of the grant to Stearns County for the Kraemer Lake and Wildwood
107.28 County Park project from the parks and trails fund fiscal year 2024 appropriation under
107.29 Laws 2023, chapter 40, article 3, section 3, paragraph (c), is extended to June 30, 2027.

107.30 (d) The availability of the grant to Redwood County for the Plum Creek Park project
107.31 from the parks and trails fund fiscal year 2024 appropriation under Laws 2023, chapter 40,
107.32 article 3, section 3, paragraph (c), is extended to June 30, 2027.

108.1 (e) The availability of the grant to the city of Sandstone for the Robinson Quarry Park
108.2 project from the parks and trails fund fiscal year 2025 appropriation under Laws 2023,
108.3 chapter 40, article 3, section 3, paragraph (c), is extended to June 30, 2027.

108.4 (f) The availability of the appropriation for coordination and projects between partners
108.5 from the parks and trails fund in fiscal year 2024 under Laws 2023, chapter 40, article 3,
108.6 section 3, paragraph (f), is extended to June 30, 2027.

108.7 **Subd. 2. Department of Natural Resources appropriation extensions.** (a) The
108.8 appropriation in Laws 2024, chapter 116, article 1, section 3, subdivision 5, for an electronic
108.9 licensing system is available until June 30, 2027.

108.10 (b) The appropriation in Laws 2023, chapter 60, article 1, section 3, subdivision 6,
108.11 paragraph (h), for a grant to expand Minnesota's wild elk population and range is available
108.12 until June 30, 2027.

108.13 **Subd. 3. Metropolitan Council appropriation extensions.** (a) The general fund
108.14 appropriation in Laws 2024, chapter 116, article 1, section 5, for community tree-planting
108.15 grants is available until June 30, 2027.

108.16 (b) The natural resources fund appropriation in Laws 2024, chapter 116, article 1, section
108.17 5, for grants to implementing agencies to plant trees is available until June 30, 2027.

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

108.19 **Sec. 6. APPROPRIATION; MINNESOTA ZOOLOGICAL BOARD.**

108.20 \$3,800,000 in fiscal year 2026 is appropriated from the general fund to the Minnesota
108.21 Zoological Board. This is a onetime appropriation.

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

108.23 **Sec. 7. APPROPRIATION; STUDY OF UNLAWFUL SHIPMENT OF INFECTIOUS**
108.24 **OR PATHOLOGICAL WASTE.**

108.25 (a) By January 15, 2027, the commissioner of the Pollution Control Agency must submit
108.26 a study to the chairs and ranking minority members of the senate and house of representatives
108.27 committees and divisions with primary jurisdiction over environment and health and human
108.28 services on the unlawful transportation of infectious or pathological waste to solid waste
108.29 management facilities. The study must include:

109.1 (1) an assessment of the extent and frequency of unlawful transfer of infectious or
109.2 pathological waste to solid waste management facilities and an assessment of the costs
109.3 associated with those unlawful transfers;

109.4 (2) a survey of a representative sample of known generators of infectious and pathological
109.5 waste regarding current practices for ensuring infectious and pathological waste is segregated
109.6 from other waste material as required by Minnesota Statutes, section 116.78; and

109.7 (3) recommendations for legislative or policy changes that could be adopted to reduce
109.8 the frequency and cost of unlawful transfers of infectious or pathological waste, including
109.9 an estimate of the costs to state agencies. In formulating these recommendations, the
109.10 commissioner must consider whether the following measures might contribute to a reduction
109.11 in unlawful transfers of infectious or pathological waste to solid waste management facilities:

109.12 (i) imposing fines on those who unlawfully transport infectious or pathological waste
109.13 to solid waste management facilities; and

109.14 (ii) undertaking unannounced inspections of infectious or pathological waste generators.

109.15 (b) \$75,000 in fiscal year 2027 is appropriated from the environmental fund to the
109.16 commissioner of the Pollution Control Agency to conduct the study required by this section.
109.17 This is a onetime appropriation.

109.18 **Sec. 8. TRANSFER; DEPARTMENT OF NATURAL RESOURCES.**

109.19 Upon request from the commissioner of natural resources, the commissioner of
109.20 management and budget may transfer up to \$1,600,000 in fiscal year 2026 from any
109.21 Department of Natural Resources fiscal year 2024 or fiscal year 2025 general fund nongrant
109.22 operating appropriations that were carried forward to fiscal year 2026 to the Division of
109.23 Enforcement. This transfer may only be used for nonbudgeted public safety costs that
109.24 occurred in fiscal year 2026. By September 15, 2026, the commissioner of natural resources
109.25 must report the amount and source of the transfer authorized under this section to the chairs
109.26 and ranking minority members of the legislative committees and divisions with jurisdiction
109.27 over environment and natural resources.

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

110.1

ARTICLE 7

110.2

BATTERY STEWARDSHIP

110.3 Section 1. Minnesota Statutes 2024, section 115A.03, is amended by adding a subdivision
110.4 to read:

110.5 Subd. 3b. **Battery.** "Battery" means one or more galvanic cells, including any structural
110.6 members, casing, and terminals.

110.7 **EFFECTIVE DATE.** This section is effective July 1, 2026.

110.8 Sec. 2. Minnesota Statutes 2024, section 115A.03, is amended by adding a subdivision to
110.9 read:

110.10 Subd. 10d. **Facilitate a sale.** "Facilitate a sale" means to assist a person in transferring
110.11 title or possession of a product, regardless of whether title or possession is ever acquired
110.12 by the person facilitating a sale, such as by operating an online marketplace, publishing an
110.13 offer for sale on a website, physically storing inventory of products, entering into a contract
110.14 to allow another person to list a product for sale, processing payment on behalf of another
110.15 person, entering into a contract with a buyer or a seller related to a sale, or otherwise
110.16 providing a sales process. Facilitate a sale does not include acting solely as:

110.17 (1) an advertiser;

110.18 (2) a payment processor; or

110.19 (3) a common carrier.

110.20 **EFFECTIVE DATE.** This section is effective July 1, 2026.

110.21 Sec. 3. **[115A.1331] STEWARDSHIP PROGRAM FOR COVERED BATTERIES;**
110.22 **DEFINITIONS.**

110.23 (a) The terms used in sections 115A.1331 to 115A.1347 have the meanings given in this
110.24 section and section 115A.03.

110.25 (b) "Battery-containing product" means a product:

110.26 (1) in which a covered battery is contained;

110.27 (2) to which a covered battery is attached; or

110.28 (3) with which a covered battery is packaged.

111.1 (c) "Brand" means a mark, a registered or unregistered trademark, a logo, a name, a
111.2 symbol, a word, or an identifier that attributes a product to the owner or licensee of the
111.3 brand.

111.4 (d) "Collection" means receipt of discarded covered batteries from a person, including
111.5 sorting and storage that are necessary for receipt and that are performed by the covered
111.6 battery collector. Collection does not include transport of a covered battery that occurs after
111.7 a covered battery collector receives the covered battery, except for transport by the covered
111.8 battery collector to or between a covered battery collection site or sites operated by the
111.9 covered battery collector.

111.10 (e) "Covered battery" means a loose battery or a battery that is easily removable. A
111.11 covered battery may be of any brand, type, or chemistry. A covered battery includes a
111.12 covered small battery or covered medium battery. A covered battery does not include:

111.13 (1) a lead acid battery regulated under sections 325E.115 and 325E.1151;

111.14 (2) a battery designed, manufactured, and intended solely for use in a motor vehicle;

111.15 (3) a battery contained within a medical device, as specified in United States Code, title
111.16 21, section 321(h), as it existed as of the effective date of this section, that is not designed
111.17 and marketed for sale or resale principally to consumers for personal use;

111.18 (4) a battery removed from a permanent, stationary, energy storage system that requires
111.19 installation and removal by an electrician licensed under chapter 326B;

111.20 (5) a battery transported into the state after the battery is collected in another state; or

111.21 (6) a battery subject to recall for safety reasons.

111.22 (f) "Covered battery collection site" means a physical location where a covered battery
111.23 collector collects covered batteries from other persons, regardless of whether the covered
111.24 battery collector operates the location permanently, temporarily, or for purposes of a
111.25 collection event.

111.26 (g) "Covered battery collector" means a person that collects covered batteries on behalf
111.27 of and under agreement with a covered battery stewardship organization and receives
111.28 reimbursement at the rates determined according to section 115A.1335 from a covered
111.29 battery stewardship organization for the covered battery collector's costs for collection of
111.30 the covered batteries.

111.31 (h) "Covered battery producer" means the following person responsible for compliance
111.32 with requirements under sections 115A.1331 to 115A.1347 for a covered battery sold,

112.1 including online sales, offered for sale or promotional purposes, or distributed in or into the
112.2 state:

112.3 (1) for a covered battery:

112.4 (i) if the covered battery is sold, offered, or distributed under a brand owned by the
112.5 person that manufactured the covered battery, the producer is the person that manufactured
112.6 the covered battery;

112.7 (ii) if the covered battery is sold, offered, or distributed under a brand owned by a person
112.8 other than the person that manufactured the covered battery, the producer is the person that
112.9 owned the brand;

112.10 (iii) if the covered battery is sold, offered, or distributed under a brand licensed to a
112.11 person, the producer is the person that is the licensee of the brand under which the covered
112.12 battery is sold, offered, or distributed, whether or not the brand is registered in the state;

112.13 (iv) if there is no person described in items (i) to (iii) within the United States, the
112.14 producer is the person that imported the covered battery into the United States to be sold,
112.15 offered, or distributed; and

112.16 (v) if there is no person described in items (i) to (iv), the producer is the person that first
112.17 sold, offered, or distributed the covered battery in or into the state;

112.18 (2) for a covered battery contained in, attached to, or packaged with a battery-containing
112.19 product:

112.20 (i) if the battery-containing product is sold, offered, or distributed under a brand owned
112.21 by the person that manufactured it, the producer is the person that manufactured the
112.22 battery-containing product;

112.23 (ii) if the battery-containing product is sold, offered, or distributed under a brand owned
112.24 by a person other than the person that manufactured the battery-containing product, the
112.25 producer is the person that owned the brand;

112.26 (iii) if the battery-containing product is sold, offered, or distributed under a brand licensed
112.27 to a person, the producer is the person that is the licensee of the brand under which the
112.28 battery-containing product is sold, offered, or distributed, whether or not the brand is
112.29 registered in the state;

112.30 (iv) if there is no person described in items (i) to (iii) within the United States, the
112.31 producer is the person that imported the battery-containing product into the United States
112.32 to be sold, offered, or distributed; and

113.1 (v) if there is no person described in items (i) to (iv), the producer is the person that first
113.2 sold, offered, or distributed the battery-containing product in or into the state;

113.3 (3) notwithstanding clause (2), a producer does not include any person that manufactured,
113.4 imported into the United States, or sold, offered, or distributed in or into the state a
113.5 battery-containing product if the producer of the only covered batteries contained in, attached
113.6 to, or packaged with the battery-containing product is named as a participant by a covered
113.7 battery stewardship organization and both the person and the participant acknowledge such
113.8 in writing to the covered battery stewardship organization; and

113.9 (4) notwithstanding clauses (1) and (2), a person that voluntarily assumes the
113.10 responsibility of a producer of a covered battery and certifies that they have assumed the
113.11 responsibility of a producer in writing to the commissioner is the producer of the covered
113.12 battery.

113.13 (i) "Covered battery stewardship organization" means an organization that contracts
113.14 with one or more covered battery producers to meet the producers' obligations under sections
113.15 115A.1331 to 115A.1347.

113.16 (j) "Covered battery stewardship plan" or "stewardship plan" means a plan that is prepared
113.17 according to section 115A.1335 and submitted to the commissioner by a covered battery
113.18 stewardship organization.

113.19 (k) "Covered battery stewardship program" means a system implemented by a covered
113.20 battery stewardship organization to manage all covered batteries offered to a covered battery
113.21 collector by arranging and paying for the collection, covered services, and all other activities
113.22 described in a covered battery stewardship plan published on the agency's publicly accessible
113.23 website under section 115A.1335, subdivision 4, paragraph (e), or 5, paragraph (a).

113.24 (l) "Covered medium battery" means a covered battery that weighs more than 11 pounds
113.25 but equal to or less than 25 pounds or has an energy capacity greater than 300 watt-hours
113.26 but equal to or less than 2,000 watt-hours.

113.27 (m) "Covered medium battery collection site" means a covered battery collection site
113.28 that meets the requirements of section 115A.1341, subdivision 1, paragraphs (a), (b), and
113.29 (d).

113.30 (n) "Covered services" means transportation, processing, recycling, and disposal of
113.31 covered batteries and residual materials after collection. Covered services does not include:

113.32 (1) repair or reuse of a covered battery by the collector; or

114.1 (2) transport of a covered battery by the covered battery collector that collected it to or
114.2 between a covered battery collection site or sites that are operated by the covered battery
114.3 collector.

114.4 (o) "Covered small battery" means a covered battery that weighs 11 pounds or less and
114.5 has an energy capacity of 300 watt-hours or less.

114.6 (p) "Covered small battery collection site" means a covered battery collection site that
114.7 meets the requirements of section 115A.1341, subdivision 1, paragraphs (a), (c), and (d).

114.8 (q) "Distribute" means to sell, offer, supply, ship, transport, or deliver a product to a
114.9 person that sells, offers, supplies, ships, transports, or delivers the product in or into the
114.10 state, regardless of whether title to the product is ever acquired by a person distributing the
114.11 product.

114.12 (r) "Easily removable" or "easily removed" means that a battery can be removed by a
114.13 single person from a product by hand or by hand and the use of only:

114.14 (1) a flathead, crosshead, or Phillips screwdriver;

114.15 (2) a paper clip;

114.16 (3) a coin; or

114.17 (4) a hex key.

114.18 (s) "Household hazardous waste management program" means a program established
114.19 under section 115A.96 to collect and manage household hazardous waste, as defined in
114.20 section 115A.96, that is established or operated by the agency or another public entity,
114.21 including but not limited to a political subdivision, state agency, or federally recognized
114.22 Tribe.

114.23 (t) "Independent auditor" means a certified public accountant that:

114.24 (1) holds a current active license under chapter 326A and rules adopted thereunder;

114.25 (2) is retained by a covered battery stewardship organization;

114.26 (3) is not otherwise employed by or affiliated with the commissioner or a covered battery
114.27 stewardship organization; and

114.28 (4) is qualified to conduct an audit under section 115A.1337, subdivision 6, clause (8).

114.29 (u) "Loose battery" means a battery that is not contained in or attached to a product. A
114.30 loose battery does not include a battery that is contained in an enclosure when the enclosure
114.31 is not integral to the operation of the battery.

115.1 (v) "Motor vehicle" has the meaning given in section 168.002.

115.2 (w) "Participant" means a covered battery producer that is named by a covered battery
115.3 stewardship organization as meeting the covered battery producer's obligations under sections
115.4 115A.1331 to 115A.1347. If one covered battery producer is named as a participant by
115.5 voluntarily assuming responsibility for a covered battery on behalf of other covered battery
115.6 producers under paragraph (h), clause (4), then all those covered battery producers are also
115.7 participants.

115.8 (x) "Rechargeable battery" means a battery that is designed and intended to have electrical
115.9 energy added to it by electrical or physical means after use.

115.10 (y) "Residual material" means material and waste resulting from processing, recycling,
115.11 or disposal of a covered battery.

115.12 (z) "Responsible market" means a market for covered batteries, for reclaimed materials
115.13 from collected covered batteries, or for any other recyclable residual material from collected
115.14 covered batteries that:

115.15 (1) reuses, recycles, or otherwise recovers materials and disposes of contaminants in a
115.16 manner that protects the environment and minimizes risks to public health and worker health
115.17 and safety;

115.18 (2) complies with all applicable federal, state, and local statutes, rules, ordinances, and
115.19 other laws governing environmental, health, safety, and financial responsibility;

115.20 (3) possesses all licenses and permits required by a federal or state agency or political
115.21 subdivision;

115.22 (4) if operating in the state, recycles batteries to the maximum extent practicable in
115.23 accordance with section 115A.02, paragraph (b); and

115.24 (5) minimizes adverse impacts to environmental justice areas.

115.25 (aa) "Specialized covered battery recycler" means a person that, if and as applicable, is
115.26 properly authorized by the commissioner or, if operating in another state or country, an
115.27 equivalent state, federal, or other governmental body, to process or recycle useful materials
115.28 from covered batteries.

115.29 **EFFECTIVE DATE.** This section is effective July 1, 2026.

115.30 **Sec. 4. [115A.1335] COVERED BATTERY STEWARDSHIP PLAN AND BUDGET.**

115.31 **Subdivision 1. Due dates.** (a) By July 1, 2027:

116.1 (1) a covered battery producer must contract with a covered battery stewardship
116.2 organization to act on the covered battery producer's behalf for purposes of complying with
116.3 the producer's obligations under sections 115A.1331 to 115A.1347; and

116.4 (2) a covered battery stewardship organization must:

116.5 (i) notify the commissioner that it has been designated by covered battery producers to
116.6 act on their behalf; and

116.7 (ii) provide to the commissioner its identity and contact information.

116.8 (b) By January 1, 2029, a covered battery stewardship organization must submit to the
116.9 commissioner a covered battery stewardship plan that meets all requirements of subdivision
116.10 2 for review under subdivision 4.

116.11 Subd. 2. **Plan content; budget requirement.** (a) A covered battery stewardship plan
116.12 must include:

116.13 (1) identification of and contact information for the covered battery stewardship
116.14 organization;

116.15 (2) a description and example of contracts, including a list of all parties to the contracts,
116.16 that must:

116.17 (i) clearly grant the covered battery stewardship organization the authority to act on
116.18 behalf of the participants that the covered battery stewardship organization represents to
116.19 implement the covered battery stewardship plan;

116.20 (ii) include a statement of responsibility of the participants that the covered battery
116.21 stewardship organization represents to comply with the approved covered battery stewardship
116.22 plan; and

116.23 (iii) include a statement of responsibility of the participants that the covered battery
116.24 stewardship organization represents to fund the covered battery stewardship organization
116.25 as necessary to implement the covered battery stewardship plan, pay for associated costs,
116.26 and pay for fees and penalties assessed by the commissioner;

116.27 (3) identification of and contact information for all participants in the covered battery
116.28 stewardship program;

116.29 (4) identification of and contact information for each covered battery collector or
116.30 prospective covered battery collector that has agreed to operate covered battery collection
116.31 sites to collect covered batteries on behalf of the covered battery stewardship organization

117.1 and documentation of such agreements. A covered battery collection site may only be
117.2 included in one covered battery stewardship plan at a time;

117.3 (5) identification of and contact information for each person providing covered services
117.4 and the location of all facilities where covered services will be provided;

117.5 (6) identification and contact information for those persons that the covered battery
117.6 stewardship organization has contracted with and that will administer and implement the
117.7 covered battery stewardship program in accordance with section 115A.1337, subdivision
117.8 7. The relationship of the other persons to the covered battery stewardship organization and
117.9 their role in administering and implementing the covered battery stewardship program must
117.10 be described;

117.11 (7) the address, county of location, and, in a form prescribed by the commissioner,
117.12 geolocation data for each covered battery collection site to be served through the covered
117.13 battery stewardship organization under the covered battery stewardship program and
117.14 identification of those covered battery collection sites that are operated by a household
117.15 hazardous waste management program;

117.16 (8) a list of the brands covered under the covered battery stewardship program;

117.17 (9) eligibility criteria for prospective covered battery collectors;

117.18 (10) a description of how the covered battery stewardship program will provide
117.19 convenient, statewide collection according to subdivision 3 without collection of covered
117.20 batteries performed by collection sites on behalf of another covered battery stewardship
117.21 organization;

117.22 (11) a description of how the covered battery stewardship organization will annually
117.23 monitor and ensure continuing compliance with the convenience standards under subdivision
117.24 3;

117.25 (12) a description of how the covered battery stewardship organization will ensure each
117.26 covered battery collector is provided with the materials specified in section 115A.1337,
117.27 subdivision 1;

117.28 (13) a description of how covered battery collection sites will be accessible according
117.29 to section 115A.1337, subdivision 2;

117.30 (14) the performance standards for persons providing covered services for the covered
117.31 battery stewardship organization and the oversight methods by which the covered battery
117.32 stewardship organization will ensure continuing compliance with the performance standards.

- 118.1 The covered battery stewardship organization may determine performance standards, which
118.2 at a minimum must:
- 118.3 (i) accord with clauses (17) to (20), (22), (23), and (36);
- 118.4 (ii) ensure that covered services other than transportation are provided only by specialized
118.5 covered battery recyclers; and
- 118.6 (iii) ensure covered batteries and residual materials are managed through responsible
118.7 markets;
- 118.8 (15) a description of the oversight methods by which the covered battery stewardship
118.9 organization will ensure continuing compliance with the performance standards under clause
118.10 (14);
- 118.11 (16) a description of how the covered battery stewardship organization will ensure that
118.12 there are multiple persons providing covered services to ensure resiliency in the system;
- 118.13 (17) a description of methods by which the covered battery stewardship organization
118.14 will ensure that discarded covered batteries and residual materials managed under the covered
118.15 battery stewardship program are managed while in the state in compliance with rules adopted
118.16 under section 116.07 for managing solid waste and hazardous waste, when applicable, and,
118.17 when outside the state, with all applicable legal requirements for managing solid waste and
118.18 hazardous waste, as applicable;
- 118.19 (18) a description of the actions the covered battery stewardship organization will take
118.20 upon receiving information of potential or actual noncompliance under clause (17) by any
118.21 person handling covered batteries under the covered battery stewardship program;
- 118.22 (19) a description of methods by which the covered battery stewardship organization
118.23 will ensure that covered batteries and residual materials managed under the covered battery
118.24 stewardship program are managed in compliance with safety and health requirements for
118.25 employees administered by the Department of Labor and Industry and with fire protection
118.26 requirements administered by the Department of Public Safety while in the state and, when
118.27 outside the state, with all applicable federal, state, and local employee safety and health
118.28 requirements and fire protection requirements;
- 118.29 (20) a description of the actions the covered battery stewardship organization will take
118.30 upon receiving information of potential or actual noncompliance under clause (19) by any
118.31 person handling covered batteries under the covered battery stewardship program;
- 118.32 (21) a description of how the covered battery stewardship organization will ensure
118.33 sufficient and timely pickup and transport of covered batteries are provided to each covered

119.1 battery collection site so that the covered battery collection site can continuously and safely
119.2 collect and store covered batteries;

119.3 (22) a description of methods by which the covered battery stewardship organization
119.4 will ensure that covered batteries and residual materials managed under the covered battery
119.5 stewardship program are transported in compliance with applicable regulations incorporated
119.6 by reference under section 221.033 for transporting hazardous materials while in the state
119.7 and, when outside the state, with all applicable legal requirements for transporting hazardous
119.8 materials;

119.9 (23) a description of the actions the covered battery stewardship organization will take
119.10 upon receiving information of potential or actual noncompliance under clause (22) by any
119.11 person handling covered batteries under the covered battery stewardship program;

119.12 (24) a statement of indemnification by the covered battery stewardship organization to
119.13 covered battery collectors for potential liability for improper downstream management of
119.14 covered batteries or residual materials by providers of covered services arranged for by the
119.15 covered battery stewardship organization and identified in the covered battery stewardship
119.16 plan under clause (5);

119.17 (25) a description of how the covered battery stewardship organization will determine
119.18 and annually report the quantity of covered batteries collected under the covered battery
119.19 stewardship program by chemistry by weight;

119.20 (26) a description of the outreach and education methods and activities that the covered
119.21 battery stewardship organization will ensure are provided according to section 115A.1337,
119.22 subdivision 4;

119.23 (27) a description of how the covered battery stewardship organization will ensure that
119.24 there is at least one full-time representative of the covered battery stewardship organization
119.25 who is dedicated to implementing the covered battery stewardship program in this state and
119.26 serves as the primary contact between the covered battery stewardship organization and the
119.27 agency;

119.28 (28) the proposed reimbursement rates for covered battery collectors that are household
119.29 hazardous waste management programs, according to the following:

119.30 (i) the proposed reimbursement rates must cover all costs of collection incurred by the
119.31 covered battery collectors, which include but are not limited to:

119.32 (A) labor, overhead, and supplies;

119.33 (B) necessary collection and storage;

- 120.1 (C) employee training; and
- 120.2 (D) necessary safety materials;
- 120.3 (ii) the covered battery stewardship organization may, on agreement with the covered
- 120.4 battery collectors, provide materials or services to covered battery collectors in lieu of
- 120.5 covering specific costs;
- 120.6 (iii) necessary safety materials described in item (i), subitem (D), do not include fire
- 120.7 safety infrastructure, such as fire sprinklers or fire detection systems; and
- 120.8 (iv) the covered battery stewardship organization must meet and agree on the proposed
- 120.9 reimbursement rates with covered battery collectors and prospective covered battery
- 120.10 collectors that are household hazardous waste management programs;
- 120.11 (29) the proposed reimbursement rates for covered battery collectors that are not
- 120.12 household hazardous waste management programs, according to the following:
- 120.13 (i) the proposed reimbursement rates must cover all of the following costs of collection
- 120.14 incurred by the covered battery collectors:
- 120.15 (A) necessary collection and storage;
- 120.16 (B) supplies;
- 120.17 (C) employee training; and
- 120.18 (D) necessary safety materials;
- 120.19 (ii) the proposed reimbursement rates may, on agreement with the covered battery
- 120.20 collectors, cover costs of collection in addition to those described in item (i);
- 120.21 (iii) the covered battery stewardship organization may, on agreement with the covered
- 120.22 battery collectors, provide materials or services to covered battery collectors in lieu of
- 120.23 covering specific costs;
- 120.24 (iv) necessary safety materials described in item (i), subitem (C), do not include fire
- 120.25 safety infrastructure, such as fire sprinklers or fire detection systems; and
- 120.26 (v) the covered battery stewardship organization must meet and agree on the proposed
- 120.27 reimbursement rates with covered battery collectors and prospective covered battery
- 120.28 collectors that are not household hazardous waste management programs;
- 120.29 (30) documentation that the covered battery collectors and prospective covered battery
- 120.30 collectors identified in clause (4) have agreed to the proposed reimbursement rates in clauses
- 120.31 (28) and (29);

121.1 (31) documentation that the number of covered battery collection sites identified in
121.2 clause (7) to be operated by the covered battery collectors identified in clause (4) are
121.3 sufficient to ensure that the covered battery stewardship organization will comply with the
121.4 convenience standards of subdivision 3;

121.5 (32) a description of the system by which the covered battery stewardship organization
121.6 will provide advance payment or reimbursement to covered battery collectors in a manner
121.7 that provides:

121.8 (i) periodic automatic payment of reimbursements at least annually; or

121.9 (ii) a process for submitting reimbursement requests and reasonable timelines for
121.10 reimbursement, at intervals no longer than monthly unless otherwise agreed to by the covered
121.11 battery collector;

121.12 (33) a description of the system by which the covered battery stewardship organization
121.13 will pay persons providing covered services in a manner that provides:

121.14 (i) a clear process for submitting invoices; and

121.15 (ii) reasonable timelines for payment, at intervals agreed to by the person providing
121.16 covered services;

121.17 (34) a description of how the covered battery stewardship program costs will be allocated
121.18 among participants, either individually or among groups of participants identified by the
121.19 covered battery stewardship organization, such that the costs of managing covered batteries
121.20 are allocated equitably. As part of this description, a clear assignment of responsibility for
121.21 costs of managing covered batteries subject to a voluntary or mandatory recall to the
121.22 participant or participants associated with those covered batteries and not other participants
121.23 must be included;

121.24 (35) a description of how the covered battery stewardship organization will comply with
121.25 subdivision 6, paragraph (b);

121.26 (36) a description of how the covered battery stewardship organization will ensure that
121.27 covered batteries and residual materials managed under the covered battery stewardship
121.28 program are managed to the maximum extent practicable in accordance with section 115A.02,
121.29 paragraph (b);

121.30 (37) a description of how the covered battery stewardship organization will take actions
121.31 within its purview and provide feedback for covered battery producers to enable
121.32 improvements in product design and material use, technology, and personnel training that

122.1 could raise the future maximum extent practicable for management described in clause (36),
122.2 including consideration of covered battery reuse, repair, and product life cycle;

122.3 (38) a description of how the covered battery stewardship organization will annually
122.4 report to the commissioner, by chemistry by weight, the end management through recycling
122.5 or disposal of covered batteries for which the covered battery stewardship program was
122.6 responsible during each calendar year; and

122.7 (39) a description of how the covered battery stewardship organization will take action
122.8 to decrease the incidence of covered batteries in solid waste in the state, including providing
122.9 collection opportunities under section 115A.1337, subdivision 2, paragraph (b).

122.10 (b) By January 1, 2029, and annually thereafter, a covered battery stewardship
122.11 organization must submit an anticipated annual budget for the covered battery stewardship
122.12 program for that calendar year, broken down into the covered battery stewardship program's
122.13 estimated costs for administration, collection, sorting after collection, storage after collection,
122.14 transportation after collection, processing, recycling, disposal, and communication, including
122.15 the cost of fees under section 115A.1339. The budget is not subject to review and approval
122.16 under subdivisions 4 and 5.

122.17 Subd. 3. **Convenience standards.** (a) A covered battery stewardship plan must provide
122.18 convenient, statewide collection for all covered batteries that are offered to covered battery
122.19 collectors by a person in the state, regardless of:

122.20 (1) a covered battery's type, physical size, energy capacity, or chemistry;

122.21 (2) a covered battery's brand; or

122.22 (3) the producer of a covered battery.

122.23 (b) A covered battery stewardship plan submitted by a covered battery stewardship
122.24 organization must independently meet the convenience standards in paragraphs (c) to (d)
122.25 without cost sharing, collaboration, or consideration of activities of another covered battery
122.26 stewardship organization.

122.27 (c) For covered small batteries, a covered battery stewardship organization must:

122.28 (1) in each county with a population of 10,000 or less, maintain at least two covered
122.29 small battery collection sites;

122.30 (2) in each county with a population greater than 10,000 but less than or equal to 100,000,
122.31 maintain at least two covered small battery collection sites and at least one additional covered

123.1 small battery collection site for each additional 10,000 in population above a population of
123.2 10,000;

123.3 (3) in each county with a population greater than 100,000, maintain at least 11 covered
123.4 small battery collection sites and at least one additional covered small battery collection
123.5 site for each additional 50,000 in population above a population of 100,000; and

123.6 (4) maintain a covered small battery collection site located within ten miles of the
123.7 household of at least 95 percent of the residents of the state.

123.8 (d) For covered medium batteries, a covered battery stewardship organization must:

123.9 (1) in each county with a population of 100,000 or less, maintain at least one covered
123.10 medium battery collection site;

123.11 (2) in each county with a population greater than 100,000, maintain at least two covered
123.12 medium battery collection sites and at least one additional covered medium battery collection
123.13 site for each additional 100,000 in population above a population of 100,000; and

123.14 (3) maintain a covered medium battery collection site located within ten miles of the
123.15 household of at least 95 percent of the residents of the state.

123.16 (e) When demonstrating compliance with paragraphs (c) and (d), a covered battery
123.17 stewardship organization may count a covered medium battery collection site as a covered
123.18 small battery collection site.

123.19 (f) A covered battery stewardship organization must ensure no net loss in estimated
123.20 collection convenience and capacity for covered batteries from the program in place on
123.21 January 1, 2026.

123.22 (g) Upon a showing by a covered battery stewardship organization that meeting the
123.23 convenience standard of paragraph (c) or (d), for a specific county or development region
123.24 would cause undue hardship to the covered battery stewardship organization, the
123.25 commissioner may approve an alternative convenience standard if the proposed alternative
123.26 convenience standard would reasonably result in equivalent covered battery collection
123.27 convenience.

123.28 **Subd. 4. Review of covered battery stewardship plan; implementation.** (a) Within
123.29 120 days after receiving a complete covered battery stewardship plan submitted under this
123.30 section, the commissioner must determine whether the stewardship plan complies with this
123.31 section and will ensure that elements required by subdivision 2, paragraph (a), will be met
123.32 to the maximum extent practicable. The commissioner must provide a written notice of
123.33 determination according to this subdivision.

124.1 (b) In conducting a review of a covered battery stewardship plan, the commissioner may
124.2 consult with interested parties.

124.3 (c) For at least 30 days before approving a covered battery stewardship plan, the
124.4 commissioner must place the stewardship plan on the agency's publicly accessible website
124.5 for public review and comment.

124.6 (d) If the commissioner determines that a covered battery stewardship plan fails to
124.7 comply with this section or will not ensure that elements required by subdivision 2, paragraph
124.8 (a), will be met to the maximum extent practicable, the commissioner must reject the covered
124.9 battery stewardship plan. The commissioner must provide a written notice of determination
124.10 to the covered battery stewardship organization describing the reasons for the rejection.

124.11 (e) After any consultation under paragraph (b) and review of public comments received
124.12 under paragraph (c), if the commissioner determines that a covered battery stewardship plan
124.13 complies with this section and will ensure that elements required by subdivision 2, paragraph
124.14 (a), will be met to the maximum extent practicable, the commissioner must approve the
124.15 covered battery stewardship plan. The commissioner must provide a written notice of
124.16 determination to the covered battery stewardship organization and must publish the approved
124.17 covered battery stewardship plan on the agency's publicly accessible website within 30 days
124.18 after approval.

124.19 (f) The covered battery stewardship organization must implement the covered battery
124.20 stewardship plan approved by the commissioner, including any amendments to the
124.21 stewardship plan that are approved by the commissioner according to subdivision 5, within
124.22 60 days after receiving written notice of approval.

124.23 (g) For each covered battery stewardship plan or amendment submitted to the
124.24 commissioner for review, the commissioner may consider the data submitted according to
124.25 section 115A.1337, subdivision 6, and other relevant information to establish requirements
124.26 to improve the effectiveness, performance, and awareness of the covered battery stewardship
124.27 program.

124.28 **Subd. 5. Amending or terminating a covered battery stewardship plan.** (a) A covered
124.29 battery stewardship organization may amend a covered battery stewardship plan approved
124.30 under subdivision 4 without review or approval by the commissioner to make the changes
124.31 specified in clauses (1) to (3). Within 30 days after adopting an amendment under this
124.32 paragraph, a covered battery stewardship organization must report the amendment to the
124.33 commissioner and the commissioner must publish the amended stewardship plan on the
124.34 agency's publicly accessible website. A covered battery stewardship organization must

125.1 implement amendments made to a stewardship plan under this paragraph within 60 days
125.2 after adopting the amendment. A covered battery stewardship organization may:

125.3 (1) add; terminate, when authorized under section 115A.1337, subdivision 1, if applicable;
125.4 or replace a covered battery collector, collection site, person providing covered services,
125.5 or facility where covered services will be performed;

125.6 (2) add or remove participants or brands covered under a covered battery stewardship
125.7 plan; or

125.8 (3) change contact staff or contact staff information for a covered battery stewardship
125.9 organization, participants, covered battery collectors, or persons providing covered services.

125.10 (b) Except for an amendment under paragraph (a), a covered battery stewardship plan
125.11 containing any amendment must be submitted to and reviewed and approved by the
125.12 commissioner before it may be implemented by a covered battery stewardship organization.
125.13 The commissioner must review and approve or reject the covered battery stewardship plan
125.14 containing the proposed amendment according to subdivision 4.

125.15 (c) A covered battery stewardship organization must submit an amended covered battery
125.16 stewardship plan for review:

125.17 (1) at least every five years according to this subdivision and subdivision 4; or

125.18 (2) within 60 days if the commissioner determines that an amended stewardship plan is
125.19 necessary to implement sections 115A.1331 to 115A.1347.

125.20 (d) A covered battery stewardship organization may terminate a covered battery
125.21 stewardship plan only:

125.22 (1) by providing at least 90 days' written notice to the commissioner and to all covered
125.23 battery stewardship organizations and participants in the covered battery stewardship
125.24 program; and

125.25 (2) after a replacement covered battery stewardship plan submitted by the covered battery
125.26 stewardship organization or a new covered battery stewardship organization is approved
125.27 by the commissioner under subdivision 4.

125.28 (e) The commissioner may terminate a covered battery stewardship plan for good cause,
125.29 as defined in paragraph (f). If the commissioner terminates a covered battery stewardship
125.30 plan, the commissioner must provide the covered battery stewardship organization with
125.31 written notice of termination describing the good cause for termination. The commissioner
125.32 must also notify all participants in the covered battery stewardship program in writing of

126.1 the termination, using the contact information for the participants provided in the covered
126.2 battery stewardship plan.

126.3 (f) For purposes of paragraph (e), "good cause" includes but is not limited to:

126.4 (1) failure by a covered battery stewardship organization to:

126.5 (i) fully and accurately disclose required or requested information to the commissioner;

126.6 (ii) comply with the terms of sections 115A.1331 to 115A.1347; or

126.7 (iii) pay fees or penalties owed to the commissioner or comply with an order lawfully
126.8 issued by the commissioner; and

126.9 (2) a finding that a covered battery stewardship organization's activities endanger human
126.10 health or the environment and the danger cannot reasonably be removed by an amendment
126.11 to a covered battery stewardship plan.

126.12 Subd. 6. **Compliance.** (a) A covered battery stewardship organization must comply with
126.13 a covered battery stewardship plan approved by the commissioner, including any amendments
126.14 to the stewardship plan that are made according to subdivision 5, paragraph (a) or (b). A
126.15 covered battery stewardship organization must ensure that all participants, covered battery
126.16 collectors, and persons providing covered services acting on behalf of the covered battery
126.17 stewardship organization also comply with the stewardship plan and are responsible to the
126.18 covered battery stewardship organization and to the commissioner for compliance.

126.19 (b) A covered battery stewardship organization must ensure that covered battery collectors
126.20 are reimbursed according to the reimbursement rates approved by the commissioner according
126.21 to this section and the system described in a covered battery stewardship plan.

126.22 (c) A covered battery stewardship organization must ensure that all costs of a covered
126.23 battery stewardship program as specified in sections 115A.1331 to 115A.1347 are fully
126.24 paid for by participants. All costs of a covered battery stewardship program must be allocated
126.25 fairly between groups of participants without any fee, charge, surcharge, or any other cost
126.26 to:

126.27 (1) any member of the public;

126.28 (2) any business other than a covered battery producer;

126.29 (3) any covered battery collector;

126.30 (4) any person providing covered services;

126.31 (5) the state or any political subdivision; or

127.1 (6) any other person that is not a covered battery producer.

127.2 **EFFECTIVE DATE.** This section is effective July 1, 2026.

127.3 Sec. 5. **[115A.1337] COVERED BATTERY STEWARDSHIP ORGANIZATION;**
127.4 **DUTIES AND STRUCTURE.**

127.5 Subdivision 1. **Duties to covered battery collectors.** (a) A covered battery stewardship
127.6 organization must ensure that the following are provided to each covered battery collector:

127.7 (1) reimbursement at the rates determined according to section 115A.1335 and the system
127.8 described in a covered battery stewardship plan;

127.9 (2) pickup and transport of collected covered batteries from each covered battery
127.10 collection site in sufficient time and quantity to allow a covered battery collector to safely
127.11 receive covered batteries without interruption or cost to the covered battery collector;

127.12 (3) appropriate containers for storage and transportation of covered batteries and supplies
127.13 necessary for the collection of covered batteries;

127.14 (4) signage to identify collection sites and the covered batteries accepted at the collection
127.15 sites;

127.16 (5) training for covered battery collection site employees on identifying and safely
127.17 handling and storing covered batteries, including damaged, defective, or recalled batteries,
127.18 also known as DDR batteries; and

127.19 (6) educational materials that address the information described in subdivision 4,
127.20 paragraph (a), clause (3), for distribution to members of the public and businesses in
127.21 Minnesota. The educational materials must be made available in English and at least the
127.22 three languages most commonly spoken at homes in the state other than English, according
127.23 to the state demographer.

127.24 (b) A covered battery stewardship organizations must consider the request of a covered
127.25 battery collector to perform covered services if the covered battery collector meets the
127.26 performance standards in a covered battery stewardship plan under section 115A.1335,
127.27 subdivision 2, paragraph (a), clause (14), and the covered battery collector and the covered
127.28 battery stewardship organization agree after negotiation in good faith on the fees to be paid
127.29 to the covered battery collector for performing the covered services. A covered battery
127.30 stewardship plan must identify the covered battery collector as providing covered services
127.31 according to section 115A.1335, subdivision 2, paragraph (a), clause (5).

128.1 (c) A covered battery stewardship organizations must allow the following persons to
128.2 serve as a covered battery collector:

128.3 (1) a person that agrees to operate or continues to operate a covered battery collection
128.4 site in compliance with:

128.5 (i) section 115A.1341, subdivision 1, paragraphs (a) and (d);

128.6 (ii) section 115A.1341, subdivision 1, paragraph (b) or (c), as applicable;

128.7 (iii) the conditions in section 115A.1335, subdivision 2, paragraph (a), clauses (17) to
128.8 (20), (22), and (23); and

128.9 (iv) any other applicable provisions of a covered battery stewardship plan in section
128.10 115A.1335; and

128.11 (2) a household hazardous waste management program.

128.12 (d) A covered battery stewardship organization may not require a person that sells, offers
128.13 for sale or promotional purposes, distributes, or facilitates a sale of a covered battery or
128.14 battery-containing product in or into the state to be a covered battery collector or operate a
128.15 covered battery collection site.

128.16 (e) A covered battery stewardship organization may terminate a covered battery collector,
128.17 except a household hazardous waste management program, and cease payment to the covered
128.18 battery collector for good cause. Good cause under this paragraph does not include accepting
128.19 a battery subject to recall. A covered battery stewardship organization may suspend a covered
128.20 battery collector that is a household hazardous waste management program and cease
128.21 payment to the covered battery collector for good cause with the approval of the
128.22 commissioner, until the commissioner determines that the household hazardous waste
128.23 management program is compliant with sections 115A.1331 to 115A.1347.

128.24 Subd. 2. **Accessibility.** (a) A covered battery stewardship program must provide
128.25 convenient, equitable, and accessible service to all persons in Minnesota, including but not
128.26 limited to people of color; Minnesota Tribal governments as defined in section 10.65,
128.27 subdivision 2; those that are non-English speaking; immigrant and refugee communities;
128.28 those with limited access to transportation; and those in environmental justice areas.

128.29 (b) A covered battery stewardship program must include collection opportunities beyond
128.30 those required under section 115A.1335, subdivision 3, to better serve populations under
128.31 paragraph (a).

129.1 (c) Where feasible, a covered battery stewardship program must encourage establishing
129.2 covered battery collection sites in proximity to local public transit.

129.3 Subd. 3. **Oversight.** A covered battery stewardship organization must ensure that covered
129.4 batteries and residual materials managed under a covered battery stewardship program are
129.5 managed according to the performance standards in section 115A.1335, subdivision 2,
129.6 paragraph (a), clause (14), by all persons providing covered services.

129.7 Subd. 4. **Program effectiveness.** (a) To support the effectiveness of a covered battery
129.8 stewardship program, a covered battery stewardship organization must provide outreach
129.9 and education to:

129.10 (1) persons that might sell, offer for sale or promotional purposes, distribute, or facilitate
129.11 a sale of covered batteries in or into the state, to inform them of the requirements of section
129.12 115A.1347, subdivision 2;

129.13 (2) potential covered battery collectors and persons that are collecting covered batteries
129.14 before the effective date of this section to inform them how to request coverage by a covered
129.15 battery stewardship program; and

129.16 (3) members of the public to raise awareness of:

129.17 (i) public health and safety and environmental risks caused by improperly charging,
129.18 storing, and disposing of covered batteries;

129.19 (ii) the need to safely charge and store covered batteries;

129.20 (iii) the benefits of recycling covered batteries in contrast to disposal; and

129.21 (iv) the existence of a covered battery stewardship program and the ability to manage
129.22 covered batteries at no cost, including the location and convenience of covered battery
129.23 collection sites in the state.

129.24 (b) A covered battery stewardship organization must maintain a publicly accessible
129.25 website to locate covered battery collection sites through map-based and text-based searches.

129.26 (c) The commissioner may determine the effectiveness of a covered battery stewardship
129.27 program using information from waste composition studies under section 115A.412 and
129.28 other information available to the commissioner. The commissioner may require a covered
129.29 battery stewardship organization to submit for approval proposals that when implemented
129.30 would decrease the incidence of covered batteries in solid waste in accordance with section
129.31 115A.1335, subdivision 2, paragraph (a), clause (39). A covered battery stewardship
129.32 organization must implement a proposal that is approved by the commissioner.

130.1 Subd. 5. Stakeholder consultation. (a) A covered battery stewardship organization
130.2 must regularly consult with stakeholders associated with covered batteries. If there is more
130.3 than one covered battery stewardship organization, each covered battery stewardship
130.4 organization must jointly fulfill the requirements of this subdivision. At least one consultation
130.5 meeting must occur before a covered battery stewardship plan is submitted to the
130.6 commissioner.

130.7 (b) A consultation meeting is to:

130.8 (1) assist with drafting and continuous review of a covered battery stewardship
130.9 organization's outreach and education activities, including but not limited to signage and
130.10 educational materials; and

130.11 (2) make recommendations to a covered battery stewardship organization and the
130.12 commissioner to continuously improve the effectiveness of the outreach and education
130.13 activities and maximize participation in a covered battery stewardship program.

130.14 (c) A meeting must include representatives of stakeholders of a covered battery
130.15 stewardship program, including but not limited to the commissioner, household hazardous
130.16 waste management programs, covered battery collectors that are not household waste
130.17 management programs, persons providing or that might provide covered services, producers,
130.18 and other persons providing statewide representation.

130.19 Subd. 6. Reporting. By June 1 each year after a covered battery stewardship plan is
130.20 approved under section 115A.1335, subdivision 4, a covered battery stewardship organization
130.21 must report to the commissioner, in a form and manner prescribed by the commissioner,
130.22 on the covered battery stewardship organization's activities during the preceding calendar
130.23 year. A report must include:

130.24 (1) the address, county of location, and geolocation data for each covered battery
130.25 collection site served by the covered battery stewardship program during the preceding
130.26 calendar year;

130.27 (2) the chemistry by weight of covered batteries collected during each calendar year, in
130.28 accordance with section 115A.1335, subdivision 2, paragraph (a), clause (25);

130.29 (3) a description by chemistry by weight of the end management through recycling or
130.30 disposal of the covered batteries shipped from covered battery collection sites under the
130.31 covered battery stewardship program, in accordance with section 115A.1335, subdivision
130.32 2, paragraph (a), clause (38);

131.1 (4) the method or methods of verification used by the covered battery stewardship
131.2 organization to ensure that the description in clause (3) accurately reflects the actual end
131.3 management of the covered batteries;

131.4 (5) the effectiveness of the covered battery stewardship organization's efforts to decrease
131.5 the incidence of covered batteries in solid waste in the state, in accordance with section
131.6 115A.1335, subdivision 2, paragraph (a), clause (39);

131.7 (6) a summary of the results of the oversight according to section 115A.1335, subdivision
131.8 2, paragraph (a), clause (14);

131.9 (7) a description of outreach and education activities provided by the covered battery
131.10 stewardship organization during the preceding calendar year according to subdivision 4;

131.11 (8) a financial report on the covered battery stewardship program, including actual costs
131.12 and funding compared to the budget for the year submitted under section 115A.1335,
131.13 subdivision 2, paragraph (b). The financial report must include an audit report of the covered
131.14 battery stewardship program, including the covered battery stewardship organization and
131.15 any additional covered battery stewardship organizations, by an independent auditor. The
131.16 independent auditor may be selected by the covered battery stewardship organization and
131.17 may be rejected by the commissioner for good cause. If the commissioner rejects an
131.18 independent auditor, the covered battery stewardship organization must select a different
131.19 independent auditor, which may be rejected by the commissioner for good cause;

131.20 (9) the proposed and actual budget for the period covered by the report; and

131.21 (10) starting in the second year after the covered battery stewardship organization's first
131.22 covered battery stewardship plan is approved by the commissioner, and then every third
131.23 year thereafter, a performance audit of the covered battery stewardship program. The
131.24 performance audit must conform to audit standards established by the United States
131.25 Government Accountability Office; the National Association of State Auditors, Comptrollers
131.26 and Treasurers; or another nationally recognized organization approved by the commissioner.

131.27 Subd. 7. **Organization of a covered battery stewardship organization.** (a) A covered
131.28 battery stewardship organization must comply with section 5.36.

131.29 (b) A covered battery stewardship organization may contract with any persons to
131.30 implement or administer a portion or portions of a covered battery stewardship plan or to
131.31 coordinate with a group or groups of participants.

131.32 (c) A contract established under paragraph (b) must be described under section
131.33 115A.1335, subdivision 2, paragraph (a), clause (6).

132.1 (d) Notwithstanding any contract established under paragraph (b), a covered battery
132.2 stewardship organization must:

132.3 (1) submit a covered battery stewardship plan to the commissioner meeting the
132.4 requirements of sections 115A.1331 to 115A.1347;

132.5 (2) submit a report to the commissioner according to subdivision 6 meeting the
132.6 requirements of sections 115A.1331 to 115A.1347;

132.7 (3) serve as the single point of contact for reporting, reimbursement, and payment to the
132.8 agency; and

132.9 (4) maintain all responsibility and liability for compliance with all other requirements
132.10 of sections 115A.1331 to 115A.1347 applicable to a covered battery stewardship organization.

132.11 **EFFECTIVE DATE.** This section is effective July 1, 2026.

132.12 Sec. 6. **[115A.1339] FEES.**

132.13 Subdivision 1. **Administrative fees.** (a) By October 1, 2027, the commissioner must
132.14 calculate the sum of all costs that the agency incurred to implement and administer sections
132.15 115A.1331 to 115A.1347 from July 1, 2026, to June 30, 2027.

132.16 (b) By December 1, 2027, the commissioner must assess an administrative fee and
132.17 equally split the fee among all covered battery stewardship organizations at an amount that
132.18 is adequate to reimburse the agency's costs calculated under paragraph (a). A covered battery
132.19 stewardship organization must pay the assessed administrative fee by the due date set by
132.20 the commissioner.

132.21 (c) By April 1, 2028, and annually thereafter, the commissioner must calculate the sum
132.22 of all costs that the agency incurred to implement and administer sections 115A.1331 to
132.23 115A.1347 during the six months of July through December of the preceding calendar year.
132.24 By October 1, 2028, and annually thereafter, the commissioner must calculate the sum of
132.25 all costs that the agency incurred to implement and administer sections 115A.1331 to
132.26 115A.1347 during the six months of January through June of that calendar year.

132.27 (d) Notwithstanding section 16A.1283, the commissioner must semiannually assess the
132.28 annual administrative fees and equally split the fees among all covered battery stewardship
132.29 organizations at an amount that is adequate to reimburse the agency's costs calculated under
132.30 paragraph (c). A covered battery stewardship organization must pay the assessed
132.31 administrative fees by the due dates set by the commissioner.

133.1 (e) All agency costs calculated under this subdivision may be recovered in a civil action
133.2 brought by the attorney general against any person that may be liable under this subdivision
133.3 or any other law. Any costs that are recovered by the attorney general, including any award
133.4 of attorney fees, must be deposited in the covered battery stewardship account in the special
133.5 revenue fund.

133.6 Subd. 2. **Disposition of fees.** The total amount of net fees collected under this section
133.7 must not exceed the amount necessary to reimburse agency costs as calculated under
133.8 subdivision 1. All fees received under subdivision 1 must be deposited in the state treasury
133.9 and credited to a covered battery stewardship account in the special revenue fund. The
133.10 amount collected under this section is annually appropriated to the commissioner to
133.11 implement and enforce sections 115A.1331 to 115A.1347.

133.12 **EFFECTIVE DATE.** This section is effective July 1, 2026.

133.13 Sec. 7. **[115A.1341] COVERED BATTERY COLLECTOR DUTIES.**

133.14 Subdivision 1. **Accepting covered batteries.** (a) A covered battery collector must accept
133.15 covered batteries of any brand, type, or chemistry without imposing a fee, charge, surcharge,
133.16 or other cost to any person other than a covered battery stewardship organization.

133.17 (b) At a covered medium battery collection site, a covered battery collector must accept
133.18 from any person daily at least:

133.19 (1) ten covered small batteries; and

133.20 (2) four covered medium batteries.

133.21 (c) At a covered small battery collection site, a covered battery collector must accept
133.22 from any person daily at least ten covered small batteries.

133.23 (d) A covered battery collection site must be open to receiving covered batteries at least
133.24 12 operating hours per week, 50 weeks each calendar year.

133.25 (e) A household hazardous waste management program may accept covered batteries
133.26 at any covered battery collection site that the program operates.

133.27 (f) A covered battery stewardship organization may count a covered battery collection
133.28 site when demonstrating compliance with the convenience standards under section
133.29 115A.1335, subdivision 3, only if the covered battery collection site complies with paragraph
133.30 (b) or (c).

133.31 Subd. 2. **Storing accepted covered batteries.** A covered battery collector must manage
133.32 and store all accepted covered batteries safely and in compliance with all applicable federal,

134.1 state, and local laws, including but not limited to applicable rules adopted under section
134.2 116.07 for managing solid waste and hazardous waste.

134.3 Subd. 3. **Training.** A covered battery collector must ensure and document that training
134.4 is provided for covered battery collection site employees on identifying and safely handling
134.5 and storing covered batteries, including damaged, defective, or recalled batteries, also known
134.6 as DDR batteries. A covered battery collector may provide the training or may receive
134.7 training through a covered battery stewardship organization.

134.8 Subd. 4. **Record keeping.** (a) A covered battery collector must maintain records as
134.9 specified in this paragraph for at least three years and make the records available to the
134.10 commissioner for inspection. The records must include the chemistry by weight of covered
134.11 batteries and any additional information required by the commissioner. The records must
134.12 document for each calendar year the covered batteries:

134.13 (1) accepted at a covered battery collection site; and

134.14 (2) shipped from a covered battery collection site.

134.15 (b) A covered battery collector must maintain documentation of each employee's training
134.16 related to covered batteries starting on the date of training and for at least three years
134.17 following the last day that the employee worked for the covered battery collector.

134.18 **EFFECTIVE DATE.** This section is effective July 1, 2026.

134.19 Sec. 8. **[115A.1345] OTHER AUTHORITIES AND DUTIES.**

134.20 Subdivision 1. **Limited private right of action against producers.** (a) Except as
134.21 provided in paragraph (d), a covered battery stewardship organization may maintain a civil
134.22 action against one or more covered battery producers to recover a portion of the covered
134.23 battery stewardship organization's costs and additional amounts according to this subdivision.

134.24 (b) Damages recoverable under this subdivision may not exceed a fair share of the actual
134.25 costs incurred by the plaintiff covered battery stewardship organization under sections
134.26 115A.1331 to 115A.1347; of managing covered batteries of other covered battery producers
134.27 that were not participants; or that should otherwise have been due to the covered battery
134.28 stewardship organization. Additional amounts recoverable under this subdivision include
134.29 an award of reasonable attorney fees and costs. If a defendant covered battery producer did
134.30 not participate in a covered battery stewardship program during the period when covered
134.31 batteries of the defendant were managed by the plaintiff covered battery stewardship
134.32 organization, a punitive sum of up to three times the damages awarded may be assessed.

135.1 (c) A plaintiff covered battery stewardship organization may establish a defendant
135.2 covered battery producer's fair share of the plaintiff's actual costs by providing the court
135.3 with information establishing the process by which the defendant covered battery producer's
135.4 share of covered battery stewardship program costs would have been allocated had the
135.5 defendant covered battery producer been a participant in the program or paid its allocated
135.6 share if it was a participant. A plaintiff covered battery stewardship organization may use
135.7 data from covered battery producers similar in covered battery, financial status, or market
135.8 share to the defendant covered battery producer to provide the information.

135.9 (d) An action may not be commenced under this subdivision against a potential defendant
135.10 until 60 days after the plaintiff provides to all potential defendants a written notice of the
135.11 claim setting forth the amount of the claim and the basis for the calculation of the amount.

135.12 (e) No action may be brought under this subdivision against a person other than a covered
135.13 battery producer.

135.14 (f) The commissioner may not be a party to or be required to provide assistance or
135.15 otherwise participate in a civil action authorized under this subdivision unless subject to a
135.16 subpoena before a court of jurisdiction.

135.17 Subd. 2. **Conduct authorized.** A covered battery producer or covered battery stewardship
135.18 organization that organizes collection and covered services for covered batteries under
135.19 sections 115A.1331 to 115A.1347 is immune from liability for the conduct under state laws
135.20 relating to antitrust, restraint of trade, unfair trade practices, and other regulation of trade
135.21 or commerce only to the extent that the conduct is necessary to plan and implement the
135.22 covered battery producer's or covered battery stewardship organization's chosen system.

135.23 Subd. 3. **Duty to retain and provide information.** (a) Upon request of the commissioner
135.24 for purposes of implementing sections 115A.1331 to 115A.1347, 115A.9157, or 325E.125,
135.25 a person must furnish to the commissioner any information that the person has or may
135.26 reasonably obtain.

135.27 (b) A covered battery stewardship organization must retain any information referenced
135.28 in a covered battery stewardship plan or report required under section 115A.1337 for at
135.29 least three years after the termination of the covered battery stewardship plan.

135.30 Subd. 4. **Contracts.** (a) Any person awarded a contract under chapter 16C for purchase
135.31 or lease of covered batteries that is found to be in violation of sections 115A.1331 to
135.32 115A.1347 is subject to the following sanctions:

136.1 (1) the contract must be voided if the commissioner of administration determines that
136.2 the potential adverse impact to the state is exceeded by the benefit obtained from voiding
136.3 the contract; and

136.4 (2) the contractor is subject to suspension and disbarment under Minnesota Rules, part
136.5 1230.1150.

136.6 (b) If the attorney general establishes that any money, property, or benefit was obtained
136.7 by a contractor as a result of violating sections 115A.1331 to 115A.1347, the court may, in
136.8 addition to any other remedy, order the disgorgement of the unlawfully obtained money,
136.9 property, or benefit.

136.10 Subd. 5. **Multistate implementation.** The commissioner may participate in establishing
136.11 a regional multistate organization or compact to assist in carrying out the requirements of
136.12 sections 115A.1331 to 115A.1347.

136.13 Subd. 6. **Rules.** The commissioner may adopt rules to implement sections 115A.1331
136.14 to 115A.1347. The 18-month time limit under section 14.125 does not apply to rulemaking
136.15 under this subdivision.

136.16 Subd. 7. **Batteries subject to recall for safety reasons.** All costs for receipt, sorting,
136.17 storage, transport, processing, recycling, and disposal of a battery subject to recall for safety
136.18 reasons that would otherwise be a covered battery are the responsibility of the person that
136.19 would otherwise be the covered battery producer of the battery. A covered battery stewardship
136.20 organization may charge that person for any costs incurred by the covered battery stewardship
136.21 organization managing such a battery. The covered battery stewardship organization may
136.22 take action under subdivision 1 to recover such costs. A covered battery stewardship
136.23 organization is responsible only for collection and management of such a battery if received
136.24 by a covered battery collector, and not any other actions associated with recall of the battery.

136.25 **EFFECTIVE DATE.** This section is effective July 1, 2026.

136.26 Sec. 9. **[115A.1347] DISPOSAL PROHIBITIONS; BATTERY LABELING;**
136.27 **COVERED BATTERY SALES RESTRICTION.**

136.28 Subdivision 1. **Disposal prohibition.** (a) A person may not place a covered battery into:

136.29 (1) solid waste; or

136.30 (2) a recycling container that a covered battery collector, or another person that will
136.31 ensure proper management of collected covered batteries, has not clearly marked for use
136.32 for collecting covered batteries.

137.1 (b) A person must manage a covered battery that is discarded by delivering the covered
137.2 battery to a covered battery collection site or to a recycling facility for covered batteries.

137.3 (c) Until recycled, covered batteries are not exempt from any applicable rules adopted
137.4 under section 116.07 for managing hazardous waste.

137.5 (d) An owner or operator of a waste facility or recycling facility may only be found in
137.6 violation of paragraph (a) or (b) for a covered battery placed by another person if:

137.7 (1) the commissioner first determines that the owner or operator has not complied with
137.8 the applicable requirements of the solid waste permit issued by the commissioner or
137.9 established by rule, such as requirements for the management of materials that are prohibited
137.10 for placement in solid waste; and

137.11 (2) the owner or operator does not immediately remove and properly manage the covered
137.12 battery when the owner or operator discovers it.

137.13 **Subd. 2. Labeling and sale; requirements.** (a) A person may not sell, including online
137.14 sales; offer for sale or promotional purposes; distribute; or facilitate a sale of a covered
137.15 battery in or into the state unless the covered battery is labeled as required under clauses
137.16 (1) and (2). Labeling under this paragraph must be permanently marked on or affixed to the
137.17 covered battery and must use language, graphics, or a QR code. A QR code must be
137.18 compliant with International Organization of Standardization 18004:2015 and access
137.19 equivalent data via the Internet that is available without a fee or a requirement to create an
137.20 account. The labeling must identify:

137.21 (1) the battery chemistry employed to store energy in the battery; and

137.22 (2) the manufacturer of the battery or the brand under which the battery will be sold.

137.23 (b) A person may not sell, including online sales; offer for sale or promotional purposes;
137.24 distribute; or facilitate a sale of a covered battery or a battery-containing product in or into
137.25 the state unless:

137.26 (1) the covered battery producer is named as a participant in a covered battery stewardship
137.27 plan published on the agency's publicly accessible website under section 115A.1335,
137.28 subdivision 4, paragraph (e), or 5, paragraph (a);

137.29 (2) the brand is named as covered in a covered battery stewardship plan published on
137.30 the agency's publicly accessible website under section 115A.1335, subdivision 4, paragraph
137.31 (e), or 5, paragraph (a); or

138.1 (3) the covered battery stewardship organization with which the covered battery producer
 138.2 is a participant has obtained approval of reimbursement rates according to section 115A.1335.

138.3 (c) A person may not sell, including online sales; offer for sale or promotional purposes;
 138.4 distribute; or facilitate a sale of a covered battery or a battery-containing product in or into
 138.5 the state if the covered battery stewardship plan under which the covered battery was covered
 138.6 has been terminated under section 115A.1335, subdivision 5, until a new covered battery
 138.7 stewardship plan is approved under section 115A.1335, subdivision 4.

138.8 (d) This subdivision does not apply to sales, including online sales; offers for sale or
 138.9 promotional purposes; distribution; or facilitation of a sale of a used covered battery or used
 138.10 battery-containing product.

138.11 (e) A person is not in violation of paragraph (b) or (c) if, within six months before the
 138.12 date the person sells, offers for sale or promotional purposes, distributes, or facilitates a sale
 138.13 of a covered battery or battery-containing product in or into the state, a covered battery
 138.14 stewardship plan published on the agency's publicly accessible website under section
 138.15 115A.1335, subdivision 4, paragraph (e), or 5, paragraph (a), identified the covered battery
 138.16 producer as a participant or the brand as covered in a covered battery stewardship program.

138.17 **EFFECTIVE DATE.** This section is effective July 1, 2029.

138.18 Sec. 10. Minnesota Statutes 2024, section 115A.554, is amended to read:

138.19 **115A.554 AUTHORITY OF SANITARY DISTRICTS.**

138.20 A sanitary district has the authorities and duties of counties within the district's boundary
 138.21 for purposes of sections 115A.0716; 115A.46, subdivisions 4 and 5; 115A.48; 115A.551;
 138.22 115A.552; 115A.553; 115A.919; 115A.929; 115A.93; 115A.96, subdivision 6; ~~115A.961;~~
 138.23 116.072; 375.18, subdivision 14; 400.04; 400.06; 400.07; 400.08; 400.16; and 400.161.

138.24 **EFFECTIVE DATE.** This section is effective July 1, 2026.

138.25 Sec. 11. Minnesota Statutes 2024, section 115A.9157, is amended to read:

138.26 **115A.9157 RECHARGEABLE BATTERIES AND PRODUCTS.**

138.27 Subdivision 1. **Definition.** ~~For the purpose of this section, "rechargeable battery" means~~
 138.28 ~~a sealed nickel-cadmium battery, a sealed lead acid battery, or any other rechargeable battery,~~
 138.29 ~~except a rechargeable battery governed by section 115A.9155 or exempted by the~~
 138.30 ~~commissioner under subdivision 9.~~ The terms used in this section have the meanings given
 138.31 in sections 115A.03 and 115A.1331.

139.1 Subd. 2. **Prohibition.** ~~Effective August 1, 1991, a person may not place in mixed~~
 139.2 ~~municipal solid waste a rechargeable battery, a rechargeable battery pack, a product with a~~
 139.3 ~~nonremovable rechargeable battery, or a product powered by rechargeable batteries or~~
 139.4 ~~rechargeable battery pack, from which all batteries or battery packs have not been removed.~~
 139.5 A person may not place a product powered by rechargeable batteries in solid waste unless
 139.6 all batteries have been removed from the product.

139.7 Subd. 3. **Collection and management costs.** A manufacturer of ~~rechargeable batteries~~
 139.8 ~~or~~ products powered by rechargeable batteries that are not easily removable from the products
 139.9 is responsible for the costs of collecting and managing its ~~waste rechargeable batteries and~~
 139.10 ~~waste products~~ under subdivision 5 to ensure that the products and batteries are not part of
 139.11 the solid waste stream.

139.12 Subd. 5. **Collection and management programs.** (a) ~~By September 20, 1995, the~~
 139.13 ~~manufacturers~~ A manufacturer under subdivision 3 or their representative organization shall
 139.14 implement a permanent programs, based on the results of the pilot projects required in
 139.15 ~~Minnesota Statutes 1994, section 115A.9157, subdivision 4, program~~ that may be reasonably
 139.16 expected to collect 90 percent of the ~~waste rechargeable batteries and the participating~~
 139.17 ~~manufacturers'~~ manufacturer's products powered by rechargeable batteries that are not easily
 139.18 removable from the products and that are generated as waste in the state. The ~~batteries and~~
 139.19 products collected must be recycled or otherwise managed or disposed of properly.

139.20 (b) In every odd-numbered year ~~after 1995~~, each manufacturer or a representative
 139.21 organization shall provide information to the commissioner and the senate and house of
 139.22 representatives committees having jurisdiction over environment and natural resources and
 139.23 environment and natural resources finance that specifies at least the estimated amount of
 139.24 battery-containing products powered by rechargeable batteries that are not easily removed
 139.25 from the products subject to this section ~~and~~ generated as waste in the state by ~~each~~
 139.26 manufacturer ~~and~~, the amount of ~~batteries each~~ such products collected during the previous
 139.27 two years, and the methodology used to calculate those amounts. A representative
 139.28 organization may report the amounts in aggregate for all the members of the organization.

139.29 Subd. 6. **List of participants** Program notice. A manufacturer or its representative
 139.30 organization shall inform the commissioner and the committees listed in subdivision 5 when
 139.31 they begin ~~participating in the projects and programs~~ implementing a program under
 139.32 subdivision 5 and immediately if they ~~withdraw participation~~ stop implementing a program.

139.33 Subd. 7. **Contracts.** A manufacturer or a representative organization of manufacturers
 139.34 may contract with ~~the state or a political subdivision~~ any person to provide collection services

140.1 under this section. The manufacturer or organization shall fully reimburse the ~~state or~~
 140.2 ~~political subdivision~~ person for the value of any contractual services rendered under this
 140.3 subdivision.

140.4 Subd. 8. **Anticompetitive conduct.** A manufacturer or organization of manufacturers
 140.5 and its officers, members, employees, and agents who participate in ~~projects or programs~~
 140.6 ~~to collect and properly manage waste rechargeable batteries or products powered by~~
 140.7 ~~rechargeable batteries~~ a program under this section are immune from liability under state
 140.8 law relating to antitrust, restraint of trade, unfair trade practices, and other regulation of
 140.9 trade or commerce for activities related to the collection and management of ~~batteries and~~
 140.10 products required under this section.

140.11 ~~Subd. 9. Exemptions. To ensure that new types of batteries do not add additional~~
 140.12 ~~hazardous or toxic materials to the mixed municipal solid waste stream, the commissioner~~
 140.13 ~~of the agency may exempt a new type of rechargeable battery from the requirements of this~~
 140.14 ~~section if it poses no unreasonable hazard when placed in and processed or disposed of as~~
 140.15 ~~part of a mixed municipal solid waste.~~

140.16 **EFFECTIVE DATE.** This section is effective July 1, 2026.

140.17 Sec. 12. Minnesota Statutes 2024, section 116.92, subdivision 6, is amended to read:

140.18 Subd. 6. **Mercury thermometers prohibited.** (a) A manufacturer, wholesaler, or retailer
 140.19 may not sell or distribute at no cost a thermometer containing mercury that was manufactured
 140.20 after June 1, 2001.

140.21 (b) Paragraph (a) does not apply to an electronic thermometer with a battery containing
 140.22 mercury if the battery is in compliance with ~~section 325E.125~~ subdivision 81.

140.23 (c) A manufacturer is in compliance with this subdivision if the manufacturer:

140.24 (1) has received an exclusion or exemption from a state that is a member of the Interstate
 140.25 Mercury Education and Reduction Clearinghouse (IMERC) for replacement parts when no
 140.26 alternative is available or for an application when no feasible alternative is available;

140.27 (2) submits a copy of the approved exclusion or exemption to the commissioner; and

140.28 (3) meets all of the requirements in the approved exclusion or exemption for the
 140.29 manufacturer's activities within the state.

140.30 **EFFECTIVE DATE.** This section is effective July 1, 2026.

141.1 Sec. 13. Minnesota Statutes 2024, section 116.92, is amended by adding a subdivision to
141.2 read:

141.3 Subd. 8l. **Ban; mercury in batteries.** A person may not sell, offer for sale, or distribute
141.4 in or into the state:

141.5 (1) an alkaline manganese battery that contains mercury that is not a button cell
141.6 nonrechargeable battery;

141.7 (2) a nonrechargeable button cell battery that contains more than 25 milligrams of
141.8 mercury; or

141.9 (3) a dry cell battery containing a mercuric oxide electrode.

141.10 **EFFECTIVE DATE.** This section is effective July 1, 2026.

141.11 Sec. 14. Minnesota Statutes 2024, section 325E.125, subdivision 5, is amended to read:

141.12 Subd. 5. **Prohibitions.** A manufacturer of rechargeable batteries or products powered
141.13 by rechargeable batteries that does not participate in the pilot projects and programs required
141.14 in section 115A.9157. A person may not sell, including online sales, facilitate a sale of,
141.15 distribute, or offer for sale in or into this state rechargeable batteries or products powered
141.16 by rechargeable batteries after January 1, 1992.

141.17 ~~After January 1, 1992, a person who first purchases rechargeable batteries or products~~
141.18 ~~powered by rechargeable batteries for importation into the state for resale may not purchase~~
141.19 ~~rechargeable batteries or products powered by rechargeable batteries made by any person~~
141.20 ~~other than a~~ that are not easily removable unless the manufacturer that participates in the
141.21 projects and programs program required under section 115A.9157.

141.22 **EFFECTIVE DATE.** This section is effective July 1, 2026.

141.23 Sec. 15. Minnesota Statutes 2024, section 325E.1251, subdivision 2, is amended to read:

141.24 Subd. 2. **Recovery of costs.** Section 325E.125 may be enforced under section
141.25 115.071 and 116.072. In an enforcement action under this section in which the state prevails,
141.26 the state may recover reasonable administrative expenses, court costs, and attorney fees
141.27 incurred to take the enforcement action, in an amount to be determined by the court.

141.28 **EFFECTIVE DATE.** This section is effective July 1, 2026.

142.1 Sec. 16. **REPEALER.**

142.2 Minnesota Statutes 2024, sections 115A.9155; 115A.961, subdivisions 1, 2, and 3;
142.3 325E.125, subdivisions 1, 2, 2a, 3, and 4; and 325E.1251, subdivision 1, are repealed.

142.4 **ARTICLE 8**

142.5 **ENERGY FINANCE**

142.6 Section 1. Minnesota Statutes 2024, section 115C.08, subdivision 4, is amended to read:

142.7 Subd. 4. **Expenditures.** (a) Money in the fund may only be spent:

142.8 (1) to administer the petroleum tank release cleanup program established in this chapter;

142.9 (2) for agency administrative costs under sections 116.46 to 116.50, sections 115C.03
142.10 to 115C.06, and costs of corrective action taken by the agency under section 115C.03,
142.11 including investigations;

142.12 (3) for costs of recovering expenses of corrective actions under section 115C.04;

142.13 (4) for training, certification, and rulemaking under sections 116.46 to 116.50;

142.14 (5) for agency administrative costs of enforcing rules governing the construction,
142.15 installation, operation, and closure of aboveground and underground petroleum storage
142.16 tanks;

142.17 (6) for reimbursement of the environmental response, compensation, and compliance
142.18 account under subdivision 5 and section 115B.26, subdivision 4;

142.19 (7) for administrative and staff costs as set by the board to administer the petroleum tank
142.20 release program established in this chapter;

142.21 (8) for corrective action performance audits under section 115C.093;

142.22 (9) for contamination cleanup grants, as provided in paragraph (c);

142.23 (10) to assess and remove abandoned underground storage tanks under section 115C.094
142.24 and, if a release is discovered, to pay for the specific consultant and contractor services
142.25 costs necessary to complete the tank removal project, including, but not limited to, excavation
142.26 soil sampling, groundwater sampling, soil disposal, and completion of an excavation report;
142.27 ~~and~~

142.28 (11) to acquire interests in real or personal property, including easements, environmental
142.29 covenants under chapter 114E, and leases, that the agency determines are necessary for
142.30 corrective actions or to ensure the protectiveness of corrective actions. A donation of an

143.1 interest in real property to the agency is not effective until the agency executes a certificate
143.2 of acceptance. The state is not liable under this chapter solely as a result of acquiring an
143.3 interest in real property under this clause. Agency approval of an environmental covenant
143.4 under chapter 114E is sufficient evidence of acceptance of an interest in real property when
143.5 the agency is expressly identified as a holder in the covenant. Acquisition of real property
143.6 under this clause, except environmental covenants under chapter 114E, is subject to approval
143.7 by the board; and

143.8 (12) to partially reimburse the cost of replacing pressurized single-walled steel piping
143.9 related equipment in underground petroleum storage tank systems under section 115C.09,
143.10 subdivision 3l.

143.11 (b) Except as provided in paragraph (c), money in the fund is appropriated to the board
143.12 to make reimbursements or payments under this section.

143.13 (c) In fiscal years 2010 and 2011, \$3,700,000 is annually appropriated from the fund to
143.14 the commissioner of employment and economic development for contamination cleanup
143.15 grants under section 116J.554. Beginning in fiscal year 2012 and each year thereafter,
143.16 \$6,200,000 is annually appropriated from the fund to the commissioner of employment and
143.17 economic development for contamination cleanup grants under section 116J.554. Of this
143.18 amount, the commissioner may spend up to \$225,000 annually for administration of the
143.19 contamination cleanup grant program. The appropriation does not cancel and is available
143.20 until expended. The appropriation shall not be withdrawn from the fund nor the fund balance
143.21 reduced until the funds are requested by the commissioner of employment and economic
143.22 development. The commissioner shall schedule requests for withdrawals from the fund to
143.23 minimize the necessity to impose the fee authorized by subdivision 2. Unless otherwise
143.24 provided, the appropriation in this paragraph may be used for:

143.25 (1) project costs at a qualifying site if a portion of the cleanup costs are attributable to
143.26 petroleum contamination or new and used tar and tar-like substances, including but not
143.27 limited to bitumen and asphalt, but excluding bituminous or asphalt pavement, that consist
143.28 primarily of hydrocarbons and are found in natural deposits in the earth or are distillates,
143.29 fractions, or residues from the processing of petroleum crude or petroleum products as
143.30 defined in section 296A.01; and

143.31 (2) the costs of performing contamination investigation if there is a reasonable basis to
143.32 suspect the contamination is attributable to petroleum or new and used tar and tar-like
143.33 substances, including but not limited to bitumen and asphalt, but excluding bituminous or
143.34 asphalt pavement, that consist primarily of hydrocarbons and are found in natural deposits

144.1 in the earth or are distillates, fractions, or residues from the processing of petroleum crude
144.2 or petroleum products as defined in section 296A.01.

144.3 Sec. 2. Minnesota Statutes 2024, section 115C.09, is amended by adding a subdivision to
144.4 read:

144.5 Subd. 31. **Reimbursement; single-walled steel piping.** (a) For the purposes of this
144.6 subdivision, the following terms have the meanings given:

144.7 (1) "eligible equipment" means all equipment between the underground petroleum storage
144.8 tank and the dispenser, including piping, probes, monitors, pumps, containment, and electrical
144.9 equipment to support the equipment. Eligible equipment does not include underground
144.10 petroleum storage tanks, dispensers, canopies, site improvements, or signage replacement;

144.11 (2) "eligible location" means an underground petroleum storage tank system that is
144.12 located in Minnesota, has pressurized single-walled steel piping, and was installed before
144.13 the effective date of this subdivision; and

144.14 (3) "qualified person" means someone who is registered as a contractor under sections
144.15 115C.11 to 115C.12 and, as part of the person's trade or business, installs or repairs
144.16 pressurized underground petroleum storage tank systems.

144.17 (b) Notwithstanding any other provision of this chapter or any rules adopted under this
144.18 chapter, for replacement projects beginning after January 1, 2027, the board must reimburse
144.19 an owner 50 percent of the cost of replacing existing eligible equipment at eligible locations
144.20 with eligible equipment that meets all current applicable federal and Minnesota regulations
144.21 and standards, provided that:

144.22 (1) the owner considered at least two bids and selected the bid with the lowest total cost;
144.23 and

144.24 (2) the board determines that the costs incurred were reasonable.

144.25 (c) The board must not reimburse costs that the board determines were unreasonable.

144.26 (d) Reimbursement under paragraph (b) must not exceed \$100,000 per eligible location.

144.27 (e) The maximum annual expenditure from the fund established under section 115C.08
144.28 for purposes of this subdivision must not exceed \$4,000,000.

144.29 (f) An owner that owns or operates multiple eligible locations must not receive
144.30 reimbursement for more than two eligible locations per calendar year.

144.31 (g) An owner may be reimbursed for the costs of:

- 145.1 (1) all eligible equipment;
- 145.2 (2) labor completed by a qualified person and associated with eligible equipment
- 145.3 installation;
- 145.4 (3) labor completed by a qualified person and associated with dirt and concrete work
- 145.5 directly associated with installing eligible equipment; and
- 145.6 (4) permits, freight, and shipping directly related to eligible equipment.
- 145.7 (h) Nothing in this subdivision prohibits an owner from receiving reimbursement from
- 145.8 other sources for costs that are not reimbursed under this subdivision.
- 145.9 (i) This subdivision expires June 30, 2037.

145.10 Sec. 3. Minnesota Statutes 2025 Supplement, section 216B.16, subdivision 15, is amended

145.11 to read:

145.12 Subd. 15. **Low-income affordability programs.** (a) The commission must consider

145.13 ability to pay as a factor in setting utility rates and may establish affordability programs for

145.14 low-income residential ratepayers in order to ensure affordable, reliable, and continuous

145.15 service to low-income utility customers. A public utility serving low-income residential

145.16 ratepayers who use natural gas or service from a thermal energy network, as defined in

145.17 section 216B.2427, subdivision 1, for heating must file an affordability program with the

145.18 commission.

145.19 (b) Any affordability program the commission orders a utility to implement must:

145.20 (1) lower the percentage of income that participating low-income households devote to

145.21 energy bills;

145.22 (2) increase participating customer payments over time by increasing the frequency of

145.23 payments;

145.24 (3) decrease or eliminate participating customer arrears;

145.25 (4) lower the utility costs associated with customer account collection activities; and

145.26 (5) coordinate the program with other available low-income bill payment assistance and

145.27 conservation resources.

145.28 (c) In ordering affordability programs, the commission may require public utilities to

145.29 file program evaluations that measure the effect of the affordability program on:

145.30 (1) the percentage of income that participating households devote to energy bills;

146.1 (2) service disconnections; and

146.2 (3) frequency of customer payments, utility collection costs, arrearages, and bad debt.

146.3 (d) The commission must issue orders necessary to implement, administer, and evaluate
 146.4 affordability programs, and to allow a utility to recover program costs, including
 146.5 administrative costs, on a timely basis. The commission may not allow a utility to recover
 146.6 administrative costs, excluding start-up costs, in excess of five percent of total program
 146.7 costs, or program evaluation costs in excess of two percent of total program costs. The
 146.8 commission must permit deferred accounting, with carrying costs, for recovery of program
 146.9 costs incurred during the period between general rate cases.

146.10 (e) Public utilities may use information collected or created for the purpose of
 146.11 administering energy assistance to administer affordability programs.

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

146.13 Sec. 4. **[216B.2429] THERMAL ENERGY NETWORKS.**

146.14 **Subdivision 1. Definitions.** For the purposes of this section, "thermal energy network"
 146.15 or "TEN" has the meaning given in section 216B.2427, subdivision 1.

146.16 **Subd. 2. Thermal energy network service.** A public utility may offer service by a
 146.17 thermal energy network.

146.18 **Subd. 3. Cost recovery.** A public utility must, subject to commission review and
 146.19 approval, recover reasonable and prudently incurred costs of implementing an approved
 146.20 TEN in a general rate case or, before December 31, 2036, in a thermal energy network
 146.21 service rider.

146.22 **Subd. 4. TEN consumer protection.** A utility's provision of service by a TEN is subject
 146.23 to the same laws, protections, and commission authority to which a utility's provision of
 146.24 natural gas service is subject under this chapter.

146.25 **Subd. 5. TEN siting; priorities.** In assessing locations at which to site a TEN, a utility
 146.26 must give preference to an area:

146.27 (1) whose residents have expressed a desire to have a TEN installed;

146.28 (2) whose characteristics resemble those of an area in which a successful TEN was
 146.29 completed under a natural gas innovation plan filed under section 216B.2427; or

146.30 (3) that includes or is within an environmental justice area, as defined in section 116.065,
 146.31 subdivision 1, paragraph (e).

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

147.2 Sec. 5. **[216C.392] SUPPLEMENTAL ENERGY ASSISTANCE GRANT PROGRAM.**

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

147.5 (b) "Crisis grant" means a grant to a low-income household to prevent shut-off of
147.6 residential energy services, reinstate residential energy services, or enable delivery of
147.7 residential fuels.

147.8 (c) "LIHEAP" has the meaning given in section 142G.02, subdivision 59.

147.9 (d) "Primary energy grant" means a grant to help a low-income household maintain and
147.10 continue affordable energy service.

147.11 Subd. 2. **Establishment.** A supplemental energy assistance grant program is established
147.12 in the department to award grants to eligible applicants. The purpose of the program is to
147.13 assist low-income households experiencing energy burden to pay the costs of heating,
147.14 cooling, and other home energy costs throughout the year.

147.15 Subd. 3. **Applications; procedures.** (a) The commissioner must develop policies and
147.16 procedures governing the grant application and award process, and must leverage existing
147.17 LIHEAP application processes and infrastructure to the maximum degree practicable.

147.18 (b) An eligible applicant must file an application with the commissioner on a form
147.19 developed by the commissioner. The form must be available to eligible applicants in both
147.20 a paper and electronic format.

147.21 Subd. 4. **Eligibility.** (a) A Minnesota resident whose household income is below the
147.22 income eligibility threshold identified in the Minnesota LIHEAP Detailed Model Plan
147.23 submitted to the United States Department of Health and Human Services for the applicable
147.24 program year is eligible to receive a grant award under this section. If the LIHEAP Detailed
147.25 Model Plan is not available, the commissioner may develop a similar income eligibility
147.26 threshold.

147.27 (b) An organization with experience conducting outreach for programs designed for
147.28 low-income households is eligible for grants awarded under subdivision 6, clause (4).

147.29 Subd. 5. **Grant awards.** (a) When awarding grants under this section, the commissioner
147.30 may give priority to expanding the number of households receiving energy assistance over
147.31 increasing grant amounts to households that already received assistance under LIHEAP
147.32 during the same year.

148.1 (b) To the extent practicable, available LIHEAP funds must be awarded to all eligible
148.2 applicants for primary energy and crisis grants before energy and crisis grants are awarded
148.3 under this section.

148.4 Subd. 6. **Types of grants.** The commissioner may award grants under this section for:

148.5 (1) crisis grants to households that received a LIHEAP primary energy grant from federal
148.6 funds but did not receive the maximum crisis grant amount while federal funds allocated
148.7 for crisis grants were available;

148.8 (2) primary energy and crisis grants to eligible households that did not receive LIHEAP
148.9 primary energy and crisis grants from federal funds;

148.10 (3) emergency heating system repair or replacement; and

148.11 (4) outreach activities.

148.12 Subd. 7. **Reporting.** (a) Beginning January 31, 2028, and annually thereafter until January
148.13 31, 2030, the commissioner must submit a report to the chairs and ranking minority members
148.14 of the senate and house of representatives committees with primary jurisdiction over energy
148.15 policy and finance that documents state supplemental energy assistance grant awards made
148.16 under this section during the previous program year from October 1 to September 30.

148.17 (b) To the extent practicable, the following information on grants awarded under this
148.18 section must be reported by statewide total, by county, and by census tract within cities with
148.19 populations over 30,000:

148.20 (1) the number of households awarded a grant;

148.21 (2) the number of households served that did not receive a LIHEAP primary energy
148.22 grant;

148.23 (3) the average primary energy grant award;

148.24 (4) the average crisis grant award; and

148.25 (5) average annual costs of heating and electricity for households served.

148.26 (c) The following information on grants awarded under this section may be reported as
148.27 statewide totals:

148.28 (1) the average household income of grant recipients;

148.29 (2) a distribution of grant awards by grant recipients' household income, expressed as a
148.30 percentage of the federal poverty level established by the United States Department of
148.31 Health and Human Services;

149.1 (3) the number of households that include a person over 60 years old;

149.2 (4) the number of households that include a disabled person;

149.3 (5) the number of households that include a child under six years old; and

149.4 (6) the number of households served by race or ethnicity.

149.5 (d) A report under this section must comply with chapter 13, including provisions

149.6 establishing data on individuals as not public in order to ensure the individual privacy of

149.7 applicants.

149.8 **Sec. 6. APPROPRIATION; PUBLIC UTILITIES COMMISSION.**

149.9 \$40,000 in fiscal year 2027 is appropriated from the general fund to the Public Utilities

149.10 Commission for thermal energy network services provided under Minnesota Statutes, section

149.11 216B.2429.

149.12 **Sec. 7. APPROPRIATION; DEPARTMENT OF COMMERCE.**

149.13 (a) \$15,000,000 in fiscal year 2027 is appropriated from the general fund to the

149.14 commissioner of commerce for the supplemental energy assistance grant program under

149.15 Minnesota Statutes, section 216C.392. This is a onetime appropriation and is available until

149.16 December 31, 2029.

149.17 (b) Of the amount appropriated in paragraph (a):

149.18 (1) up to 12.5 percent may be used for staffing and other costs associated with

149.19 administering the supplemental energy assistance grant program under Minnesota Statutes,

149.20 section 216C.392, including program planning and preparation, reviewing applications and

149.21 verifying information, and entering data into a central electronic system maintained by the

149.22 Department of Commerce. Of this funding, up to 2.5 percent may be used by the Department

149.23 of Commerce. The remaining amount allocated under this clause may be used to reimburse

149.24 reasonable administrative costs incurred under Minnesota Statutes, section 216C.392, by

149.25 service providers contracted by the Department of Commerce to deliver LIHEAP services;

149.26 and

149.27 (2) up to five percent may be used to reimburse the reasonable costs incurred under

149.28 Minnesota Statutes, section 216C.392, by organizations the department has contracted with

149.29 to provide outreach and assistance to households to complete grant applications under

149.30 Minnesota Statutes, section 216C.392. Priority for grants awarded under this clause must

151.1 (2) procure advanced equipment and controls
151.2 to enable the extension of the university's
151.3 microgrid to additional buildings; and

151.4 (3) expand (i) hands-on educational
151.5 opportunities for undergraduate and graduate
151.6 electrical engineering students to increase
151.7 understanding of microgrid operations, and
151.8 (ii) partnerships with community colleges.

151.9 This appropriation is available until June 30,
151.10 2029.

151.11 **Subd. 3. Green Hydrogen Project**

151.12 \$3,500,000 the second year is for a grant to
151.13 the city of St. Cloud for the Green Hydrogen
151.14 Project to incorporate a battery and renewable
151.15 energy system. This appropriation is available
151.16 until June 30, 2029.

151.17 **Subd. 4. Anaerobic Digester Energy System**

151.18 \$5,000,000 the second year is for a grant to
151.19 Ramsey/Washington Recycling and Energy,
151.20 in partnership with Dem-Con HZI Bioenergy,
151.21 LLC, to construct an anaerobic digester energy
151.22 system in Louisville Township. For the
151.23 purposes of this subdivision, "anaerobic
151.24 digester energy system" means a facility that
151.25 uses diverted food and organic waste to create
151.26 renewable natural gas and biochar. This
151.27 appropriation is available until June 30, 2029.

151.28 **Subd. 5. Como Zoo Geothermal Energy System**

151.29 \$2,250,000 the second year is for a grant to
151.30 Como Zoo in the city of St. Paul to construct
151.31 a geothermal energy system that provides
151.32 space heating and cooling to the large cats
151.33 building. For the purposes of this subdivision,
151.34 "geothermal energy system" means a system

152.1 composed of a heat pump that moves a
152.2 heat-transferring fluid through piping
152.3 embedded in the earth and absorbs the earth's
152.4 constant temperature, a heat exchanger, and
152.5 ductwork to distribute heated and cooled air
152.6 to a building. This appropriation is available
152.7 until June 30, 2029.

152.8 **Subd. 6. Minnesota Energy Alley**

152.9 (a) \$2,000,000 the first year is for a grant to
152.10 Clean Energy Economy Minnesota for the
152.11 Minnesota Energy Alley initiative. The
152.12 initiative is designed to promote energy
152.13 innovation through supporting energy
152.14 entrepreneurs and emerging businesses to
152.15 commercialize energy solutions by matching
152.16 promising innovators with established and
152.17 trustworthy Minnesota-based public and
152.18 private partners to demonstrate emerging
152.19 technologies in real-world applications. The
152.20 grant may be used to provide seed funding for
152.21 businesses, develop a training and
152.22 development program, support recruitment of
152.23 entrepreneurs to Minnesota, and secure
152.24 funding from federal programs and corporate
152.25 partners to establish a self-sustaining,
152.26 long-term revenue model. This appropriation
152.27 is available until June 30, 2028.

152.28 (b) By January 15, 2028, the commissioner of
152.29 commerce must submit a written report to the
152.30 chairs and ranking minority members of the
152.31 house of representatives and senate
152.32 committees with jurisdiction over energy
152.33 finance and policy on the activities and
152.34 accomplishments of the Minnesota Energy
152.35 Alley initiative during the previous fiscal year

153.1 and the disposition of this appropriation,
153.2 including a separate statement of the amount
153.3 of administrative costs.

153.4 **Subd. 7. Ammonia, Hydrogen, and Renewable**
153.5 **Energy Certificate Tracking**

153.6 (a) \$2,000,000 the second year is for a grant
153.7 to CleanCounts for technology that enables
153.8 tradable ammonia, hydrogen, and renewable
153.9 energy certificates.

153.10 (b) Beginning January 1, 2027, and through
153.11 January 1, 2031, an entity that receives a grant
153.12 under this subdivision must submit a report to
153.13 the legislative auditor that details how the
153.14 grant money received has been spent.

153.15 (c) Beginning January 1, 2031, and through
153.16 January 1, 2036, an entity that receives a grant
153.17 under this subdivision must report to the
153.18 commissioners of commerce and agriculture
153.19 regarding the number of ammonia certificates
153.20 issued in Minnesota as a result of the grant
153.21 money received.

153.22 (d) This appropriation is available until June
153.23 30, 2029.

153.24 **Subd. 8. Great Plains Institute**

153.25 \$500,000 the second year is for a grant to the
153.26 Great Plains Institute for work related to
153.27 identifying existing and future areas of the
153.28 state that are suitable for additional distributed
153.29 ammonia production and that have nearby
153.30 wind or other curtailed power. This
153.31 appropriation is available until June 30, 2029.

154.1 Subd. 9. **Macalester College Geothermal Energy**
154.2 **System**

154.3 (a) \$2,570,000 the second year is for a grant
154.4 to Macalester College in St. Paul to construct
154.5 an aquifer-based geothermal energy system
154.6 that provides space heating and cooling to a
154.7 new campus residence hall and welcome
154.8 center, with the capacity for future expansion
154.9 to serve as a district heating and cooling plant
154.10 for all campus buildings north of Grand
154.11 Avenue. This appropriation is available until
154.12 June 30, 2029.

154.13 (b) For purposes of this section, "aquifer-based
154.14 geothermal energy system" means a system
154.15 composed of wells that access underground
154.16 aquifers, heat pumps that transfer thermal
154.17 energy between buildings and the aquifer, heat
154.18 exchangers, and associated distribution
154.19 infrastructure.

154.20 Subd. 10. **Biomass Energy Facility**

154.21 (a) \$715,000 the second year is for a grant to
154.22 Liberty Paper, Inc. to study and plan for an
154.23 anaerobic digester or a biomass thermal
154.24 generation facility in the city of Becker. This
154.25 is a onetime appropriation and is available
154.26 until June 30, 2029.

154.27 (b) For purposes of this section, the following
154.28 terms have the meanings given: (1) "anaerobic
154.29 digester" means a facility that uses diverted
154.30 food and organic waste to generate renewable
154.31 natural gas and biochar; (2) "biochar" means
154.32 a solid substance, made from burning organic
154.33 material, that sequesters carbon and is capable
154.34 of being used as a soil application; and (3)
154.35 "biomass thermal generation facility" means

155.1 a facility that generates energy for commercial
 155.2 heat or industrial process heat from the
 155.3 combustion of organic material.

155.4 **Subd. 11. Geothermal Energy System; The**
 155.5 **Heights Community Energy**

155.6 (a) \$3,000,000 in the second year is for a grant
 155.7 to The Heights Community Energy to
 155.8 construct a geothermal energy system.

155.9 (b) For purposes of this section, "geothermal
 155.10 energy system" means a system composed of
 155.11 one or more heat pumps connected to piping
 155.12 embedded in the earth that exchanges thermal
 155.13 energy with the earth and associated
 155.14 distribution and building mechanical
 155.15 infrastructure to provide heating and cooling
 155.16 to one or more buildings.

155.17 **Subd. 12. Grant Administration**

155.18 Notwithstanding Minnesota Statutes, section
 155.19 16B.98, subdivision 14, the commissioner may
 155.20 use up to \$250,000 of the amount in this
 155.21 section for the administrative costs of the
 155.22 grants in this section.

155.23 **Sec. 3. UNIVERSITY OF MINNESOTA** **\$** **-0-** **\$** **2,900,000**

155.24 (a) \$1,500,000 the second year is for research,
 155.25 development, outreach, and demonstration of
 155.26 energy systems that use hydrogen and
 155.27 ammonia production from renewable energy
 155.28 resources and other sources of clean energy
 155.29 as a means of storing and generating
 155.30 electricity. This appropriation is available until
 155.31 June 30, 2029.

155.32 (b) \$650,000 the second year is for the Natural
 155.33 Resources Research Institute to evaluate the
 155.34 state's geological hydrogen potential. The

156.1 evaluation must include: (1) the availability
 156.2 of the mined hydrogen resource; (2) the
 156.3 feasibility of extracting the hydrogen from
 156.4 underground deposits; (3) the potential
 156.5 groundwater management challenges; and (4)
 156.6 cost-effective strategies for storing and
 156.7 transporting mined hydrogen. The Natural
 156.8 Resources Research Institute must submit the
 156.9 evaluation and an interim report to the chairs
 156.10 and ranking minority members of the
 156.11 legislative committees with jurisdiction over
 156.12 energy policy and finance by May 15, 2028,
 156.13 and a final report by May 15, 2029.

156.14 (c) \$750,000 the second year is for the Natural
 156.15 Resources Research Institute to evaluate new
 156.16 feedstock resources for a globally competitive,
 156.17 next generation iron ore industry. The study
 156.18 must include but is not limited to
 156.19 quantification and characterization of
 156.20 resources related to iron ore, energy, water,
 156.21 hydrogen, biomass, carbon materials, process
 156.22 technologies, transportation, and
 156.23 manufacturing infrastructure that support
 156.24 cross-coupling of iron production with
 156.25 industries such as liquid fuels and ammonia.
 156.26 The Natural Resources Research Institute must
 156.27 submit the results of the study and an interim
 156.28 report to the chairs and ranking minority
 156.29 members of the legislative committees with
 156.30 jurisdiction over energy policy and finance by
 156.31 May 15, 2028, and a final report by May 15,
 156.32 2029.

156.33	Sec. 4. <u>POLLUTION CONTROL AGENCY</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>3,000,000</u>
156.34	<u>\$3,000,000 the second year is for a grant to</u>				
156.35	<u>the owner of a biomass energy generation</u>				

157.1 plant in Shakopee that uses waste heat from
 157.2 the generation of electricity in the malting
 157.3 process to purchase equipment to facilitate the
 157.4 disposal of wood that is infested by emerald
 157.5 ash borer. This appropriation is available until
 157.6 June 30, 2029. Notwithstanding Minnesota
 157.7 Statutes, section 16B.98, subdivision 14, the
 157.8 commissioner of the Pollution Control Agency
 157.9 may use up to \$25,000 of the amount in this
 157.10 section for the administrative costs of this
 157.11 grant.

157.12 **Sec. 5. DEPARTMENT OF AGRICULTURE \$ -0- \$ 4,000,000**

157.13 \$4,000,000 the second year is for a grant to
 157.14 TalusAg for the production and operation of
 157.15 at least two green fertilizer production systems
 157.16 located in Minnesota. This appropriation is
 157.17 available until June 30, 2029. Notwithstanding
 157.18 Minnesota Statutes, section 16B.98,
 157.19 subdivision 14, the commissioner of
 157.20 agriculture may use up to \$25,000 of the
 157.21 amount in this section for the administrative
 157.22 costs of this grant.

157.23 **Sec. 6. PUBLIC UTILITIES COMMISSION \$ -0- \$ 300,000**

157.24 (a) \$300,000 the second year is to contract
 157.25 with a third party to conduct a study to inform
 157.26 policymakers regarding the potential impact
 157.27 of new nuclear generation on the public
 157.28 interest of Minnesota, including affordability,
 157.29 reliability, environmental protection, public
 157.30 health, and equitable outcomes.
 157.31 (b) The commission must issue a competitive
 157.32 request for proposals and contract with an
 157.33 independent, qualified entity or consortium
 157.34 with demonstrated expertise in relevant subject

158.1 matter, and with no material financial interest
158.2 in the expansion of nuclear generation. The
158.3 commission must ensure balanced
158.4 representation of perspectives in the study.
158.5 The selected entity must disclose any potential
158.6 conflicts of interest to the commission. If the
158.7 commission determines that issuing a
158.8 competitive request for proposals would
158.9 unreasonably delay completion of the study
158.10 within the required timeline, the commission
158.11 may contract on a sole-source basis, provided
158.12 that the selected entity meets the qualifications
158.13 and independence requirements under this
158.14 paragraph.

158.15 (c) The study must be completed no later than
158.16 January 30, 2027, and must include, at a
158.17 minimum, discussion of:

158.18 (1) changes in federal regulations governing
158.19 the licensing of nuclear-powered facilities that
158.20 may speed the review and approval process;

158.21 (2) technological advances made with respect
158.22 to conventional nuclear-powered facilities that
158.23 affect safety and cost;

158.24 (3) full life cycle costs, including capital costs,
158.25 financing costs, construction risk, cost
158.26 overruns, decommissioning costs, waste
158.27 management, and long-term liability exposure
158.28 compared to alternative resource options. The
158.29 analysis must include historical evidence from
158.30 comparable projects in the United States and
158.31 internationally;

158.32 (4) ratepayer impacts where new nuclear
158.33 generation has been developed, including
158.34 effects on electricity rates, cost and schedule

- 159.1 overruns, and the allocation of financial risk
159.2 between ratepayers and developers;
- 159.3 (5) public finance protections such as public
159.4 subsidies, tax expenditures, and financial
159.5 incentives required, and the opportunity cost
159.6 of those public investments;
- 159.7 (6) the prospects for small modular reactors
159.8 and factory-built portable modules with a
159.9 capacity up to 300 megawatts, including:
- 159.10 (i) the types of technologies available;
159.11 (ii) current licensing status; and
159.12 (iii) estimated costs;
- 159.13 (7) siting issues, including:
- 159.14 (i) the degree to which the requirement for
159.15 proximity to water resources sufficient for
159.16 cooling purposes restricts possible locations
159.17 of nuclear facilities, and what locations
159.18 meeting that requirement are available in this
159.19 state;
- 159.20 (ii) the potential for colocating nuclear
159.21 facilities with businesses that demand very
159.22 large amounts of electricity;
- 159.23 (iii) the environmental impacts of nuclear
159.24 facilities, including impacts on the health of
159.25 nearby residents;
- 159.26 (iv) the prospects for acceptance of nuclear
159.27 facilities by host communities, and best
159.28 practices for engaging communities on this
159.29 issue; and
- 159.30 (v) how interconnection and transmission
159.31 issues affect potential plant locations;
- 159.32 (8) nuclear waste issues, including:

- 160.1 (i) the amount and toxicity of radioactive
160.2 waste produced by both conventional nuclear
160.3 technologies and small modular reactors;
- 160.4 (ii) the costs of on-site storage;
- 160.5 (iii) the prospects for developing permanent
160.6 storage of radioactive waste at either a
160.7 federally owned or privately owned repository
160.8 to which Minnesota's waste could be
160.9 transported; and
- 160.10 (iv) the feasibility and cost of reprocessing
160.11 nuclear waste;
- 160.12 (9) the economic impacts of various nuclear
160.13 technologies on a host community, including:
- 160.14 (i) increased employment levels during
160.15 construction and operations;
- 160.16 (ii) increased local economic activity resulting
160.17 from purchases made by the nuclear-powered
160.18 facility and the facility's employees; and
- 160.19 (iii) potential tax revenue to local
160.20 communities, local schools, and the state;
- 160.21 (10) impacts of new nuclear-powered electric
160.22 generating plants on public safety officials and
160.23 emergency responders in host communities
160.24 and adjacent areas with respect to emergency
160.25 planning efforts;
- 160.26 (11) system integration, including impacts on
160.27 grid flexibility, compatibility with high levels
160.28 of renewable energy, ramping capability, and
160.29 implications for achieving Minnesota's
160.30 greenhouse gas reduction goals;
- 160.31 (12) how new nuclear generation could
160.32 accelerate or delay achievement of, and assist
160.33 or hinder ongoing compliance with,

- 161.1 Minnesota's statutory greenhouse gas
161.2 reduction and carbon-free electricity goals,
161.3 including comparison of deployment
161.4 timelines;
161.5 (13) expected timelines from permitting
161.6 through operation, including historical
161.7 averages and delays for similar projects;
161.8 (14) current Minnesota statutes and
161.9 administrative rules that would require
161.10 modification in order to enable the
161.11 construction and operation of advanced
161.12 nuclear reactors;
161.13 (15) the feasibility of replacing retiring
161.14 generation assets in host communities with
161.15 advanced nuclear reactors; and
161.16 (16) the workforce required and available, and
161.17 the training capacity necessary to construct
161.18 and operate new nuclear reactors.
161.19 (d) The study must be conducted transparently,
161.20 with all data, assumptions, and models
161.21 publicly available.
161.22 (e) No later than February 1, 2027, the
161.23 commission must submit the study to the
161.24 chairs and ranking minority members of the
161.25 senate and house of representatives
161.26 committees responsible for energy policy and
161.27 finance.
161.28 Sec. 7. **TRANSFERS.**
161.29 (a) \$2,000,000 in fiscal year 2027 is transferred from the renewable development account
161.30 in the special revenue fund to the geothermal planning grant account under Minnesota
161.31 Statutes, section 216C.47, subdivision 3. This is a onetime transfer.

162.1 (b) \$4,465,000 in fiscal year 2027 is transferred from the renewable development account
162.2 in the special revenue fund to the preweatherization account under Minnesota Statutes,
162.3 section 216C.264, subdivision 1c. This is a onetime transfer.

162.4 **ARTICLE 10**

162.5 **JOBS AND ECONOMIC DEVELOPMENT APPROPRIATIONS**

162.6 Section 1. **WORKFORCE DEVELOPMENT FUND APPROPRIATIONS.**

162.7 Subdivision 1. **Appropriations.** The amounts specified in the following subdivisions
162.8 are appropriated from the workforce development fund to the commissioner of employment
162.9 and economic development for the purposes specified in each subdivision. The appropriations
162.10 are in fiscal year 2027 and onetime. Notwithstanding Minnesota Statutes, sections 16B.98,
162.11 subdivision 14, and 116J.035, subdivision 7, the commissioner may use up to three percent
162.12 of the amounts appropriated for administrative costs.

162.13 Subd. 2. **Wallin Education Partners.** \$100,000 is for a grant to Wallin Education
162.14 Partners to support its career development program, which provides career exploration, skill
162.15 building, mentoring, direct talent pipeline development, and early employment readiness
162.16 for underresourced participants. Money may also be used to expand Wallin's construction
162.17 and health care pathways programs, which offer advising, hands-on learning, and work-based
162.18 experience to prepare participants for careers in construction and health care.

162.19 Subd. 3. **New Pathways.** \$130,000 is for a grant to New Pathways in Cambridge to
162.20 support preemployment and job readiness programming for families with children
162.21 experiencing homelessness. Money may be used to provide individualized employment
162.22 preparation, resume and job application assistance, interview readiness, and connections to
162.23 local employers and training programs. This programming must help parents overcome
162.24 barriers to employment while working toward stable housing and self-sufficiency through
162.25 case management, family education, and partnerships with community resources.

162.26 Subd. 4. **People Serving People.** \$250,000 is for a grant to People Serving People in
162.27 Minneapolis to provide preemployment and job readiness services for parents and adults
162.28 experiencing homelessness. Money may be used for resume and cover letter writing support,
162.29 job search and application assistance, mock interviews, interview and work clothing, uniform
162.30 and licensure fee assistance, technology access, financial fitness classes, and child care and
162.31 transportation support to help families overcome barriers to employment, achieve financial
162.32 stability, and build pathways to long-term self-sufficiency.

163.1 Subd. 5. **Local News Talent Pipeline Program.** \$250,000 is for a grant to the Minnesota
163.2 News Media Institute for a local news talent pipeline program, a statewide initiative to
163.3 encourage Minnesotans to seek careers in journalism and local news operations and
163.4 strengthen the capacity of Minnesota news outlets. Grant money must be used by the
163.5 recipients to provide paid internships with Minnesota newspapers, television and radio
163.6 broadcasters, and digital news platforms for individuals to gain experience in reporting,
163.7 editing, media design, and other operational functions. To the extent practicable, the
163.8 Minnesota News Media Institute should seek a balanced geographic distribution of grants
163.9 and allocation of grants across different news mediums. The Minnesota News Media Institute
163.10 must consult with local Minnesota-based news organization associations, including the
163.11 Minnesota Broadcasters Association and Minnesota Newspaper Association, on the
163.12 administration of the grant program. The Minnesota News Media Institute may retain up
163.13 to five percent of funding to cover administrative expenses of operating the grant program.

163.14 Subd. 6. **Appetite for Change.** \$150,000 is for a grant to Appetite For Change for the
163.15 Youth Training and Opportunities Program to provide workforce training for local youth
163.16 in urban agriculture, culinary arts, and leadership development.

163.17 Subd. 7. **180 Degrees.** \$250,000 is for a grant to 180 Degrees, serving teens in Hennepin,
163.18 Ramsey, Stearns, Carver, and Olmsted Counties and surrounding areas, to support youth
163.19 and young adult employment readiness and exposure to career opportunities. Money may
163.20 be used for career exploration, resume development, mock interviews, and work readiness
163.21 training that fosters hope, self-sufficiency, and positive career pathways for young people
163.22 at risk of or experiencing homelessness, helping them break cycles of poverty and avoid
163.23 exploitation or chronic instability.

163.24 Subd. 8. **The Cookie Cart.** \$300,000 is for a grant to The Cookie Cart for earn and learn
163.25 workforce training for youth ages 14 to 18 to provide life, leadership, and employment skills
163.26 through on-the-job and classroom experiences in a nonprofit bakery.

163.27 Subd. 9. **Hmong American Partnership.** \$500,000 is for a grant to the Hmong American
163.28 Partnership for job training and employment services.

163.29 Subd. 10. **Getting to Work Grant Program.** \$1,000,000 is for the getting to work grant
163.30 program under Minnesota Statutes, section 116J.545.

163.31 Subd. 11. **Enterprise Minnesota, Inc.** \$2,000,000 is for a grant to Enterprise Minnesota,
163.32 Inc., to directly invest in Minnesota manufacturers under the Made in Minnesota program
163.33 under Minnesota Statutes, section 116O.115, and for operations of Enterprise Minnesota,
163.34 Inc.

164.1 **Sec. 2. RURAL CANCER INSTITUTE PILOT PROGRAM APPROPRIATION**
 164.2 **MODIFICATION.**

164.3 (a) The appropriation for the Rural Cancer Institute pilot program in Laws 2025, First
 164.4 Special Session chapter 6, article 1, section 2, subdivision 3, paragraph (bbb), must prioritize
 164.5 Minnesota clinicians and students. The Rural Cancer Institute may work with clinicians and
 164.6 students from elsewhere in the United States if the clinician or student receives the
 164.7 recommendation of a practicing Minnesota oncologist and all care is provided in Minnesota.

164.8 (b) The appropriations in fiscal years 2026 and 2027 for the Rural Cancer Institute pilot
 164.9 program in Laws 2025, First Special Session chapter 6, article 1, section 2, subdivision 3,
 164.10 paragraph (bbb), are available until June 30, 2028.

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

164.12 **ARTICLE 11**
 164.13 **LABOR APPROPRIATIONS**

164.14 **Section 1. APPROPRIATIONS.**

164.15 Subdivision 1. **Appropriations.** The amounts specified in the following subdivisions
 164.16 are appropriated from the general fund to the commissioner of labor and industry for the
 164.17 purposes specified in each subdivision.

164.18 Subd. 2. **Additional support for Safe Workplaces for Meat and Poultry Processing**
 164.19 **Workers Act.** \$163,000 in fiscal year 2027 is for one added full-time equivalent position
 164.20 to support activities under the Safe Workplaces for Meat and Poultry Processing Workers
 164.21 Act under Minnesota Statutes, sections 179.87 to 179.877.

164.22 Subd. 3. **Suitable seating enforcement.** \$200,000 in fiscal year 2027 is for enforcement
 164.23 of Minnesota Statutes, section 181.995.

164.24 **ARTICLE 12**
 164.25 **LABOR POLICY**

164.26 **Section 1.** Minnesota Statutes 2024, section 177.27, subdivision 4, is amended to read:

164.27 **Subd. 4. **Compliance orders.**** The commissioner may issue an order requiring an
 164.28 employer to comply with sections 177.21 to 177.435, 177.50, 179.86, 181.02, 181.03,
 164.29 181.031, 181.032, 181.10, 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.165,
 164.30 181.172, paragraph (a) or (d), 181.214 to 181.217, 181.275, subdivision 2a, 181.635, 181.64,
 164.31 181.722, 181.723, 181.79, 181.85 to 181.89, 181.939 to 181.943, 181.9445 to 181.9448,

165.1 181.987, 181.991, 181.995, 268B.09, subdivisions 1 to 6, and 268B.14, subdivision 3, with
165.2 any rule promulgated under section 177.28, 181.213, or 181.215. The commissioner shall
165.3 issue an order requiring an employer to comply with sections 177.41 to 177.435, 181.165,
165.4 or 181.987 if the violation is repeated. For purposes of this subdivision only, a violation is
165.5 repeated if at any time during the two years that preceded the date of violation, the
165.6 commissioner issued an order to the employer for violation of sections 177.41 to 177.435,
165.7 181.165, or 181.987 and the order is final or the commissioner and the employer have
165.8 entered into a settlement agreement that required the employer to pay back wages that were
165.9 required by sections 177.41 to 177.435. The department shall serve the order upon the
165.10 employer or the employer's authorized representative in person or by certified mail at the
165.11 employer's place of business. An employer who wishes to contest the order must file written
165.12 notice of objection to the order with the commissioner within 15 calendar days after being
165.13 served with the order. A contested case proceeding must then be held in accordance with
165.14 sections 14.57 to 14.69 or 181.165. If, within 15 calendar days after being served with the
165.15 order, the employer fails to file a written notice of objection with the commissioner, the
165.16 order becomes a final order of the commissioner. For the purposes of this subdivision, an
165.17 employer includes a contractor that has assumed a subcontractor's liability within the meaning
165.18 of section 181.165.

165.19 Sec. 2. Minnesota Statutes 2024, section 181.03, subdivision 6, is amended to read:

165.20 Subd. 6. **Retaliation.** An employer shall not discharge, discipline, penalize, interfere
165.21 with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee
165.22 for asserting rights or remedies under this section, sections 177.21 to 177.44, 181.01 to
165.23 181.723, ~~or 181.79,~~ or 181.995, including, but not limited to, filing a complaint with the
165.24 department or telling the employer of the employee's intention to file a complaint. In addition
165.25 to any other remedies provided by law, an employer who violates this subdivision is liable
165.26 for a civil penalty of not less than \$700 nor more than \$3,000 per violation.

165.27 Sec. 3. **[181.995] SUITABLE SEATING FOR EMPLOYEES.**

165.28 Subdivision 1. Suitable seating for employees required. An employer must provide
165.29 suitable seating for employees and must permit the use of those seats by employees when
165.30 the nature of the work reasonably permits the use of seats. For purposes of this section,
165.31 "suitable seating" means an adequate number of seats placed in reasonable proximity to the
165.32 work area and includes chairs, benches, or stools.

166.1 Subd. 2. **Enforcement.** This section shall be enforced by the commissioner under section
 166.2 177.27. A violation of this section is subject to a penalty of up to \$250 for each violation.

166.3 Subd. 3. **Effect on other laws.** Nothing in this section shall be construed to affect any
 166.4 provision of law relating to occupational health and safety or in any way diminish the
 166.5 coverage of laws relating to pregnancy, disability, or health conditions related to pregnancy
 166.6 or childbirth under any other provisions of any other law.

166.7 **ARTICLE 13**

166.8 **STATE GOVERNMENT APPROPRIATIONS**

166.9 Section 1. Laws 2023, chapter 70, article 20, section 12, as amended by Laws 2023, chapter
 166.10 75, section 13, and Laws 2024, chapter 127, article 67, section 15, is amended to read:

166.11	Sec. 12. COMMISSIONER OF			<u>3,412,000</u>
166.12	MANAGEMENT AND BUDGET	\$	12,932,000	\$ <u>2,412,000</u>

166.13 (a) **Outcomes and evaluation consultation.**

166.14 \$450,000 in fiscal year 2024 and \$450,000 in
 166.15 fiscal year 2025 are for outcomes and
 166.16 evaluation consultation requirements.

166.17 (b) **Department of Children, Youth, and**

166.18 **Families.** \$11,931,000 in fiscal year 2024 and

166.19 ~~\$2,066,000~~ \$1,066,000 in fiscal year 2025 are

166.20 to establish the Department of Children,

166.21 Youth, and Families. This is a onetime

166.22 appropriation.

166.23 (c) **Health care subcabinet.** \$551,000 in fiscal

166.24 year 2024 and \$664,000 in fiscal year 2025

166.25 are to hire an executive director for the health

166.26 care subcabinet and to provide staffing and

166.27 administrative support for the health care

166.28 subcabinet.

166.29 (d) **Base level adjustment.** The general fund

166.30 base is \$1,114,000 in fiscal year 2026 and

166.31 \$1,114,000 in fiscal year 2027.

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

167.1 Sec. 2. APPROPRIATION; ATTORNEY GENERAL.

167.2 \$1,231,000 in fiscal year 2027 is appropriated from the general fund to the attorney
 167.3 general for the Medicaid Fraud Control Unit.

167.4 Sec. 3. APPROPRIATION; DEPARTMENT OF ADMINISTRATION.

167.5 \$1,925,000 in fiscal year 2026 is appropriated from the general fund to the commissioner
 167.6 of administration for grants to public television stations for operations. Of this amount,
 167.7 \$350,000 is for a grant to Pioneer PBS; \$475,000 is for a grant to Lakeland PBS; \$650,000
 167.8 is for a grant to KSMQ; \$250,000 is for a grant to PBS North; and \$200,000 is for a grant
 167.9 to Prairie Public television.

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

167.11

ARTICLE 14

167.12

BOARD OF BARBER EXAMINERS

167.13 Section 1. Minnesota Statutes 2024, section 154.001, subdivision 2, is amended to read:

167.14 Subd. 2. **Board of Barber Examiners.** (a) A Board of Barber Examiners is established
 167.15 to consist of four barber members and one public member, as defined in section 214.02,
 167.16 appointed by the governor.

167.17 (b) The barber members shall be persons who have practiced as registered barbers in
 167.18 this state for at least five years immediately prior to their appointment; shall be graduates
 167.19 from the 12th grade of a high school or have equivalent education, and shall have knowledge
 167.20 of the matters to be taught in registered barber schools, as set forth in section 154.07. ~~One~~
 167.21 ~~of the barber members shall be a member of, or recommended by, a union of journeymen~~
 167.22 ~~barbers that has existed at least two years, and one barber member shall be a member of,~~
 167.23 ~~or recommended by, a professional organization of barbers.~~

167.24 Sec. 2. Minnesota Statutes 2024, section 154.003, is amended to read:

167.25 **154.003 FEES.**

167.26 (a) The fees collected, as required in this chapter, chapter 214, and the rules of the board,
 167.27 shall be paid to the board. The board shall deposit the fees in the general fund in the state
 167.28 treasury.

167.29 (b) The board shall charge the following fees:

167.30 (1) practical examination and certificate, registered barber, ~~\$85~~ \$80;

- 168.1 ~~(2) retake of written examination, \$10;~~
- 168.2 (2) initial barber registration, \$80;
- 168.3 (3) examination and certificate, instructor, \$180;
- 168.4 (4) certificate, instructor, \$65;
- 168.5 (5) temporary teacher permit, \$80;
- 168.6 (6) temporary registered barber, military, \$85;
- 168.7 (7) temporary barber instructor, military, \$180;
- 168.8 (8) renewal of registration, registered barber, \$80;
- 168.9 (9) renewal of registration, instructor, \$80;
- 168.10 (10) renewal of temporary teacher permit, \$65;
- 168.11 (11) student permit, \$45;
- 168.12 (12) renewal of student permit, \$25;
- 168.13 (13) initial shop registration, \$85;
- 168.14 (14) initial school registration, \$1,030;
- 168.15 (15) renewal shop registration, \$85;
- 168.16 (16) renewal school registration, \$280;
- 168.17 (17) restoration of registered barber registration, \$95;
- 168.18 (18) restoration of shop registration, \$105;
- 168.19 (19) change of ownership or location, \$55;
- 168.20 (20) duplicate registration, \$40;
- 168.21 (21) home study course, \$75;
- 168.22 (22) letter of registration verification, \$25; and
- 168.23 (23) reinspection, \$100.
- 168.24 (c) If the board uses a board-approved examination provider for any portion of the
- 168.25 comprehensive registered barber examination and the provider charges a fee, an examinee
- 168.26 must pay the fee directly to the provider. A fee charged by a provider under this paragraph
- 168.27 is separate from and not included in the fees that an examinee pays to the board.

169.1 Sec. 3. Minnesota Statutes 2024, section 154.01, is amended to read:

169.2 **154.01 REGISTRATION MANDATORY.**

169.3 (a) The registration of the practice of barbering serves the public health and safety of
169.4 the people of the state of Minnesota by ensuring that individuals seeking to practice the
169.5 profession of barbering are appropriately trained in the use of the chemicals, tools, and
169.6 implements of barbering and demonstrate the skills necessary to conduct barber services in
169.7 a safe, sanitary, and appropriate environment required for infection control.

169.8 (b) No person shall practice, offer to practice, or attempt to practice barbering without
169.9 a current certificate of registration as a registered barber, issued pursuant to provisions of
169.10 sections ~~154.001, 154.002, 154.003, 154.01 to 154.162, 154.19 to 154.21, and 154.24 to~~
169.11 ~~154.28~~ by the Board of Barber Examiners.

169.12 (c) A registered barber must only provide barbering services in a registered barber shop
169.13 or barber school, unless prior authorization is given by the board.

169.14 (d) No person shall operate a barber shop unless it is at all times under the direct
169.15 supervision and management of a registered barber and the owner or operator of the barber
169.16 shop possesses a current shop registration card, issued to the barber shop establishment
169.17 address, under sections ~~154.001, 154.002, 154.003, 154.01 to 154.162, 154.19 to 154.21,~~
169.18 ~~and 154.24 to 154.28~~ by the Board of Barber Examiners.

169.19 (e) No person shall serve, offer to serve, or attempt to serve as an instructor of barbering
169.20 without a current certificate of registration as a registered instructor of barbering or a
169.21 temporary permit as an instructor of barbering, as provided for the board by rule, issued
169.22 under sections ~~154.001, 154.002, 154.003, 154.01 to 154.162, 154.19 to 154.21, and 154.24~~
169.23 ~~to 154.28~~ by the Board of Barber Examiners. Barber instruction must be provided in
169.24 registered barber schools only.

169.25 (f) No person shall operate a barber school unless the owner or operator possesses a
169.26 current certificate of registration as a barber school, issued under sections ~~154.001, 154.002,~~
169.27 ~~154.003, 154.01 to 154.162, 154.19 to 154.21, and 154.24 to 154.28~~ by the Board of Barber
169.28 Examiners.

169.29 Sec. 4. Minnesota Statutes 2024, section 154.02, subdivision 1, is amended to read:

169.30 Subdivision 1. **What constitutes barbering.** Any one or any combination of the
169.31 following practices when done upon the head, face, and neck for cosmetic purposes and not
169.32 for the treatment of disease or physical or mental ailments and when done for payment
169.33 directly or indirectly or without payment for the public generally constitutes the practice of

170.1 barbering within the meaning of ~~sections 154.001, 154.002, 154.003, 154.01 to 154.162,~~
 170.2 ~~154.19 to 154.21, and 154.24 to 154.28~~ this chapter: to shave the face or neck using a straight
 170.3 razor or other tool, trim the beard, clean, condition, cut, color, shape, or straighten the hair
 170.4 of any person of either sex for compensation or other reward received by the person
 170.5 performing such service or any other person; to give facial and scalp massage with oils,
 170.6 creams, lotions, or other preparations either by hand or mechanical appliances; to singe,
 170.7 shampoo the hair, or apply hair tonics; or to apply cosmetic preparations, antiseptics,
 170.8 powders, oils, clays, or lotions to hair, scalp, face, or neck. The removal of hair through the
 170.9 process of waxing is not barbering.

170.10 Sec. 5. Minnesota Statutes 2024, section 154.02, subdivision 4, is amended to read:

170.11 Subd. 4. **Certificate of registration.** A "certificate of registration" means the certificate
 170.12 issued to an individual, a barber shop, or a barber school that is in compliance with ~~the~~
 170.13 ~~requirements of sections 154.001, 154.002, 154.003, 154.01 to 154.162, 154.19 to 154.21,~~
 170.14 ~~and 154.24 to 154.28~~ this chapter.

170.15 Sec. 6. Minnesota Statutes 2024, section 154.02, is amended by adding a subdivision to
 170.16 read:

170.17 Subd. 7. **Straight razor.** A straight razor is a razor with a rigid steel cutting blade or a
 170.18 replaceable blade that is hinged to a case that forms a handle when the razor is open for use.

170.19 Sec. 7. Minnesota Statutes 2024, section 154.02, is amended by adding a subdivision to
 170.20 read:

170.21 Subd. 8. **Waxing.** Waxing is the process of removing hair from a part of the body by
 170.22 applying wax and peeling off the wax.

170.23 Sec. 8. Minnesota Statutes 2024, section 154.05, is amended to read:

170.24 **154.05 WHO MAY RECEIVE CERTIFICATES OF REGISTRATION AS A**
 170.25 **REGISTERED BARBER.**

170.26 ~~(a)~~ A person is qualified to receive a certificate of registration as a registered barber if
 170.27 the person:

170.28 (1) ~~has successfully completed ten grades of education~~ is at least 17 years of age;

170.29 (2) has successfully completed 1,500 hours of study of which 281 hours are classroom
 170.30 hours and 1,219 hours are practical hours in a board-approved barber school; and

171.1 (3) has passed ~~an~~ a comprehensive examination conducted by the board in accordance
 171.2 with section 154.09 to determine the person's fitness to practice barbering.

171.3 ~~(b) A first-time applicant for a certificate of registration to practice as a registered barber~~
 171.4 ~~who fails to pass the comprehensive examination conducted by the board and who fails to~~
 171.5 ~~pass a onetime retake of the written examination, shall complete an additional 500 hours~~
 171.6 ~~of barber education before being eligible to retake the comprehensive examination as many~~
 171.7 ~~times as necessary to pass.~~

171.8 Sec. 9. Minnesota Statutes 2024, section 154.07, subdivision 1, is amended to read:

171.9 Subdivision 1. **Admission requirements; course of instruction.** No barber school shall
 171.10 be approved by the board unless ~~it~~ the barber school requires, ~~as a prerequisite to admission,~~
 171.11 ~~ten grades of an approved school or its equivalent, as determined by educational transcript,~~
 171.12 ~~high school diploma, high school equivalency certificate, or an examination conducted by~~
 171.13 ~~the commissioner of education, which shall issue a certificate that the student has passed~~
 171.14 ~~the required examination, and unless it requires,~~ as a prerequisite to graduation, a course of
 171.15 instruction of at least 1,500 hours of not more than ten hours of schooling in any one working
 171.16 day. The course of instruction must include the following subjects: scientific fundamentals
 171.17 for barbering; hygiene; practical study of the hair, skin, muscles, and nerves; structure of
 171.18 the head, face, and neck; elementary chemistry relating to sanitation; disinfection; sterilization
 171.19 and antiseptics; diseases of the skin, hair, and glands; massaging and manipulating the
 171.20 muscles of the face and neck; haircutting; shaving; trimming the beard; bleaching, tinting
 171.21 and dyeing the hair; and the chemical waving and straightening of hair.

171.22 Sec. 10. Minnesota Statutes 2024, section 154.07, is amended by adding a subdivision to
 171.23 read:

171.24 Subd. 7. **Application review process.** (a) Upon receipt of an application to establish a
 171.25 barber school, the board must consider the application during a meeting that is open to the
 171.26 public. At the meeting, the applicant must demonstrate that:

171.27 (1) the contents of the application are true, as required by chapter 154 and the rules of
 171.28 the board; and

171.29 (2) the applicant has sufficient financial resources to fund the barber school.

171.30 (b) The board may deny an application if the board determines that the applicant's
 171.31 financial resources would be insufficient to:

171.32 (1) maintain and operate a barber school; and

172.1 (2) ensure that the barber school would be open long enough for all registered students
 172.2 to graduate from the barber school.

172.3 Sec. 11. Minnesota Statutes 2024, section 154.08, is amended to read:

172.4 **154.08 APPLICATION; FEE.**

172.5 Each applicant for an examination shall:

172.6 (1) make an application to the Board of Barber Examiners or a board-approved
 172.7 examination provider on blank forms prepared and furnished by it, ~~the application to the~~
 172.8 board or the board-approved provider. The application must contain proof under the
 172.9 applicant's oath of the particular qualifications and identity of the applicant;

172.10 (2) provide all documentation required in support of the application;

172.11 (3) pay to the board the required fee; ~~and~~

172.12 (4) upon acceptance of the notarized application, present a corresponding
 172.13 government-issued photo identification when the applicant appears for the examination;
 172.14 and

172.15 (5) file an application with the board no later than the twentieth day of the month
 172.16 preceding the month when the practical portion of the exam is administered.

172.17 Sec. 12. Minnesota Statutes 2024, section 154.09, is amended to read:

172.18 **154.09 EXAMINATIONS, CONDUCT AND SCOPE.**

172.19 Subdivision 1. Examination dates. The board or a board-approved examination provider
 172.20 shall conduct practical examinations of applicants for certificates of registration to practice
 172.21 as registered barbers not more than ~~six~~ eight times each year, at such time and place as the
 172.22 board may determine. ~~Additional~~ Written examinations may be scheduled by the board and
 172.23 conducted by board staff or a board-approved provider as designated by the board.

172.24 Subd. 2. Documentation required. The ~~proprietor~~ owner or operator of a barber school
 172.25 must file an affidavit with the board of hours completed by students applying to take the
 172.26 ~~registered barber~~ comprehensive examination. Students must complete the full 1,500-hour
 172.27 curriculum in a barber school approved by the board ~~within the past four years~~ to be eligible
 172.28 for the examination. ~~Barber students who have completed barber school more than four~~
 172.29 ~~years prior to application, that have not obtained a barber registration, license, or certificate~~
 172.30 ~~in any jurisdiction must complete an additional 500 hours of barber school education to be~~
 172.31 ~~eligible for the registered barber examination.~~

173.1 Subd. 3. Examinations for registration restoration. Registered barbers that fail An
 173.2 individual who fails to renew their the individual's barber registration for four or more years
 173.3 are is required to purchase and complete the "Home Study Course for Barbers" program
 173.4 that was prepared and approved by the board before the individual is eligible to apply to
 173.5 take the registered barber comprehensive examination to reinstate the individual's registration.

173.6 Subd. 4. Examinations for individuals seeking reciprocity. An individual who must
 173.7 pass the comprehensive examination under section 154.11 must purchase and complete the
 173.8 "Home Study Course for Barbers" program that was prepared and approved by the board
 173.9 before the individual is eligible to take the comprehensive examination.

173.10 Subd. 5. Contents of examination. The comprehensive examination of applicants for
 173.11 certificates of registration as barbers shall must include:

173.12 (1) a practical demonstration portion that consists of a haircut and three of the following
 173.13 practical services that the board shall determine: a shave, a beard trim, a shampoo, a perm
 173.14 wrap, a facial, or a color application; and

173.15 (2) a written test. The examination must cover portion that covers the subjects taught in
 173.16 barber schools registered with the board, including as required by this chapter, applicable
 173.17 state statute statutes, and rule rules.

173.18 Subd. 6. Examination grading. The comprehensive examination must be graded as
 173.19 follows:

173.20 (1) the grading for the practical portion of the examination must be on a scale of one to
 173.21 100, with 100 representing a perfect score. A score of 75 must be the minimum passing
 173.22 grade for the haircut portion and 75 must be the minimum passing score for the average of
 173.23 the remaining parts of the practical examination; and

173.24 (2) the minimum passing score for the written portion of the examination is 75 percent.

173.25 Subd. 7. Failure of examination. (a) An individual who does not pass one portion of
 173.26 the comprehensive examination within a year of passing the other portion of the
 173.27 comprehensive examination must retake the entire comprehensive examination.

173.28 (b) An individual who has failed a portion of the comprehensive examination may retake
 173.29 that portion of the examination within a year of passing the other portion after meeting the
 173.30 requirements of this chapter, paying any required fees, and making an application to the
 173.31 board as required by section 154.08.

174.1 Sec. 13. Minnesota Statutes 2024, section 154.11, subdivision 1, is amended to read:

174.2 Subdivision 1. **Examination of nonresidents.** (a) A person who meets all of the
 174.3 requirements for barber registration in ~~sections 154.001, 154.002, 154.003, 154.01 to~~
 174.4 ~~154.162, 154.19 to 154.21, and 154.24 to 154.28~~ this chapter and either has a currently
 174.5 active license, certificate of registration, or equivalent as a practicing barber or instructor
 174.6 of barbering as verified from another state or, if presenting foreign country credentials as
 174.7 verified by a board-approved professional credential evaluation provider, which in the
 174.8 discretion of the board has substantially the same requirements for registering barbers and
 174.9 instructors of barbering as required by ~~sections 154.001, 154.002, 154.003, 154.01 to~~
 174.10 ~~154.162, 154.19 to 154.21, and 154.24 to 154.28~~ in this chapter shall, upon payment of the
 174.11 required fee, be issued a certificate of registration without examination.

174.12 (b) Individuals without a current documented license, certificate of registration, or
 174.13 equivalent, as verified in paragraph (a), must have a minimum of 1,500 hours of barber
 174.14 education as verified by the barber school attended in the other state or if presenting foreign
 174.15 country education as verified by a board-approved professional credential evaluation provider,
 174.16 completed within the previous four years, which, in the discretion of the board, has
 174.17 substantially the same requirements as required in ~~sections 154.001, 154.002, 154.003,~~
 174.18 ~~154.01 to 154.162, 154.19 to 154.21, and 154.24 to 154.28~~ this chapter will be eligible for
 174.19 examination.

174.20 (c) Individuals unable to meet the requirements in paragraph (a) or (b) shall be subject
 174.21 to all the requirements of section 154.05.

174.22 Sec. 14. Minnesota Statutes 2024, section 154.11, is amended by adding a subdivision to
 174.23 read:

174.24 Subd. 4. Examination of cosmetologists. (a) A person may be credited with up to 1,000
 174.25 hours of study toward the 1,500 hours of study required under section 154.05 if the person:

174.26 (1) has hours of study that the board determines are substantially similar to the
 174.27 requirements in section 154.07;

174.28 (2) has a currently active license verified by the issuing state or a certificate of registration
 174.29 verified by the issuing state, or equivalent, as a practicing cosmetologist; or

174.30 (3) has credentials as a practicing cosmetologist from a foreign country that are verified
 174.31 by a board-approved professional credential evaluation provider and the board has determined
 174.32 that the foreign country's curriculum requirements are substantially similar to the
 174.33 requirements in section 154.07.

175.1 (b) After a person with credited hours under paragraph (a) completes the remaining
 175.2 required hours in a board-approved barber school and meets the requirements of section
 175.3 154.05, clause (1), the person is eligible for the comprehensive examination.

175.4 Sec. 15. **REPEALER.**

175.5 Minnesota Rules, parts 2100.2500; 2100.2600; 2100.2900; 2100.3000; 2100.3200;
 175.6 2100.3300; 2100.4500; 2100.5200, subparts 1, 2, and 5; 2100.5300; and 2100.6000, are
 175.7 repealed.

175.8 ARTICLE 15

175.9 BOARD OF COSMETOLOGIST EXAMINERS

175.10 Section 1. Minnesota Statutes 2024, section 155A.20, is amended to read:

175.11 **155A.20 BOARD OF COSMETOLOGIST EXAMINERS CREATED; TERMS.**

175.12 (a) A Board of Cosmetologist Examiners is established to consist of seven members,
 175.13 appointed by the governor as follows:

175.14 (1) two cosmetologists, one of whom is recommended by a professional association of
 175.15 cosmetologists, nail technicians, and estheticians;

175.16 (2) two school instructors, one of whom is teaching at a public cosmetology school in
 175.17 the state and one of whom is teaching at a private cosmetology school in the state;

175.18 (3) one advanced practice esthetician;

175.19 (4) one nail technician; and

175.20 (5) one public member, as defined in section 214.02.

175.21 (b) All cosmetologist, advanced practice esthetician, and nail technician members must
 175.22 be currently licensed in the field of cosmetology, nail technology, or ~~esthetology~~, advanced
 175.23 practice esthiology in Minnesota; ~~have practiced in the licensed occupation for at least five~~
 175.24 ~~years immediately prior to their appointment, be graduates from grade 12 of high school or~~
 175.25 ~~have equivalent education;~~ and have knowledge of sections 155A.21 to 155A.36 and
 175.26 Minnesota Rules, chapters 2105 and 2110.

175.27 (c) Membership terms, compensation of members, removal of members, the filling of
 175.28 membership vacancies, and fiscal year and reporting requirements ~~shall~~ must be as provided
 175.29 in sections 214.07 to 214.09. The provision of staff, administrative services, and office
 175.30 space; the review and processing of complaints; the setting of board fees; and other provisions
 175.31 relating to board operations ~~shall~~ must be as provided in chapter 214.

176.1 (d) Members appointed to fill vacancies caused by death, resignation, or removal ~~shall~~
176.2 must serve during the unexpired term of their predecessors.

176.3 Sec. 2. Minnesota Statutes 2024, section 155A.23, subdivision 4, is amended to read:

176.4 Subd. 4. **Cosmetologist.** A "cosmetologist" is any person who, for compensation,
176.5 performs ~~the personal services, as defined in subdivision 3~~ for the cosmetic care of the hair,
176.6 nails, and stratum corneum of the epidermal layer of the skin surface.

176.7 Sec. 3. Minnesota Statutes 2024, section 155A.23, subdivision 5, is amended to read:

176.8 Subd. 5. **Esthetician.** An "esthetician" is any person who, for compensation, performs
176.9 personal services for the cosmetic care of the stratum corneum of the epidermal layer of the
176.10 skin surface only.

176.11 Sec. 4. Minnesota Statutes 2024, section 155A.23, subdivision 8, is amended to read:

176.12 Subd. 8. **Manager.** A "manager" is any person who is a cosmetologist, esthetician,
176.13 advanced practice esthetician, hair technician, nail technician ~~practitioner,~~ or eyelash
176.14 technician, and who has a manager license and provides any services under that license, as
176.15 defined in subdivision 3.

176.16 Sec. 5. Minnesota Statutes 2024, section 155A.23, subdivision 9, is amended to read:

176.17 Subd. 9. **Salon.** A "salon" is an indoor area, room, or rooms employed to offer personal
176.18 services, as defined in subdivision 3. ~~"Salon"~~ Salon does not include the home of a customer
176.19 but the board may adopt health and infection control rules governing practice in the homes
176.20 of customers.

176.21 Sec. 6. Minnesota Statutes 2024, section 155A.23, subdivision 10, is amended to read:

176.22 Subd. 10. **School.** A "school" is a place where ~~any person operates and maintains a class~~
176.23 ~~to teach~~ cosmetology instruction or training is offered to the public for compensation.
176.24 ~~"School"~~ School does not include a place where ~~the only teaching of cosmetology is done~~
176.25 ~~by a licensed cosmetologist as part of a community education program of less than ten hours~~
176.26 ~~duration, provided that the program does not permit practice on persons other than students~~
176.27 ~~in the program, and provided that the program is intended solely for the self-improvement~~
176.28 ~~of the students~~ that only offers continuing education according to this chapter, additional
176.29 instruction or training to licensees on services within the licensee's scope of practice, or

177.1 community education programs for personal enrichment and not as preparation for
177.2 professional practice.

177.3 Sec. 7. Minnesota Statutes 2024, section 155A.23, is amended by adding a subdivision to
177.4 read:

177.5 Subd. 10a. **School administrator.** "School administrator" means the proprietor, if the
177.6 applicant is a proprietorship; the managing partner, if the applicant is a partnership; the
177.7 authorized officers, if the applicant is a corporation, association, company, firm, society,
177.8 or trust; or the dean, principal, or other authorized signatory, if the applicant is a school in
177.9 the Minnesota State Colleges and Universities system or a secondary school.

177.10 Sec. 8. Minnesota Statutes 2024, section 155A.23, subdivision 18, is amended to read:

177.11 Subd. 18. **Practitioner.** A "practitioner" is any person licensed as an operator or manager
177.12 in the practice of cosmetology, esthiology, advanced practice esthiology, hair technology
177.13 services, nail technology services, or eyelash technology services.

177.14 Sec. 9. Minnesota Statutes 2024, section 155A.25, subdivision 1a, is amended to read:

177.15 Subd. 1a. **Schedule.** (a) The schedule for fees and penalties is as provided in this
177.16 subdivision.

177.17 (b) Three-year license fees are as follows:

177.18 (1) \$195 initial practitioner, manager, or instructor license, divided as follows:

177.19 (i) \$155 for each initial license; and

177.20 (ii) \$40 for each initial license application fee;

177.21 (2) \$115 renewal of practitioner license, divided as follows:

177.22 (i) \$100 for each renewal license; and

177.23 (ii) \$15 for each renewal application fee;

177.24 (3) \$145 renewal of manager or instructor license, divided as follows:

177.25 (i) \$130 for each renewal license; and

177.26 (ii) \$15 for each renewal application fee;

177.27 (4) \$350 initial salon license, divided as follows:

177.28 (i) \$250 for each initial license; and

- 178.1 (ii) \$100 for each initial license application fee;
- 178.2 (5) \$225 renewal of salon license, divided as follows:
- 178.3 (i) \$175 for each renewal; and
- 178.4 (ii) \$50 for each renewal application fee;
- 178.5 (6) \$4,000 initial school license, divided as follows:
- 178.6 (i) \$3,000 for each initial license; and
- 178.7 (ii) \$1,000 for each initial license application fee; and
- 178.8 (7) \$2,500 renewal of school license, divided as follows:
- 178.9 (i) \$2,000 for each renewal; and
- 178.10 (ii) \$500 for each renewal application fee.
- 178.11 (c) Penalties may be assessed in amounts up to the following:
- 178.12 (1) reinspection fee, \$150;
- 178.13 (2) manager and owner with expired practitioner or instructor found on inspection, \$150
- 178.14 each;
- 178.15 (3) expired practitioner or instructor found on inspection, \$200;
- 178.16 (4) expired salon found on inspection, \$500;
- 178.17 (5) expired school found on inspection, \$1,000;
- 178.18 (6) failure to display current license, \$100;
- 178.19 (7) failure to dispose of single-use equipment, implements, or materials as provided
- 178.20 under section 155A.355, subdivision 1, \$500;
- 178.21 (8) use of prohibited razor-type callus shavers, rasps, or graters under section 155A.355,
- 178.22 subdivision 2, \$500;
- 178.23 ~~(9) performing nail or cosmetology services in esthetician salon, or performing esthetician~~
- 178.24 ~~or cosmetology services in a nail salon, \$500;~~
- 178.25 ~~(10) owner and manager allowing an operator to work as an independent contractor,~~
- 178.26 ~~\$200;~~
- 178.27 ~~(11) operator working as an independent contractor, \$100;~~
- 178.28 ~~(12)~~ (9) refusal or failure to cooperate with an inspection, \$500;

- 179.1 ~~(13)~~ (10) practitioner late renewal fee, \$45; and
- 179.2 ~~(14)~~ (11) salon or school late renewal fee, \$50.
- 179.3 (d) Administrative fees are as follows:
- 179.4 (1) homebound service permit, \$50 three-year fee;
- 179.5 (2) name change, \$20;
- 179.6 (3) certification of licensure, \$30 each;
- 179.7 (4) duplicate license, \$20;
- 179.8 ~~(5) special event permit, \$75 per year;~~
- 179.9 ~~(6) \$100~~ (5) no fee for each a temporary military license for a cosmetologist, nail
- 179.10 technician, esthetician, ~~or~~ advanced practice esthetician ~~one-year fee~~, or eyelash technician;
- 179.11 ~~(7)~~ (6) expedited initial individual license, \$150;
- 179.12 ~~(8)~~ (7) expedited initial salon license, \$300;
- 179.13 ~~(9)~~ (8) instructor continuing education provider approval, \$150 each year; and
- 179.14 ~~(10)~~ (9) practitioner continuing education provider approval, \$150 each year.

179.15 Sec. 10. Minnesota Statutes 2024, section 155A.25, subdivision 3, is amended to read:

179.16 Subd. 3. **Other licenses.** A licensee who applies for licensing in a second category ~~shall~~

179.17 must pay the full license fee and application fee for the second category of license. If

179.18 maintaining more than one license, a licensee must pay the renewal and application fee for

179.19 each license except as provided in section 155A.27, subdivision 6b.

179.20 Sec. 11. Minnesota Statutes 2024, section 155A.25, subdivision 5, is amended to read:

179.21 Subd. 5. **Board must approve or deny application; timeline.** Within 15 working days

179.22 of receiving a complete application and the required fees, if any, to apply for or renew an

179.23 individual or salon license that is not an expedited license or a military license, the board

179.24 must (1) issue the license, (2) deny the license and notify the applicant of the denial, or (3)

179.25 if the conditions in subdivision 6 are met, notify the applicant that the board must conduct

179.26 additional review.

179.27 Sec. 12. Minnesota Statutes 2024, section 155A.25, subdivision 7, is amended to read:

179.28 Subd. 7. **Temporary military license or expedited license.** Within five business days

179.29 of receiving a completed application and the required fees, if any, for an individual or salon

180.1 license that meets requirements for an expedited license or a temporary military license,
180.2 the board must: (1) issue the license; (2) deny the license and notify the applicant of the
180.3 denial; or (3) notify the applicant that the board must conduct additional review if the
180.4 application meets the conditions in subdivision 8.

180.5 Sec. 13. Minnesota Statutes 2024, section 155A.27, subdivision 5a, is amended to read:

180.6 Subd. 5a. **Temporary military license.** The board ~~shall~~ must establish temporary licenses
180.7 for a cosmetologist, a hair technician, a nail technician, an eyelash technician, an esthetician,
180.8 and an advanced practice esthetician in accordance with section 197.4552, subdivision 2.
180.9 A temporary license issued under section 197.4552, subdivision 2, is valid for a three-year
180.10 licensing period. The board must only issue one temporary license per applicant.

180.11 Sec. 14. Minnesota Statutes 2024, section 155A.27, is amended by adding a subdivision
180.12 to read:

180.13 Subd. 6a. **Instructor license renewal.** (a) When issuing an instructor license to an
180.14 individual who holds an operator or a salon manager license in the same classification, the
180.15 board must extend the expiration date of the operator or salon manager license so that both
180.16 licenses in the same classification expire on the same date.

180.17 (b) When an individual simultaneously renews an instructor license and an operator or
180.18 a salon manager license in the same classification, the board must charge the individual
180.19 only the instructor renewal license and renewal application fee according to section 155A.25,
180.20 subdivision 1a, paragraph (b), clause (3), and must not charge a fee for renewing the operator
180.21 or salon manager license.

180.22 **EFFECTIVE DATE.** This section is effective January 1, 2028.

180.23 Sec. 15. Minnesota Statutes 2024, section 155A.27, subdivision 10, is amended to read:

180.24 Subd. 10. **Nonresident licenses.** (a) A nonresident cosmetologist, a hair technician, an
180.25 advanced practice esthetician, a nail technician, an esthetician, or an eyelash technician may
180.26 be licensed in Minnesota if the individual has completed cosmetology school in a state or
180.27 country with the same or greater school hour requirements, has an active license in that state
180.28 or country, ~~and~~ has passed a board-approved theory and practice-based examination, and
180.29 has passed the Minnesota-specific written operator examination ~~for cosmetologist, hair~~
180.30 ~~technician, nail technician, esthetician.~~ If a test is used to verify the qualifications of ~~trained~~
180.31 ~~cosmetologists,~~ the test ~~should~~ must be translated into the nonresident's native language

181.1 within the limits of available resources. Licenses ~~shall~~ must not be issued under this
 181.2 subdivision for managers or instructors.

181.3 (b) If an individual has less than the required number of school hours, the individual
 181.4 must have had a current active license in another state or country for at least three years and
 181.5 have passed a board-approved theory and practice-based examination; and the
 181.6 Minnesota-specific written operator examination ~~for cosmetologist, hair technician, nail~~
 181.7 ~~technician, esthetician~~. If a test is used to verify the qualifications of ~~trained cosmetologists,~~
 181.8 the test ~~should~~ must be translated into the nonresident's native language within the limits
 181.9 of available resources. Licenses must not be issued under this subdivision for managers or
 181.10 instructors.

181.11 (c) Applicants claiming training and experience in a foreign country ~~shall~~ must supply
 181.12 official English-language translations of all required documents from a board-approved
 181.13 source.

181.14 Sec. 16. Minnesota Statutes 2024, section 155A.27, is amended by adding a subdivision
 181.15 to read:

181.16 Subd. 11. **Reciprocity for barbers.** A person who is a registered barber under chapter
 181.17 154 may be granted credit up to 500 hours, as determined by a Minnesota-licensed
 181.18 cosmetology school, toward the required hours of study for a license in cosmetology or hair
 181.19 technology if the person:

181.20 (1) provides the cosmetology school with a verification of registration issued from the
 181.21 Minnesota Board of Barber Examiners verifying that the person has an active Minnesota
 181.22 barber registration; and

181.23 (2) holds an active Minnesota barber registration at the time that the person applies for
 181.24 a license in cosmetology or hair technology.

181.25 **EFFECTIVE DATE.** This section is effective on January 1, 2027.

181.26 Sec. 17. Minnesota Statutes 2024, section 155A.271, subdivision 2, is amended to read:

181.27 Subd. 2. **Continuing education providers.** (a) Only a board-licensed school of
 181.28 cosmetology, a postsecondary institution as ~~defined~~ described in section 136A.103,
 181.29 subdivision 1, paragraph (a), or a board-recognized professional association organized under
 181.30 chapter 317A may be approved by the board to offer continuing education for credit under
 181.31 subdivision 1, paragraph (a). Continuing education under subdivision 1, paragraph (b), may
 181.32 be offered by a:

182.1 (1) board-licensed school of cosmetology;

182.2 (2) board-recognized professional association organized under chapter 317A; or

182.3 (3) board-licensed salon.

182.4 An approved school or professional association may offer web-based continuing education
182.5 instruction to achieve maximum involvement of licensees. Continuing education providers
182.6 are encouraged to offer classes available in foreign language formats.

182.7 (b) Board approval of any continuing education provider is valid for one calendar year
182.8 and is contingent upon submission and preapproval of the lesson plan or plans with learning
182.9 objectives for the class to be offered and the payment of the application fee in section
182.10 155A.25, subdivision 1a, paragraph (d), clause ~~(10)~~ (9). The board ~~shall~~ must maintain a
182.11 list of approved providers and courses on the board's website. The board may revoke
182.12 authorization of a continuing education provider at any time for just cause and the board
182.13 may demand return of documents required under subdivision 3.

182.14 Sec. 18. Minnesota Statutes 2024, section 155A.29, subdivision 2, is amended to read:

182.15 Subd. 2. **Requirements.** The conditions and process by which a salon is licensed ~~shall~~
182.16 must be established by the board by rule. In addition to those requirements, ~~no~~ a license
182.17 ~~shall~~ must not be issued unless the board first determines that the conditions in clauses (1)
182.18 to (4) have been satisfied:

182.19 (1) compliance with all local and state laws, particularly relating to matters of infection
182.20 control, health, and safety;

182.21 (2) the ~~employment~~ appointment of a manager, as defined in section 155A.23, subdivision
182.22 8;

182.23 (3) if applicable, evidence of compliance with workers' compensation section 176.182;
182.24 and

182.25 (4) evidence of continued professional liability insurance coverage of at least \$25,000
182.26 for each claim and \$50,000 total coverage for each policy year for each ~~operator~~ practitioner.

182.27 Sec. 19. Minnesota Statutes 2024, section 155A.30, subdivision 3, is amended to read:

182.28 Subd. 3. **Applications.** Application for a license ~~shall~~ must be prepared on forms
182.29 furnished by the board and ~~shall~~ must contain the following and such other information as
182.30 may be required:

183.1 (1) the name of the school, together with ownership and controlling officers, members,
183.2 and managing employees;

183.3 (2) the specific fields of instruction which will be offered and reconciliation of the course
183.4 content and length to meet the minimum standards, as prescribed in subdivision 2;

183.5 (3) the place or places where instruction will be given;

183.6 (4) a listing of the equipment available for instruction in each course offered;

183.7 (5) the maximum enrollment to be accommodated;

183.8 (6) a listing of instructors, all of whom ~~shall~~ must be licensed as provided in section
183.9 155A.27, subdivision 2, except that any school may use occasional instructors or lecturers
183.10 who would add to the general or specialized knowledge of the students but who need not
183.11 be licensed;

183.12 (7) a current balance sheet, income statement or documentation to show sufficient
183.13 financial worth and responsibility to properly conduct a school and to assure financial
183.14 resources ample to meet the school's financial obligations;

183.15 (8) other financial guarantees ~~which~~ that would assure protection of the public as
183.16 determined by rule; and

183.17 (9) a copy of all written ~~material which~~ materials that the school uses to ~~solicit prospective~~
183.18 ~~students, including but not limited to a tuition and fee schedule, and all catalogues, brochures~~
183.19 ~~and other recruitment advertisements. Each school shall annually, on a date determined by~~
183.20 ~~the board, file with the board any new or amended materials which it has distributed during~~
183.21 ~~the past year~~ for prospective student enrollment, including the enrollment contract, the
183.22 student handbook, and tuition and fee information.

183.23 Sec. 20. Minnesota Statutes 2024, section 155A.30, subdivision 4, is amended to read:

183.24 Subd. 4. **Verification of application.** Each application ~~shall~~ must be signed and certified
183.25 to under oath by ~~the proprietor if the applicant is a proprietorship, by the managing partner~~
183.26 ~~if the applicant is a partnership, or by the authorized officers of the applicant if the applicant~~
183.27 ~~is a corporation, association, company, firm, society or trust~~ a school administrator as defined
183.28 in section 155A.23, subdivision 10a.

183.29 Sec. 21. Minnesota Statutes 2024, section 155A.30, subdivision 5, is amended to read:

183.30 Subd. 5. **Conditions precedent to issuance.** A license must not be issued unless the
183.31 board first determines that the applicant has met the requirements in clauses (1) to (9):

184.1 (1) the applicant must have a sound financial condition with sufficient resources available
184.2 to meet the school's financial obligations; to refund all tuition and other charges, within a
184.3 reasonable period of time, in the event of dissolution of the school or in the event of any
184.4 justifiable claims for refund against the school; to provide adequate service to its students
184.5 and prospective students; and to maintain proper use and support of the school;

184.6 (2) the applicant must have satisfactory training facilities with sufficient tools and
184.7 equipment and the necessary number of work stations to adequately train the students
184.8 currently enrolled, and those proposed to be enrolled;

184.9 (3) the applicant must employ a sufficient number of qualified instructors trained by
184.10 experience and education to give the training contemplated;

184.11 (4) the premises and conditions under which the students work and study must be sanitary,
184.12 healthful, and safe according to modern standards;

184.13 (5) each occupational course or program of instruction or study must be of such quality
184.14 and content as to provide education and training that will adequately prepare enrolled
184.15 students for testing, licensing, and entry level positions;

184.16 (6) the school must have coverage by professional liability insurance of at least \$25,000
184.17 per incident and an accumulation of \$150,000 for each premium year;

184.18 (7) the applicant ~~shall~~ must provide evidence of the school's compliance with section
184.19 176.182;

184.20 (8) the applicant, except the state and its political subdivisions as described in section
184.21 13.02, subdivision 11, must file with the board a continuous corporate surety bond in the
184.22 amount of no less than ten percent of the preceding year's gross income from student tuition,
184.23 fees, and other required institutional charges, but in no event less than \$10,000, conditioned
184.24 upon the faithful performance of all contracts and agreements with students made by the
184.25 applicant. New schools must base the bond amount on the anticipated gross income from
184.26 student tuition, fees, and other required institutional charges for the third year of operation,
184.27 but in no event less than \$10,000. The applicant must compute the amount of the surety
184.28 bond and verify that the amount of the surety bond complies with this subdivision. The
184.29 bond ~~shall~~ must run to the board and to any person who may have a cause of action against
184.30 the applicant arising at any time after the bond is filed and before it is canceled for breach
184.31 of any contract or agreement made by the applicant with any student. The surety of the bond
184.32 may cancel it upon giving 60 days' notice in writing to the board and ~~shall~~ must be relieved
184.33 of liability for any breach of condition occurring after the effective date of cancellation;
184.34 and

185.1 (9) the applicant must appoint a designated school manager.

185.2 Sec. 22. Minnesota Statutes 2024, section 155A.30, subdivision 6, is amended to read:

185.3 Subd. 6. **Fees; renewals.** (a) Applications for initial license under sections 155A.21 to
185.4 155A.36 ~~shall~~ must be accompanied by a nonrefundable application fee set forth in section
185.5 155A.25.

185.6 (b) License duration ~~shall~~ must be three years. Each renewal application ~~shall~~ must be
185.7 accompanied by a nonrefundable renewal fee set forth in section 155A.25.

185.8 (c) Application for renewal of license ~~shall~~ must be made as provided in rules adopted
185.9 by the board and on forms supplied by the board.

185.10 Sec. 23. Minnesota Statutes 2024, section 155A.30, subdivision 7, is amended to read:

185.11 Subd. 7. **Inspections.** All schools may be inspected as often as the board considers
185.12 necessary to affirm compliance. The board ~~shall have~~ has the authority to assess the cost of
185.13 the inspection to the school.

185.14 Sec. 24. Minnesota Statutes 2024, section 155A.30, subdivision 8, is amended to read:

185.15 Subd. 8. **List of licensed schools; availability.** The board ~~shall~~ must maintain and make
185.16 available to the public a list of licensed schools.

185.17 Sec. 25. Minnesota Statutes 2024, section 155A.30, subdivision 9, is amended to read:

185.18 Subd. 9. **~~Separation of School and professional departments~~ salon separation.** A
185.19 school ~~shall~~ must display in the entrance reception room of ~~its~~ the school's student section
185.20 a sign prominently and conspicuously indicating that all work therein is ~~done~~ performed
185.21 exclusively by students. Professional departments of a school shall be run Any salon or
185.22 business on the same premises as a school must be operated as an entirely separate and
185.23 distinct ~~businesses~~ business and ~~shall~~ must have a separate ~~entrances.~~ entrance from the
185.24 school. If a salon or business is located on the same premises as a school: (1) staff of the
185.25 salon or business must not provide services or training in the space used by the school; and
185.26 (2) staff and students of the school must not provide services or training in the space used
185.27 by the salon or business.

185.28 Nothing contained in sections 155A.21 to 155A.36 ~~shall prevent~~ prevents a school from
185.29 charging for student work done in the school to cover the cost of materials used and expenses
185.30 incurred in and for the operation of the school. All of the student work ~~shall~~ must be

186.1 prominently and conspicuously advertised and held forth as being student work and not
186.2 otherwise.

186.3 Sec. 26. Minnesota Statutes 2024, section 155A.30, subdivision 11, is amended to read:

186.4 Subd. 11. **Instruction requirements.** (a) Instruction may be offered for no more than
186.5 ten hours per day per student.

186.6 (b) Instruction must be given within a licensed school building except as provided in
186.7 paragraphs (c) and (d). ~~Online instruction is permitted for board-approved theory-based~~
186.8 ~~classes.~~

186.9 (c) A school may offer online instruction for theory-based portions of training. A school
186.10 must not give practice-based classes must not be given training online.

186.11 (d) A school may offer activities related to the training for industry educational purposes
186.12 outside of a school building when accompanied by an instructor for a maximum of one
186.13 percent of the total training hours for a course.

186.14 Sec. 27. Minnesota Statutes 2024, section 155A.30, subdivision 12, is amended to read:

186.15 Subd. 12. **Minnesota state authorization.** A cosmetology school licensed or applying
186.16 for licensure under this section ~~shall~~ must maintain recognition as an institution of
186.17 postsecondary study by meeting the following conditions, in addition to Minnesota Rules,
186.18 part 2110.0310:

186.19 (1) the school must admit as regular students only those individuals who have a high
186.20 school diploma or a diploma based on passing commissioner of education-selected high
186.21 school equivalency tests or their equivalent, or who are beyond the age of compulsory
186.22 education as prescribed by section 120A.22; and

186.23 (2) the school must be licensed by name and authorized by the Office of Higher Education
186.24 and the board to offer one or more training programs beyond the secondary level.

186.25 Sec. 28. Minnesota Statutes 2024, section 155A.31, is amended to read:

186.26 **155A.31 INSPECTIONS.**

186.27 The board is responsible for inspecting salons and schools licensed pursuant to sections
186.28 155A.21 to 155A.36 to assure compliance with the requirements of sections 155A.21 to
186.29 155A.36. The board ~~shall~~ must direct board resources first to the inspection of those licensees
186.30 who fail to meet the requirements of law, have indicated that they present a greater risk to

187.1 the public, or have otherwise, in the opinion of the board, demonstrated that they require a
187.2 greater degree of regulatory attention.

187.3 Sec. 29. Minnesota Statutes 2024, section 155A.32, is amended to read:

187.4 **155A.32 DISPLAY OF LICENSE.**

187.5 Every holder of a license granted by the board ~~shall~~ must display ~~it~~ the license in a
187.6 conspicuous place in the place of business.

187.7 Sec. 30. Minnesota Statutes 2024, section 155A.33, subdivision 1, is amended to read:

187.8 Subdivision 1. **Proceedings.** If the board, or a complaint committee if authorized by the
187.9 board, has a reasonable basis for believing that a person has engaged in or is about to engage
187.10 in a violation of a statute, rule, or order that the board has adopted or issued or is empowered
187.11 to enforce, the board or complaint committee may proceed as provided in subdivision 2 or
187.12 3. Except as otherwise provided in this section, all hearings must be conducted in accordance
187.13 with ~~the Administrative Procedure Act~~ chapter 14.

187.14 Sec. 31. Minnesota Statutes 2024, section 155A.33, subdivision 2, is amended to read:

187.15 Subd. 2. **Legal actions.** (a) When necessary to prevent an imminent violation of a statute,
187.16 rule, or order that the board has adopted or issued or is empowered to enforce, the board,
187.17 or a complaint committee if authorized by the board, may bring an action in the name of
187.18 the state in the District Court of Ramsey County in which jurisdiction is proper to enjoin
187.19 the act or practice and to enforce compliance with the statute, rule, or order. On a showing
187.20 that a person has engaged in or is about to engage in an act or practice that constitutes a
187.21 violation of a statute, rule, or order that the board has adopted or issued or is empowered
187.22 to enforce, the court ~~shall~~ must grant a permanent or temporary injunction, restraining order,
187.23 or other appropriate relief.

187.24 (b) For purposes of injunctive relief under this subdivision, irreparable harm exists when
187.25 the board shows that a person has engaged in or is about to engage in an act or practice that
187.26 constitutes violation of a statute, rule, or order that the board has adopted or issued or is
187.27 empowered to enforce.

187.28 (c) Injunctive relief granted under paragraph (a) does not relieve an enjoined person
187.29 from criminal prosecution by a competent authority, or from action by the board under
187.30 subdivision 3, 4, 5, or 6 with respect to the person's license or registration, or application
187.31 for examination, license, registration, or renewal.

188.1 Sec. 32. Minnesota Statutes 2024, section 155A.33, subdivision 3, is amended to read:

188.2 Subd. 3. **Cease and desist orders.** (a) The board, or complaint committee if authorized
188.3 by the board, may issue and have served upon an unlicensed or unregistered person, or a
188.4 holder of a license or registration, an order requiring the person to cease and desist from an
188.5 act or practice that constitutes a violation of a statute, rule, or order that the board has adopted
188.6 or issued or is empowered to enforce. The order must (1) give reasonable notice of the rights
188.7 of the person named in the order to request a hearing, and (2) state the reasons for the entry
188.8 of the order. No order may be issued under this subdivision until an investigation of the
188.9 facts has been conducted under section 214.10.

188.10 (b) Service of the order under this subdivision is effective when the order is personally
188.11 served on the person or counsel of record, or served by certified mail to the most recent
188.12 address provided to the board for the person or counsel of record.

188.13 (c) The board must hold a hearing under this subdivision not later than 30 days after the
188.14 board receives the request for the hearing, unless otherwise agreed between the board, or
188.15 complaint committee if authorized by the board, and the person requesting the hearing.

188.16 (d) Notwithstanding any rule to the contrary, the administrative law judge must issue a
188.17 report within 30 days of the close of the contested case hearing. Within 30 days after
188.18 receiving the report and subsequent exceptions and argument, the board ~~shall~~ must issue a
188.19 further order vacating, modifying, or making permanent the cease and desist order. If no
188.20 hearing is requested within 30 days of service of the order, the order becomes final and
188.21 remains in effect until modified or vacated by the board.

188.22 Sec. 33. Minnesota Statutes 2024, section 155A.33, subdivision 4, is amended to read:

188.23 Subd. 4. **Licensing and registration actions.** (a) With respect to a person who is a
188.24 holder of or applicant for a license or registration under this chapter, the board may by order
188.25 deny, refuse to renew, suspend, temporarily suspend, or revoke the application, license, or
188.26 registration, censure or reprimand the person, refuse to permit the person to sit for
188.27 examination, or refuse to release the person's examination grades, if the board finds that
188.28 such an order is in the public interest and that, based on a preponderance of the evidence
188.29 presented, the person has:

188.30 (1) violated a statute, rule, or order that the board has adopted or issued or is empowered
188.31 to enforce;

188.32 (2) engaged in conduct or acts that are fraudulent, deceptive, or dishonest, related to the
188.33 practice of a profession regulated by this chapter, if the fraudulent, deceptive, or dishonest

189.1 conduct or acts reflect adversely on the person's ability or fitness to engage in the practice
189.2 of the profession;

189.3 (3) engaged in conduct or acts that constitute malpractice, are negligent, demonstrate
189.4 incompetence, or are otherwise in violation of the standards in the rules of the board, where
189.5 the conduct or acts relate to the practice of a profession regulated by this chapter;

189.6 (4) employed fraud or deception in obtaining a license, registration, renewal, or
189.7 reinstatement, or in passing all or a portion of the examination;

189.8 (5) had a license, registration, right to examine, or other similar authority revoked in
189.9 another jurisdiction;

189.10 (6) failed to meet any requirement for issuance or renewal of the person's license or
189.11 registration;

189.12 (7) advertised by means of false or deceptive statements;

189.13 (8) performed licensed services while consuming or under the influence of an intoxicant
189.14 or controlled substance;

189.15 (9) demonstrated unprofessional conduct or practice;

189.16 (10) permitted an unlicensed person under the person's supervision or control to offer
189.17 or practice services regulated by this chapter for compensation;

189.18 (11) practices, offered to practice, or attempted to practice by misrepresentation;

189.19 (12) failed to display a license or permit as required by rules adopted by the board;

189.20 (13) violated the board's rules governing infection control;

189.21 (14) refused to permit the board to make an inspection permitted or required by this
189.22 chapter, or failed to provide the board or the attorney general on behalf of the board with
189.23 any documents or records they request; or

189.24 (15) with respect to temporary suspension orders, has committed an act, engaged in
189.25 conduct, or committed practices that the board, or complaint committee if authorized by
189.26 the board, has determined may result or may have resulted in an immediate threat to the
189.27 public.

189.28 (b) In lieu of or in addition to any remedy under paragraph (a), the board may, as a
189.29 condition of continued licensure or registration, termination of suspension, reinstatement
189.30 of licensure or registration, examination, or release of examination results, require that the
189.31 person:

190.1 (1) submit to a quality review of the person's ability, skills, or quality of work, conducted
190.2 in a manner and by a person or entity that the board determines; or

190.3 (2) completes to the board's satisfaction continuing education as the board requires.

190.4 ~~(e) Service of an order under this subdivision is effective if the order is served in person,~~
190.5 ~~or is served by certified mail to the most recent address provided to the board by the licensee,~~
190.6 ~~registrant, applicant, or counsel of record. The order must state the reason for the entry of~~
190.7 ~~the order.~~

190.8 (c) The board or complaint committee, if authorized by the board, may issue an order
190.9 under this subdivision. The order may include conditions under paragraph (b) and civil
190.10 penalties and fees permitted under subdivision 6. The order may require a person to cease
190.11 and desist from acting in violation of paragraph (a). The order must include:

190.12 (1) a summary of the facts that constitute each violation;

190.13 (2) the applicable law that has been violated;

190.14 (3) the licensing or registration action taken under paragraph (a); and

190.15 (4) a notice to the individual that unless the individual requests a hearing within 30 days
190.16 of service of the order, the order becomes a final order of the board.

190.17 (d) If an order under this subdivision assesses civil penalties, the order must include a
190.18 statement that, when the order becomes final, the board may file and enforce any unpaid
190.19 amount of a penalty as a judgment in district court without further notice or additional
190.20 proceedings.

190.21 (e) A person issued an order under this subdivision may request a hearing within 30
190.22 days of the date the order is served. If a person's written request for a hearing is not received
190.23 within 30 days of the date of service of the order, the order becomes a final order and is not
190.24 subject to review by any court or agency. If a person submits to the board a timely request
190.25 for hearing, the order is stayed pending a final order. The request for a hearing under this
190.26 paragraph must:

190.27 (1) be in writing;

190.28 (2) provide the reason for the person's request for a hearing; and

190.29 (3) be mailed or delivered to the board within 30 days of service of the order.

190.30 (f) An order under this subdivision must be personally served or sent by first-class or
190.31 certified mail to the most recent address provided to the board by the licensee or applicant
190.32 according to Minnesota Rules, part 1400.5550, subparts 2 and 3.

191.1 ~~(d)~~ (g) Except as provided in subdivision 5, paragraph (c), all hearings under this
 191.2 subdivision must be conducted in accordance with ~~the Administrative Procedure Act~~ chapter
 191.3 14.

191.4 (h) Nothing in this chapter prevents the board from resolving any violation through
 191.5 informal disposition under section 14.59.

191.6 Sec. 34. Minnesota Statutes 2024, section 155A.33, subdivision 5, is amended to read:

191.7 **Subd. 5. Temporary suspension.** (a) When the board, or complaint committee if
 191.8 authorized by the board, issues a temporary suspension order, the suspension provided for
 191.9 in the order is effective on service of a written copy of the order on the licensee, registrant,
 191.10 or counsel of record. The order must specify the statute, rule, or order violated by the licensee
 191.11 or registrant. The order remains in effect until the board issues a final order in the matter
 191.12 after a hearing, or on agreement between the board and the licensee or registrant.

191.13 (b) An order under this subdivision may (1) prohibit the licensee or registrant from
 191.14 engaging in the practice of a profession regulated by the board in whole or in part, as the
 191.15 facts require, and (2) condition the termination of the suspension on compliance with a
 191.16 statute, rule, or order that the board has adopted or issued or is empowered to enforce. The
 191.17 order must state the reasons for entering the order and must set forth the right to a hearing
 191.18 as provided in this subdivision.

191.19 (c) Within ten days after service of an order under this subdivision, the licensee or
 191.20 registrant may request a hearing in writing. The board must hold a hearing before its own
 191.21 members within five working days of the request for a hearing. The sole issue at the hearing
 191.22 must be whether there is a reasonable basis to continue, modify, or terminate the temporary
 191.23 suspension. The hearing is not subject to ~~the Administrative Procedure Act~~ chapter 14.
 191.24 Evidence presented to the board or the licensee or registrant may be in affidavit form only.
 191.25 The licensee, registrant, or counsel of record may appear for oral argument.

191.26 (d) Within five working days after the hearing, the board ~~shall~~ must issue its order and,
 191.27 if the order continues the suspension, ~~shall~~ must schedule a contested case hearing within
 191.28 30 days of the issuance of the order. Notwithstanding any rule to the contrary, the
 191.29 administrative law judge ~~shall~~ must issue a report within 30 days after the closing of the
 191.30 contested case hearing record. The board ~~shall~~ must issue a final order within 30 days of
 191.31 receiving the report.

192.1 Sec. 35. Minnesota Statutes 2024, section 155A.33, subdivision 6, is amended to read:

192.2 Subd. 6. **Violations; penalties; costs.** (a) The board may impose a civil penalty of up
192.3 to \$2,000 per violation on a person who violates a statute, rule, or order that the board has
192.4 adopted or issued or is empowered to enforce.

192.5 (b) In addition to any penalty under paragraph (a), the board may impose a fee to
192.6 reimburse the board for all or part of the cost of (1) the proceedings resulting in disciplinary
192.7 action authorized under this section, (2) the imposition of a civil penalty under paragraph
192.8 (a), or (3) the issuance of a cease and desist order. The board may impose a fee under this
192.9 paragraph when the board shows that the position of the person who has violated a statute,
192.10 rule, or order that the board has adopted or issued or is empowered to enforce is not
192.11 substantially justified unless special circumstances make such a fee unjust, notwithstanding
192.12 any rule to the contrary. Costs under this paragraph include, but are not limited to, the
192.13 amount paid by the board for services from the ~~Office~~ Court of Administrative Hearings,
192.14 attorney fees, court reporter costs, witness costs, reproduction of records, board members'
192.15 compensation, board staff time, and expenses incurred by board members and staff.

192.16 (c) All hearings under this subdivision must be conducted in accordance with ~~the~~
192.17 ~~Administrative Procedure Act~~ chapter 14.

192.18 Sec. 36. Minnesota Statutes 2024, section 155A.33, is amended by adding a subdivision
192.19 to read:

192.20 Subd. 8. **Corrective action.** (a) When the board or complaint committee, if authorized
192.21 by the board, determines that a complaint alleging that an applicant or a licensee violated
192.22 this chapter, rules adopted under this chapter, or an order issued by the board may be
192.23 appropriately resolved through corrective action, the board or complaint committee may
192.24 enter into an agreement for corrective action with an applicant or a licensee.

192.25 (b) An agreement for corrective action must:

192.26 (1) be in writing;

192.27 (2) describe the facts upon which the agreement is based;

192.28 (3) describe the corrective action agreed upon by the board or complaint committee and
192.29 the applicant or licensee; and

192.30 (4) state that the complaint upon which the agreement was based must be dismissed by
192.31 the board or complaint committee when the board or committee finds that the applicant or
192.32 licensee has successfully performed the corrective action.

193.1 (c) The board or complaint committee may determine that the applicant or licensee has
 193.2 successfully performed the corrective action if the applicant or licensee submits a request
 193.3 for dismissal that documents the applicant's or licensee's successful performance of the
 193.4 corrective action.

193.5 (d) An agreement under this subdivision is not disciplinary action. An agreement under
 193.6 this section is public data under chapter 13.

193.7 (e) The board may assess a fee on an applicant or a licensee to reimburse the board for
 193.8 costs related to the corrective action. The board must include a fee under this paragraph in
 193.9 the corrective action agreement.

193.10 (f) If an applicant or a licensee fails to successfully perform the corrective action within
 193.11 the time specified in the agreement, the matter may be resolved through any enforcement
 193.12 action authorized under this section.

193.13 Sec. 37. **REVISOR INSTRUCTION.**

193.14 The revisor of statutes must change the term "Board of Cosmetologist Examiners" to
 193.15 "Board of Cosmetology" wherever the term appears in Minnesota Statutes.

193.16 Sec. 38. **REPEALER.**

193.17 (a) Minnesota Statutes 2024, section 155A.275, is repealed.

193.18 (b) Laws 2017, First Special Session chapter 4, article 1, section 29, is repealed.

193.19 **ARTICLE 16**

193.20 **STATE GOVERNMENT MISCELLANEOUS**

193.21 Section 1. Minnesota Statutes 2024, section 16A.152, subdivision 2, is amended to read:

193.22 Subd. 2. **Additional revenues; priority.** (a) If on the basis of a forecast of general fund
 193.23 revenues and expenditures, the commissioner of management and budget determines that
 193.24 there will be a positive unrestricted budgetary general fund balance at the close of the
 193.25 biennium, the commissioner of management and budget must allocate money to the following
 193.26 accounts and purposes in priority order:

193.27 (1) the cash flow account established in subdivision 1 until that account reaches
 193.28 \$350,000,000;

193.29 (2) the budget reserve account established in subdivision 1a until that account reaches
 193.30 ~~\$2,852,098,000~~ \$3,421,764,000;

194.1 (3) the amount necessary to increase the aid payment schedule for school district aids
194.2 and credits payments in section 127A.45 to not more than 90 percent rounded to the nearest
194.3 tenth of a percent without exceeding the amount available and with any remaining funds
194.4 deposited in the budget reserve; and

194.5 (4) the amount necessary to restore all or a portion of the net aid reductions under section
194.6 127A.441 and to reduce the property tax revenue recognition shift under section 123B.75,
194.7 subdivision 5, by the same amount.

194.8 (b) The amounts necessary to meet the requirements of this section are appropriated
194.9 from the general fund within two weeks after the forecast is released or, in the case of
194.10 transfers under paragraph (a), clauses (3) and (4), as necessary to meet the appropriations
194.11 schedules otherwise established in statute.

194.12 (c) The commissioner of management and budget shall certify the total dollar amount
194.13 of the reductions under paragraph (a), clauses (3) and (4), to the commissioner of education.
194.14 The commissioner of education shall increase the aid payment percentage and reduce the
194.15 property tax shift percentage by these amounts and apply those reductions to the current
194.16 fiscal year and thereafter.

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

194.18 Sec. 2. **BRUCE ANDERSON VETERANS SERVICE BUILDING.**

194.19 The Veterans Service Building located at 20 West 12th Street in the city of St. Paul is
194.20 renamed as the Bruce Anderson Veterans Service Building.

194.21 Sec. 3. **SIGNAGE COSTS.**

194.22 The commissioner of administration must pay for the cost of modifying or replacing
194.23 signage as necessary to conform with section 2 using general fund appropriations available
194.24 for operations under Laws 2025, chapter 39, article 1, section 11. The commissioner must
194.25 not include these costs in determining lease rates for fiscal years 2028 and 2029 or otherwise
194.26 pass the cost of signage on to tenants of the building in section 2.

194.27 Sec. 4. **REVISOR INSTRUCTION.**

194.28 The revisor of statutes must replace "Veterans Service Building" with "Bruce Anderson
194.29 Veterans Service Building" wherever it appears in Minnesota Statutes and Minnesota Rules.

195.1

ARTICLE 17

195.2

MEDICAID FRAUD

195.3 Section 1. Minnesota Statutes 2024, section 8.16, subdivision 1, is amended to read:

195.4 Subdivision 1. **Authority.** (a) The attorney general, or any deputy, assistant, or special
 195.5 assistant attorney general whom the attorney general authorizes in writing, has the authority
 195.6 in any county of the state to subpoena and require the production of: (1) any records of: (i)
 195.7 telephone companies, cellular phone companies, and paging companies; (ii) subscribers of
 195.8 private computer networks, including Internet service providers or computer bulletin board
 195.9 systems; (iii) electric companies, gas companies, and water utilities; (iv) chemical suppliers;
 195.10 (v) hotels and motels; (vi) pawn shops; (vii) airlines, buses, taxis, and other entities engaged
 195.11 in the business of transporting people; and (viii) freight companies, self-service storage
 195.12 facilities, warehousing companies, package delivery companies, and other entities engaged
 195.13 in the businesses of transport, storage, or delivery, and; (2) wage and employment records
 195.14 relating to an investigation conducted under the attorney general's authority under section
 195.15 256B.12; (3) records of the existence of safe deposit box account numbers and customer
 195.16 savings and checking account numbers maintained by financial institutions and safe deposit
 195.17 companies; (4) insurance records related to claim settlement relating to an investigation
 195.18 conducted under the attorney general's authority under section 256B.12; and (5) the banking,
 195.19 credit card, and financial records, including but not limited to a safe deposit, loan and account
 195.20 application and agreement, signature card, statement, check, transfer, account authorization,
 195.21 safe deposit access record, and documentation of fraud, that belong to the subject of an
 195.22 investigation conducted pursuant to the attorney general's authority under section 256B.12,
 195.23 whether the record is held in the investigation subject's name or in another person's name.

195.24 (b) Subpoenas may only be issued for records that are relevant to an ongoing legitimate
 195.25 law enforcement investigation.

195.26 Sec. 2. Minnesota Statutes 2025 Supplement, section 256B.12, is amended to read:

195.27 **256B.12 LEGAL REPRESENTATION.**

195.28 The attorney general or the appropriate county attorney appearing at the direction of the
 195.29 attorney general shall be the attorney for the state agency, and the county attorney of the
 195.30 appropriate county shall be the attorney for the county agency in all matters pertaining
 195.31 hereto. To prosecute under this chapter or sections ~~609.466~~ 609.467; 609.52, subdivision
 195.32 2; and 609.542 or to recover payments wrongfully made under this chapter, the attorney
 195.33 general or the appropriate county attorney, acting independently or at the direction of the
 195.34 attorney general may institute a criminal or civil action.

196.1 Sec. 3. [609.467] MEDICAL ASSISTANCE FRAUD.

196.2 Subdivision 1. Medical assistance fraud prohibited. A person who does any of the
196.3 following is guilty of medical assistance fraud and may be sentenced as provided in
196.4 subdivision 2:

196.5 (1) acting with intent to defraud, executes or participates in, or attempts or conspires to
196.6 execute or participate in, a scheme or artifice to obtain, by means of any false or fraudulent
196.7 pretenses, representations, or promises, or concealment of any material fact, any money or
196.8 credits relating to the payment of medical assistance funds under chapter 256B;

196.9 (2) acting with intent to defraud, presents, submits, tenders, offers, or participates in, or
196.10 attempts or conspires to execute or participate in, the preparation of a claim for payment,
196.11 claim for reimbursement, cost report, or rate application, knowing or having reason to know
196.12 that any part of the claim, report, or application is ineligible for payment or reimbursement;

196.13 (3) acting with intent to defraud, knowingly provides false information or intentionally
196.14 omits material information as part of any enrollment application, provider agreement, or
196.15 ownership and management disclosure required by any state or federal law as a medical
196.16 assistance provider under chapter 245A or 256B;

196.17 (4) owns, operates, manages, or exercises control over any entity receiving medical
196.18 assistance funds, while knowing or having reason to know that the person has been suspended
196.19 or prohibited from enrolling as a medical assistance provider by any state agency or under
196.20 any state law, or is excluded or prohibited from enrolling as a medical assistance provider
196.21 by any federal agency or under any federal law;

196.22 (5) knowingly and intentionally permits another person to own, operate, manage, or
196.23 exercise control over any entity receiving medical assistance funds, while knowing or having
196.24 reason to know the other person is suspended or prohibited from enrolling as a medical
196.25 assistance provider by any state agency or under any state law, or excluded or prohibited
196.26 from enrolling as a medical assistance provider by any federal agency or under any federal
196.27 law;

196.28 (6) falsely makes or alters any record relating to the delivery of medical assistance
196.29 services, so that it purports to have been made by another or by the maker or alterer under
196.30 an assumed or fictitious name, or at another time, or with different provisions, or by the
196.31 authority of one who did not give such authority;

196.32 (7) acting with intent to defraud, presents, submits, tenders, offers, or participates in, or
196.33 attempts or conspires to execute or participate in, the preparation of a claim for

197.1 reimbursement for personal care assistant services, community first services and supports,
197.2 or other services under chapter 256B, knowing or having reason to know that qualified
197.3 professional supervision or other supervision required by state or federal law was not
197.4 provided according to law; or

197.5 (8) after receiving a lawful request for records by any state agency or law enforcement
197.6 agency, intentionally destroys, or attempts or conspires to destroy, medical, health care, and
197.7 financial records required to be maintained under chapter 245A or 256B or rules adopted
197.8 pursuant to chapter 245A or 256B.

197.9 Subd. 2. **Penalties.** (a) A person who is convicted under subdivision 1 may be sentenced
197.10 to imprisonment for not more than five years or to payment of a fine of not more than
197.11 \$10,000, or both.

197.12 (b) A person who is convicted under subdivision 1 may be sentenced to imprisonment
197.13 for not more than ten years or to payment of a fine of not more than \$20,000, or both, if the
197.14 violation causes a loss to any victim or victims in an aggregate amount of more than \$10,000,
197.15 but not more than \$100,000.

197.16 (c) A person who is convicted under subdivision 1 may be sentenced to imprisonment
197.17 for not more than 20 years or to payment of a fine of not more than \$100,000, or both, if
197.18 the violation causes a loss to any victim or victims in an aggregate amount of more than
197.19 \$100,000, but not more than \$1,000,000.

197.20 (d) A person who is convicted under subdivision 1 may be sentenced to imprisonment
197.21 for not more than 30 years or to payment of a fine of not more than \$1,000,000, or both, if
197.22 the violation causes a loss to any victim or victims in an aggregate amount of more than
197.23 \$1,000,000.

197.24 Subd. 3. **Failure to keep or maintain medical assistance records.** A person who
197.25 submits a claim for reimbursement, claim for payment, claim for reimbursement cost report,
197.26 or rate application and knowingly and intentionally fails to maintain medical, health care,
197.27 and financial records as required under chapter 245A or 256B or rules adopted pursuant to
197.28 chapter 245A or 256B is guilty of a gross misdemeanor.

197.29 Subd. 4. **Continuing offense.** For purposes of calculating the statute of limitations
197.30 identified in section 628.26, any violation of subdivision 1 or 3 is a continuing offense. Any
197.31 violation of subdivision 1 or 3 extends to any act committed during the course of the scheme,
197.32 conspiracy, or conduct and is within the statute of limitations identified in section 628.26
197.33 so long as any part of the continuing scheme, conspiracy, or conduct comprising a violation
197.34 occurred within the identified statute of limitations.

198.1 Subd. 5. Venue. Notwithstanding anything to the contrary in section 627.01, a violation
198.2 of this section may be prosecuted in:

198.3 (1) the county where any part of the offense occurred; or

198.4 (2) the county where the entity who received a claim for payment, claim for
198.5 reimbursement, cost report, or rate application is located.

198.6 Subd. 6. Restitution. The court may order a person convicted of violating this section
198.7 to pay restitution for any costs, expenses, or losses resulting from the crime and for costs,
198.8 expenses, or losses resulting from similar conduct that was related to the offense but was
198.9 not charged. The court may order restitution for similar conduct that was related to the
198.10 offense if the related conduct occurred within the applicable statute of limitations and the
198.11 prosecutor provides notice of intent to seek restitution for that conduct at least five business
198.12 days before the sentencing hearing. The offender may challenge restitution as provided in
198.13 section 611A.045, subdivision 3. A dispute as to whether restitution is for similar conduct
198.14 that was related to the offense must be resolved by the court by the preponderance of the
198.15 evidence. The burden of demonstrating that the court may order restitution for any costs,
198.16 expense, or loss described in this subdivision is on the prosecution.

198.17 EFFECTIVE DATE. This section is effective August 1, 2026, and applies to crimes
198.18 committed on or after that date.

198.19 Sec. 4. Minnesota Statutes 2024, section 609.52, subdivision 2, is amended to read:

198.20 Subd. 2. **Acts constituting theft.** (a) Whoever does any of the following commits theft
198.21 and may be sentenced as provided in subdivision 3:

198.22 (1) intentionally and without claim of right takes, uses, transfers, conceals or retains
198.23 possession of movable property of another without the other's consent and with intent to
198.24 deprive the owner permanently of possession of the property; or

198.25 (2) with or without having a legal interest in movable property, intentionally and without
198.26 consent, takes the property out of the possession of a pledgee or other person having a
198.27 superior right of possession, with intent thereby to deprive the pledgee or other person
198.28 permanently of the possession of the property; or

198.29 (3) obtains for the actor or another the possession, custody, or title to property of or
198.30 performance of services by a third person by intentionally deceiving the third person with
198.31 a false representation which is known to be false, made with intent to defraud, and which
198.32 does defraud the person to whom it is made. "False representation" includes without
198.33 limitation:

- 199.1 (i) the issuance of a check, draft, or order for the payment of money, except a forged
199.2 check as defined in section 609.631, or the delivery of property knowing that the actor is
199.3 not entitled to draw upon the drawee therefor or to order the payment or delivery thereof;
199.4 or
- 199.5 (ii) a promise made with intent not to perform. Failure to perform is not evidence of
199.6 intent not to perform unless corroborated by other substantial evidence; or
- 199.7 ~~(iii) the preparation or filing of a claim for reimbursement, a rate application, or a cost~~
199.8 ~~report used to establish a rate or claim for payment for medical care provided to a recipient~~
199.9 ~~of medical assistance under chapter 256B, which intentionally and falsely states the costs~~
199.10 ~~of or actual services provided by a vendor of medical care; or~~
- 199.11 ~~(iv)~~ (iii) the preparation or filing of a claim for reimbursement for providing treatment
199.12 or supplies required to be furnished to an employee under section 176.135 which intentionally
199.13 and falsely states the costs of or actual treatment or supplies provided; or
- 199.14 ~~(v)~~ (iv) the preparation or filing of a claim for reimbursement for providing treatment
199.15 or supplies required to be furnished to an employee under section 176.135 for treatment or
199.16 supplies that the provider knew were medically unnecessary, inappropriate, or excessive;
199.17 or
- 199.18 (4) by swindling, whether by artifice, trick, device, or any other means, obtains property
199.19 or services from another person; or
- 199.20 (5) intentionally commits any of the acts listed in this subdivision but with intent to
199.21 exercise temporary control only and:
- 199.22 (i) the control exercised manifests an indifference to the rights of the owner or the
199.23 restoration of the property to the owner; or
- 199.24 (ii) the actor pledges or otherwise attempts to subject the property to an adverse claim;
199.25 or
- 199.26 (iii) the actor intends to restore the property only on condition that the owner pay a
199.27 reward or buy back or make other compensation; or
- 199.28 (6) finds lost property and, knowing or having reasonable means of ascertaining the true
199.29 owner, appropriates it to the finder's own use or to that of another not entitled thereto without
199.30 first having made reasonable effort to find the owner and offer and surrender the property
199.31 to the owner; or

200.1 (7) intentionally obtains property or services, offered upon the deposit of a sum of money
200.2 or tokens in a coin or token operated machine or other receptacle, without making the
200.3 required deposit or otherwise obtaining the consent of the owner; or

200.4 (8) intentionally and without claim of right converts any article representing a trade
200.5 secret, knowing it to be such, to the actor's own use or that of another person or makes a
200.6 copy of an article representing a trade secret, knowing it to be such, and intentionally and
200.7 without claim of right converts the same to the actor's own use or that of another person. It
200.8 shall be a complete defense to any prosecution under this clause for the defendant to show
200.9 that information comprising the trade secret was rightfully known or available to the
200.10 defendant from a source other than the owner of the trade secret; or

200.11 (9) leases or rents personal property under a written instrument and who:

200.12 (i) with intent to place the property beyond the control of the lessor conceals or aids or
200.13 abets the concealment of the property or any part thereof; or

200.14 (ii) sells, conveys, or encumbers the property or any part thereof without the written
200.15 consent of the lessor, without informing the person to whom the lessee sells, conveys, or
200.16 encumbers that the same is subject to such lease or rental contract with intent to deprive the
200.17 lessor of possession thereof; or

200.18 (iii) does not return the property to the lessor at the end of the lease or rental term, plus
200.19 agreed-upon extensions, with intent to wrongfully deprive the lessor of possession of the
200.20 property; or

200.21 (iv) returns the property to the lessor at the end of the lease or rental term, plus
200.22 agreed-upon extensions, but does not pay the lease or rental charges agreed upon in the
200.23 written instrument, with intent to wrongfully deprive the lessor of the agreed-upon charges.

200.24 For the purposes of items (iii) and (iv), the value of the property must be at least \$100.

200.25 Evidence that a lessee used a false, fictitious, or not current name, address, or place of
200.26 employment in obtaining the property or fails or refuses to return the property or pay the
200.27 rental contract charges to lessor within five days after written demand for the return has
200.28 been served personally in the manner provided for service of process of a civil action or
200.29 sent by certified mail to the last known address of the lessee, whichever shall occur later,
200.30 shall be evidence of intent to violate this clause. Service by certified mail shall be deemed
200.31 to be complete upon deposit in the United States mail of such demand, postpaid and addressed
200.32 to the person at the address for the person set forth in the lease or rental agreement, or, in
200.33 the absence of the address, to the person's last known place of residence; or

201.1 (10) alters, removes, or obliterates numbers or symbols placed on movable property for
201.2 purpose of identification by the owner or person who has legal custody or right to possession
201.3 thereof with the intent to prevent identification, if the person who alters, removes, or
201.4 obliterates the numbers or symbols is not the owner and does not have the permission of
201.5 the owner to make the alteration, removal, or obliteration; or

201.6 (11) with the intent to prevent the identification of property involved, so as to deprive
201.7 the rightful owner of possession thereof, alters or removes any permanent serial number,
201.8 permanent distinguishing number or manufacturer's identification number on personal
201.9 property or possesses, sells or buys any personal property knowing or having reason to
201.10 know that the permanent serial number, permanent distinguishing number or manufacturer's
201.11 identification number has been removed or altered; or

201.12 (12) intentionally deprives another of a lawful charge for cable television service by:

201.13 (i) making or using or attempting to make or use an unauthorized external connection
201.14 outside the individual dwelling unit whether physical, electrical, acoustical, inductive, or
201.15 other connection; or by

201.16 (ii) attaching any unauthorized device to any cable, wire, microwave, or other component
201.17 of a licensed cable communications system as defined in chapter 238. Nothing herein shall
201.18 be construed to prohibit the electronic video rerecording of program material transmitted
201.19 on the cable communications system by a subscriber for fair use as defined by Public Law
201.20 94-553, section 107; or

201.21 (13) except as provided in clauses (12) and (14), obtains the services of another with
201.22 the intention of receiving those services without making the agreed or reasonably expected
201.23 payment of money or other consideration; or

201.24 (14) intentionally deprives another of a lawful charge for telecommunications service
201.25 by:

201.26 (i) making, using, or attempting to make or use an unauthorized connection whether
201.27 physical, electrical, by wire, microwave, radio, or other means to a component of a local
201.28 telecommunication system as provided in chapter 237; or

201.29 (ii) attaching an unauthorized device to a cable, wire, microwave, radio, or other
201.30 component of a local telecommunication system as provided in chapter 237.

201.31 The existence of an unauthorized connection is prima facie evidence that the occupier
201.32 of the premises:

201.33 (A) made or was aware of the connection; and

202.1 (B) was aware that the connection was unauthorized;

202.2 (15) with intent to defraud, diverts corporate property other than in accordance with
202.3 general business purposes or for purposes other than those specified in the corporation's
202.4 articles of incorporation; or

202.5 (16) with intent to defraud, authorizes or causes a corporation to make a distribution in
202.6 violation of section 302A.551, or any other state law in conformity with it; or

202.7 (17) takes or drives a motor vehicle without the consent of the owner or an authorized
202.8 agent of the owner, knowing or having reason to know that the owner or an authorized agent
202.9 of the owner did not give consent; or

202.10 (18) intentionally, and without claim of right, takes motor fuel from a retailer without
202.11 the retailer's consent and with intent to deprive the retailer permanently of possession of
202.12 the fuel by driving a motor vehicle from the premises of the retailer without having paid
202.13 for the fuel dispensed into the vehicle; or

202.14 (19) commits wage theft under subdivision 1, clause (13).

202.15 (b) Proof that the driver of a motor vehicle into which motor fuel was dispensed drove
202.16 the vehicle from the premises of the retailer without having paid for the fuel permits the
202.17 factfinder to infer that the driver acted intentionally and without claim of right, and that the
202.18 driver intended to deprive the retailer permanently of possession of the fuel. This paragraph
202.19 does not apply if: (1) payment has been made to the retailer within 30 days of the receipt
202.20 of notice of nonpayment under section 604.15; or (2) a written notice as described in section
202.21 604.15, subdivision 4, disputing the retailer's claim, has been sent. This paragraph does not
202.22 apply to the owner of a motor vehicle if the vehicle or the vehicle's license plate has been
202.23 reported stolen before the theft of the fuel.

202.24 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
202.25 committed on or after that date.

202.26 Sec. 5. Minnesota Statutes 2025 Supplement, section 609.902, subdivision 4, is amended
202.27 to read:

202.28 Subd. 4. **Criminal act.** "Criminal act" means conduct constituting, or a conspiracy or
202.29 attempt to commit, a felony violation of chapter 152, or a felony violation of section 299F.79;
202.30 299F.80; 299F.82; 609.185; 609.19; 609.195; 609.20; 609.205; 609.221; 609.222; 609.223;
202.31 609.2231; 609.228; 609.235; 609.245; 609.25; 609.27; 609.322; 609.342; 609.343; 609.344;
202.32 609.345; 609.42; 609.467; 609.48; 609.485; 609.495; 609.496; 609.497; 609.498; 609.52,
202.33 subdivision 2, if the offense is punishable under subdivision 3, clause (1), if the property is

203.1 a firearm, clause (3)(b), or clause (3)(d)(v); section 609.52, subdivision 2, paragraph (a),
 203.2 clause (1) or (4); 609.527, if the crime is punishable under subdivision 3, clause (4); 609.528,
 203.3 if the crime is punishable under subdivision 3, clause (4); 609.53; 609.561; 609.562; 609.582,
 203.4 subdivision 1 or 2; 609.668, subdivision 6, paragraph (a); 609.67; 609.687; 609.713; 609.86;
 203.5 609.894, subdivision 3 or 4; 609.895; 624.713; 624.7191; or 626A.02, subdivision 1, if the
 203.6 offense is punishable under section 626A.02, subdivision 4, paragraph (a). "Criminal act"
 203.7 also includes conduct constituting, or a conspiracy or attempt to commit, a felony violation
 203.8 of section 609.52, subdivision 2, clause (3), (4), (15), or (16), if the violation involves an
 203.9 insurance company as defined in section 60A.02, subdivision 4, a nonprofit health service
 203.10 plan corporation regulated under chapter 62C, a health maintenance organization regulated
 203.11 under chapter 62D, ~~or~~ a fraternal benefit society regulated under chapter 64B, or any state
 203.12 agency.

203.13 Sec. 6. Minnesota Statutes 2025 Supplement, section 628.26, is amended to read:

203.14 **628.26 LIMITATIONS.**

203.15 (a) Indictments or complaints for any crime resulting in the death of the victim may be
 203.16 found or made at any time after the death of the person killed.

203.17 (b) Indictments or complaints for a violation of section 609.25 may be found or made
 203.18 at any time after the commission of the offense.

203.19 (c) Indictments or complaints for violation of section 609.282 may be found or made at
 203.20 any time after the commission of the offense if the victim was under the age of 18 at the
 203.21 time of the offense.

203.22 (d) Indictments or complaints for violation of section 609.282 where the victim was 18
 203.23 years of age or older at the time of the offense, or 609.42, subdivision 1, clause (1) or (2),
 203.24 shall be found or made and filed in the proper court within six years after the commission
 203.25 of the offense.

203.26 (e) Indictments or complaints for violation of sections 609.322, 609.342 to 609.345, and
 203.27 609.3458 may be found or made at any time after the commission of the offense.

203.28 (f) Indictments or complaints for a violation of section 609.561 shall be found or made
 203.29 and filed in the proper court within ten years after the commission of the offense.

203.30 (g) Indictments or complaints for violation of sections ~~609.466~~ 609.467 and 609.52,
 203.31 subdivision 2, paragraph (a), clause (3), item (iii), shall be found or made and filed in the
 203.32 proper court within six years after the commission of the offense.

204.1 (h) Indictments or complaints for violation of section 609.2335, 609.52, subdivision 2,
204.2 paragraph (a), clause (3), items (i) and (ii), (4), (15), or (16), 609.631, or 609.821, where
204.3 the value of the property or services stolen is more than \$35,000, or for violation of section
204.4 609.527 where the offense involves eight or more direct victims or the total combined loss
204.5 to the direct and indirect victims is more than \$35,000, shall be found or made and filed in
204.6 the proper court within five years after the commission of the offense.

204.7 (i) Except for violations relating to false material statements, representations or omissions,
204.8 indictments or complaints for violations of section 609.671 shall be found or made and filed
204.9 in the proper court within five years after the commission of the offense.

204.10 (j) Indictments or complaints for violation of sections 609.562 and 609.563, shall be
204.11 found or made and filed in the proper court within five years after the commission of the
204.12 offense.

204.13 (k) Indictments or complaints for violation of section 609.746 shall be found or made
204.14 and filed in the proper court within the later of three years after the commission of the
204.15 offense or three years after the offense was reported to law enforcement authorities.

204.16 (l) In all other cases, indictments or complaints shall be found or made and filed in the
204.17 proper court within three years after the commission of the offense.

204.18 (m) The limitations periods contained in this section shall exclude any period of time
204.19 during which the defendant was not an inhabitant of or usually resident within this state.

204.20 (n) The limitations periods contained in this section for an offense shall not include any
204.21 period during which the alleged offender participated under a written agreement in a pretrial
204.22 diversion program relating to that offense.

204.23 (o) The limitations periods contained in this section shall not include any period of time
204.24 during which physical evidence relating to the offense was undergoing DNA analysis, as
204.25 defined in section 299C.155, unless the defendant demonstrates that the prosecuting or law
204.26 enforcement agency purposefully delayed the DNA analysis process in order to gain an
204.27 unfair advantage.

204.28 **Sec. 7. REPEALER.**

204.29 Minnesota Statutes 2024, section 609.466, is repealed.

ARTICLE 18

CAMPAIGN FINANCE

205.1

205.2

205.3 Section 1. Minnesota Statutes 2024, section 10A.01, is amended by adding a subdivision
205.4 to read:

205.5 Subd. 9b. **Campaign finance report.** "Campaign finance report" means a report or
205.6 statement required under section 10A.20, 10A.202, or 10A.323.

205.7 Sec. 2. Minnesota Statutes 2024, section 10A.01, is amended by adding a subdivision to
205.8 read:

205.9 Subd. 16d. **Enhanced penalty.** "Enhanced penalty" means a late fee or civil penalty
205.10 imposed by the board that applies after a \$25,000 or \$100,000 threshold is exceeded and is
205.11 determined using a multiplier or percentage.

205.12 Sec. 3. Minnesota Statutes 2024, section 10A.01, is amended by adding a subdivision to
205.13 read:

205.14 Subd. 26c. **Total contributions.** "Total contributions" means the total of all contributions.
205.15 Contributions include all contributions received, in-kind contributions received, loans, and
205.16 any other types of contributions.

205.17 Sec. 4. Minnesota Statutes 2024, section 10A.01, is amended by adding a subdivision to
205.18 read:

205.19 Subd. 26d. **Total disbursements.** "Total disbursements" means the total of all
205.20 disbursements. Disbursements include expenditures, in-kind expenditures, approved
205.21 expenditures, contributions made, in-kind contributions made, independent expenditures,
205.22 noncampaign disbursements, electioneering communications, and any other types of
205.23 expenditures and disbursements.

205.24 Sec. 5. Minnesota Statutes 2024, section 10A.02, subdivision 15, is amended to read:

205.25 Subd. 15. **Fees and penalties.** (a) Upon written request, certified pursuant to section
205.26 10A.025, subdivision 2, the board must waive that portion of a late filing fee or a civil
205.27 penalty imposed for the late filing of a report or statement under this chapter for which the
205.28 requester demonstrates good cause for the late filing or submission.

205.29 (b) Notwithstanding paragraph (a), the board must not waive any portion of an enhanced
205.30 penalty.

206.1 ~~(b)~~ (c) The board must deposit ~~at~~ the first \$49,000 in fees and civil penalties collected
 206.2 each fiscal year under this chapter into the general fund in the state treasury. The board
 206.3 must deposit any additional fees and civil penalties collected under this chapter into the
 206.4 general account of the state elections campaign account in the special revenue fund.

206.5 Sec. 6. Minnesota Statutes 2024, section 10A.025, subdivision 2, is amended to read:

206.6 Subd. 2. **Penalty for false statements.** (a) A report or statement required to be filed
 206.7 under this chapter must be signed and certified as true by the individual required to file the
 206.8 report. The signature may be an electronic signature consisting of a password assigned by
 206.9 the board.

206.10 (b) An individual ~~shall~~ must not willfully sign and certify to be true a report or statement
 206.11 knowing it contains false information or knowing it omits required information.

206.12 (c) An individual ~~shall~~ must not knowingly willfully provide false or incomplete
 206.13 information to a treasurer with the intent that the treasurer will rely on that information in
 206.14 signing and certifying to be true a report or statement.

206.15 (d) The board must impose a civil penalty on a person who violates paragraph (b) or (c)
 206.16 ~~is subject to a civil penalty imposed by the board of.~~ For campaign finance reports, the
 206.17 penalty is up to four times the sum of the following amounts that were willfully false or
 206.18 omitted: the beginning cash balance, total contributions, and total disbursements. For
 206.19 campaign finance reports where more than \$25,000 was willfully false or omitted, the
 206.20 penalty must instead be equal to four times the amount that was willfully false or willfully
 206.21 omitted. For all other reports, the penalty is up to \$3,000.

206.22 (e) A violation of paragraph (b) or (c) is a gross misdemeanor.

206.23 ~~(e)~~ (f) The board may impose ~~an additional civil penalty of up to \$3,000~~ on the principal
 206.24 campaign committee or candidate, party unit, political committee, or association that has a
 206.25 political fund that is affiliated with an individual who violated paragraph (b) or (c) an
 206.26 additional civil penalty of an amount up to four times the amount of the beginning cash
 206.27 balance, total contributions, and total disbursements that were willfully false or willfully
 206.28 omitted from the report.

206.29 Sec. 7. Minnesota Statutes 2024, section 10A.025, subdivision 3, is amended to read:

206.30 Subd. 3. **Record keeping; penalty.** (a) A person required to file a report or statement
 206.31 or who has accepted record-keeping responsibility for the filer must maintain records on
 206.32 the matters required to be reported, including vouchers, canceled checks, bills, invoices,

207.1 worksheets, and receipts, that will provide in sufficient detail the necessary information
 207.2 from which the filed reports and statements may be verified, explained, clarified, and checked
 207.3 for accuracy and completeness. The person must keep the records available for audit,
 207.4 inspection, or examination by the board or its authorized representatives for four years from
 207.5 the date of filing of the reports or statements or of changes or corrections to them.

207.6 (b) The board ~~may~~ must impose a civil penalty ~~of up to \$3,000~~ on a person who
 207.7 ~~knowingly~~ willfully violates this subdivision. For violations related to campaign finance
 207.8 reports, the penalty is up to four times the amount reflected on the missing records. For
 207.9 violations where the amount reflected on the missing campaign finance records exceeds
 207.10 \$25,000, the penalty must be equal to four times the amount reflected on the missing
 207.11 campaign finance records. For all other violations, the civil penalty is up to \$3,000.

207.12 (c) The board may impose a separate civil penalty of up to ~~\$3,000~~ an amount equal to
 207.13 four times the amount reflected on the missing campaign finance records on the principal
 207.14 campaign committee or candidate, party unit, political committee, or association that has a
 207.15 political fund that is affiliated with an individual who violated this subdivision.

207.16 ~~(e)~~ (d) A ~~knowing~~ willful violation of this subdivision is a misdemeanor.

207.17 Sec. 8. Minnesota Statutes 2024, section 10A.025, subdivision 4, is amended to read:

207.18 Subd. 4. **Changes and corrections.** (a) Material changes in information previously
 207.19 submitted and corrections to a report or statement must be reported in writing to the board
 207.20 within ten days following the date of the event prompting the change or the date upon which
 207.21 the person filing became aware of the inaccuracy. The change or correction must identify
 207.22 the form and the paragraph containing the information to be changed or corrected. A request
 207.23 from the board to a lobbyist to provide more detailed information about a specific subject
 207.24 of interest disclosed on a lobbyist disbursement report is a change or correction governed
 207.25 by this subdivision.

207.26 (b) The board must impose a civil penalty on a person who willfully fails to report a
 207.27 material change or correction is subject to a civil penalty imposed by the board of. For
 207.28 campaign finance reports, the penalty is up to four times the amount of the required change
 207.29 or correction that the person willfully failed to report. For a violation related to a campaign
 207.30 finance report where the amount of the required change or correction exceeds \$25,000, the
 207.31 penalty must be equal to four times the amount of the required change or correction that
 207.32 the person willfully failed to report. For all other reports, the penalty is up to \$3,000.

207.33 (c) A willful violation of this subdivision is a gross misdemeanor.

208.1 (d) The board must send a written notice to any individual who fails to file a report
208.2 required by this subdivision. If the individual fails to file the required report within ten
208.3 business days after the notice was sent, the board may impose a late filing fee of \$25 per
208.4 day up to \$1,000 starting on the 11th day after the notice was sent.

208.5 (e) The board may send an additional notice by certified mail to an individual who fails
208.6 to file a report within ten business days after the first notice was sent by the board. The
208.7 certified notice must state that if the individual does not file the requested report within ten
208.8 business days after the certified notice was sent, the individual may be subject to a civil
208.9 penalty for failure to file a report. An individual who fails to file a report required by this
208.10 subdivision within ten business days after the certified notice was sent by the board is subject
208.11 to a civil penalty imposed by the board of up to \$1,000.

208.12 Sec. 9. Minnesota Statutes 2024, section 10A.025, subdivision 5, is amended to read:

208.13 **Subd. 5. Reconciliation information; penalty.** (a) An individual or association required
208.14 to file a report under this chapter must provide information requested by the board to
208.15 reconcile discrepancies between the report and reports filed by other individuals or
208.16 associations. The board's request for information must be in writing. If the individual or
208.17 association fails to provide the requested information within ten business days after the
208.18 request was sent, the board may impose a late filing fee of \$25 per day up to \$1,000.

208.19 (b) The board may send notice by certified mail to an individual or association that has
208.20 not timely responded to the board's written request for reconciliation information. The
208.21 certified notice must state that if the individual or association does not respond to the board's
208.22 request for information within ten business days after the certified notice was sent, the
208.23 individual or association may be subject to a civil penalty for failure to provide information
208.24 to the board. An individual or association that does not provide the requested information
208.25 within ten business days after the certified notice was sent is subject to a civil penalty
208.26 imposed by the board of up to \$1,000.

208.27 (c) The board must impose a civil penalty on a person who willfully fails to cooperate
208.28 with the board to reconcile a report discrepancy is subject to a civil penalty imposed by the
208.29 board of. For discrepancies related to campaign finance reports, the penalty is up to four
208.30 times the amount of the discrepancy about which the person willfully failed to cooperate.
208.31 For violations related to a campaign finance report where the amount of the discrepancy
208.32 exceeds \$25,000, the penalty must be equal to four times the amount of the discrepancy
208.33 about which the person willfully failed to cooperate. For all other reports, the penalty is up
208.34 to \$3,000.

209.1 Sec. 10. Minnesota Statutes 2024, section 10A.025, is amended by adding a subdivision
209.2 to read:

209.3 Subd. 6. **Penalty.** A late fee or civil penalty related to a campaign finance report assessed
209.4 to a treasurer or candidate pursuant to this section may be paid by the treasurer's or candidate's
209.5 principal campaign committee, party unit, political committee, or association that has a
209.6 political fund.

209.7 Sec. 11. Minnesota Statutes 2024, section 10A.20, subdivision 12, is amended to read:

209.8 **Subd. 12. Failure to file; late fees; penalty.** (a) ~~If This subdivision governs late filing~~
209.9 ~~fees and civil penalties in instances when an individual or association fails to file a report~~
209.10 ~~required by this section or section 10A.202, the board may impose a late filing fee and a~~
209.11 ~~civil penalty as provided in this subdivision.~~

209.12 (b) If a candidate, political committee, political fund, principal campaign committee, or
209.13 party unit fails to file a report required by this section that is due January 31, the board may
209.14 impose a late filing fee of \$25 per day, not to exceed \$1,000, commencing the day after the
209.15 report was due.

209.16 (c) Except for reports governed by paragraph (b), if an individual, political committee,
209.17 political fund, principal campaign committee, party unit, or association fails to file a report
209.18 required by subdivision 2, 2a, ~~or~~ 5, 5a, 6, or 14, or by section 10A.202, late filing fees are
209.19 as follows:

209.20 (1) for reports not governed by clause (2), (3), or (4), the board may impose a late filing
209.21 fee of \$50 per day, not to exceed \$1,000, commencing on the day after the date the ~~statement~~
209.22 report was due. ~~If;~~

209.23 (2) for reports due 15 days or less before the primary and reports due ten days or less
209.24 before the general election on which the total contributions or total disbursements that should
209.25 have been newly reported exceed \$100,000 that are not required by subdivision 5 or 5a or
209.26 section 10A.202, the board must impose a late filing fee of one percent of the total
209.27 contributions or total disbursements that should have been newly reported, whichever is
209.28 greater, per day, commencing on the day after the report was due;

209.29 (3) for a report required by subdivision 5 or 5a or section 10A.202 on which the total
209.30 expenditures or contributions or total disbursements that occurred during the reporting
209.31 period exceeds exceed \$25,000, then the board ~~may also~~ must impose a late filing fee of up
209.32 to two four percent of the expenditures or total contributions or total disbursements that
209.33 should have been reported, whichever is greater, per day, commencing on the day after the

210.1 report was due, ~~not to exceed 100 percent of the amount that should have been reported;~~
 210.2 or

210.3 (4) for willful violations of clause (2) or (3), the board must instead impose a late filing
 210.4 fee of twice that required by that clause, per day, commencing on the day after the report
 210.5 was due.

210.6 (d) If an individual, political committee, political fund, principal campaign committee,
 210.7 party unit, or association has been assessed a late filing fee or civil penalty under this
 210.8 subdivision during the prior four years, the board may impose a late filing fee, a civil penalty,
 210.9 or both of up to twice the amount otherwise authorized by this subdivision. If an individual,
 210.10 political committee, political fund, principal campaign committee, party unit, or association
 210.11 has been assessed a late filing fee or civil penalty under this subdivision more than two
 210.12 times during the prior four years, the board may impose a late filing fee or civil penalty, or
 210.13 both, of up to three times the amount otherwise authorized by this subdivision. If a late
 210.14 filing fee and civil penalty are related to the same report or statement, the late filing fee and
 210.15 civil penalty count as a single penalty for purposes of this paragraph.

210.16 (e) If an individual, political committee, political fund, principal campaign committee,
 210.17 party unit, or association has been assessed an enhanced penalty during the prior four years,
 210.18 the board must impose a late filing fee, a civil penalty, or both, of up to twice the amount
 210.19 otherwise authorized by this subdivision. If an individual, political committee, political
 210.20 fund, principal campaign committee, party unit, or association has been assessed an enhanced
 210.21 penalty more than two times during the prior four years, the board must impose a late filing
 210.22 fee, a civil penalty, or both, of up to three times the amount otherwise authorized by this
 210.23 subdivision. If a late filing fee and civil penalty are related to the same report or statement,
 210.24 the late filing fee and civil penalty count as a single penalty for purposes of this paragraph.

210.25 ~~(e)~~ (f) Within ten business days after the report was due or receipt by the board of
 210.26 information disclosing the potential failure to file a report required by this section, the board
 210.27 must send notice by certified mail that the individual or association may be subject to a civil
 210.28 penalty for failure to file the report. If an individual who fails to file the report within seven
 210.29 days after the certified mail notice was sent by the board, civil penalties are as follows:

210.30 (1) for reports not governed by clause (2), (3), or (4), the individual is subject to a civil
 210.31 penalty imposed by the board of up to \$2,000 in addition to the late filing fees imposed by
 210.32 this subdivision;

210.33 (2) for reports due 15 days or less before the primary and reports due ten days or less
 210.34 before the general election on which the total contributions or total disbursements that should

211.1 have been newly reported exceed \$100,000 that are not required by subdivision 5 or 5a or
 211.2 section 10A.202, the board must impose a civil penalty of 100 percent of the total
 211.3 contributions or total disbursements that should have been newly reported, whichever is
 211.4 greater;

211.5 (3) for a report required by subdivision 5 or 5a or section 10A.202 in which total
 211.6 contributions or total disbursements exceed \$25,000, the board must impose a civil penalty
 211.7 of 100 percent of the total contributions or total disbursements that should have been reported,
 211.8 whichever is greater; or

211.9 (4) for willful violations of clauses (2) and (3), the board must instead impose a civil
 211.10 penalty of twice that required by that clause.

211.11 Sec. 12. Minnesota Statutes 2024, section 10A.20, is amended by adding a subdivision to
 211.12 read:

211.13 Subd. 16. **Penalty.** A late filing fee or civil penalty assessed to a treasurer or candidate
 211.14 pursuant to this section may be paid by the treasurer's or candidate's principal campaign
 211.15 committee, party unit, political committee, or association that has a political fund.

211.16 Sec. 13. **EFFECTIVE DATE.**

211.17 This article is effective August 12, 2026, and applies to reports and statements due on
 211.18 or after that date.

211.19 **ARTICLE 19**
 211.20 **CLEMENCY PROVISIONS**

211.21 Section 1. Minnesota Statutes 2024, section 638.09, is amended by adding a subdivision
 211.22 to read:

211.23 Subd. 6. **Panel of members; prescreening applications.** (a) The commission may
 211.24 appoint panels of three members to prescreen clemency and waiver applications. Each panel
 211.25 must be comprised of a member appointed by the governor, the attorney general, and the
 211.26 chief justice of the supreme court.

211.27 (b) A panel's meeting must be open to the public. The third-party notification provisions
 211.28 of section 638.11 do not apply to panel meetings. The applicant is not required to attend
 211.29 the panel meeting where the panel reviews the applicant's application. In addition to the
 211.30 information contained in the application, the panel may consider any other statements or
 211.31 information submitted by an interested party.

212.1 (c) Except as otherwise provided for in paragraph (d), a panel may take one of the
 212.2 following actions:

212.3 (1) recommend that the board deny the application without a commission hearing, if the
 212.4 vote is unanimous; or

212.5 (2) refer the application to the commission for a hearing.

212.6 (d) Panels may be used to review requests for expedited processing of pardon applications
 212.7 if the commission and board adopt rules that establish objective criteria for determining
 212.8 which applications are eligible for expedited processing. A panel may take one of the
 212.9 following actions on applications eligible for expedited processing:

212.10 (1) recommend that the board deny the application without a commission hearing, if the
 212.11 vote is unanimous;

212.12 (2) refer the application to the commission for a hearing; or

212.13 (3) recommend that the board grant the application without a hearing, if the vote is
 212.14 unanimous.

212.15 Sec. 2. Minnesota Statutes 2024, section 638.12, subdivision 2, is amended to read:

212.16 Subd. 2. **Pardon eligibility; waiver.** (a) Except as provided in paragraphs (b) and (c),
 212.17 an individual convicted of a crime in a court of this state may apply for a pardon of the
 212.18 individual's conviction on or after five years from the sentence's expiration or discharge
 212.19 date.

212.20 (b) An individual convicted before August 1, 2023, of a violation of section 609.19,
 212.21 subdivision 1, clause (1), under the theory of liability for crimes of another may apply for
 212.22 a pardon upon the sentence's expiration or discharge date if the individual:

212.23 (1) was charged with a violation of section 609.185, paragraph (a), clause (3), and:

212.24 (i) thereafter pled guilty to a violation of section 609.19, subdivision 1, clause (1);

212.25 (ii) did not cause the death of a human being; and

212.26 (iii) did not intentionally aid, advise, hire, counsel, or conspire with or otherwise procure
 212.27 another with the intent to cause the death of a human being; or

212.28 (2) was charged with a violation of section 609.19, subdivision 2, and:

212.29 (i) thereafter pled guilty to a violation of section 609.19, subdivision 1, clause (1);

212.30 (ii) did not cause the death of a human being; and

213.1 (iii) was not a major participant, as defined in section 609.05, subdivision 2a, paragraph
213.2 (c), in the underlying felony or did not act with extreme indifference to human life.

213.3 (c) An individual may request the board to waive the waiting period if there is a showing
213.4 of unusual circumstances and special need.

213.5 (d) The commission must review a waiver request and recommend to the board whether
213.6 to grant the request. When considering a waiver request, the commission is and the board
213.7 are exempt from the meeting requirements under section 638.14 and chapter 13D.

213.8 (e) The board must grant a waiver request unless the governor or a board majority opposes
213.9 the waiver.

213.10 Sec. 3. Minnesota Statutes 2024, section 638.14, subdivision 5, is amended to read:

213.11 Subd. 5. **Applicant appearance; third-party statements.** (a) Except as provided for
213.12 in paragraph (e), an applicant for clemency must appear before the commission either in
213.13 person or through available forms of telecommunication.

213.14 (b) The victim of an applicant's crime may appear and speak at the meeting or submit a
213.15 written statement to the commission. The commission may treat a victim's written statement
213.16 as confidential and not disclose the statement to the applicant or the public if there is or has
213.17 been an order for protection, harassment restraining order, or other no-contact order
213.18 prohibiting the applicant from contacting the victim. At the request of the victim, the
213.19 commission may treat a victim's written statement as confidential and not disclose the
213.20 statement to the public.

213.21 (c) A law enforcement agency's representative may provide the agency's position on
213.22 whether the commission should recommend clemency by:

213.23 (1) appearing and speaking at the meeting; or

213.24 (2) submitting a written statement to the commission.

213.25 (d) The sentencing judge and the prosecuting attorney, or their successors, may provide
213.26 their positions on whether the commission should recommend clemency by:

213.27 (1) appearing and speaking at the meeting; or

213.28 (2) submitting their statements under section 638.11, subdivision 2.

213.29 (e) The governor may waive the hearing requirement under paragraph (a) if:

213.30 (1) the applicant's petition requires immediate review by the board;

213.31 (2) waiver of the hearing serves a significant public interest;

214.1 (3) the applicant has previously appeared before the board; or

214.2 (4) the applicant provides good cause to do so.

214.3 Sec. 4. Minnesota Statutes 2024, section 638.16, subdivision 1, is amended to read:

214.4 Subdivision 1. **Frequency.** (a) The board must meet at least two times each year to
214.5 consider and vote on clemency applications.

214.6 (b) If the commission recommends that an application receive a hearing, the board must
214.7 hold a hearing on the application unless all the board members decline a hearing.

214.8 (c) If the commission recommends that an application not receive a hearing, the board
214.9 must not hold a hearing on the application unless at least one board member requests a
214.10 hearing.

214.11 (d) Pursuant to section 638.09, subdivision 6, if a panel of the commission recommends
214.12 granting or denying an application without a full commission hearing, the board may:

214.13 (1) adopt the panel's recommendation; or

214.14 (2) direct the full commission to conduct a hearing on the application.

214.15 (e) If the governor waives the hearing requirement for an application pursuant to section
214.16 638.14, subdivision 5, paragraph (e), the board must hold a hearing on that application.

214.17 Sec. 5. **APPROPRIATION.**

214.18 \$375,000 in fiscal year 2027 is appropriated from the general fund to the Clemency
214.19 Review Commission to increase the commission's capacity to process clemency petitions.

214.20 This is a onetime appropriation.

214.21 **ARTICLE 20**

214.22 **PUBLIC SAFETY**

214.23 Section 1. **MINNESOTA VICTIMS OF CRIME ACCOUNT; TRANSFER.**

214.24 \$1,000,000 in fiscal year 2027 is transferred from the general fund to the Minnesota
214.25 victims of crime account in the special revenue fund established under Minnesota Statutes,
214.26 section 299A.708. This is a onetime transfer.

ARTICLE 21

PEACE OFFICER COMPENSATION

215.1 Section 1. Minnesota Statutes 2024, section 299A.41, subdivision 3, is amended to read:

215.2
215.3
215.4 Subd. 3. **Killed in the line of duty.** (a) "Killed in the line of duty" does not include any
215.5 deaths from natural causes, except as expressly provided in this subdivision. In the case of
215.6 a public safety officer, killed in the line of duty includes the death of a public safety officer
215.7 caused by accidental means while the public safety officer is acting in the course and scope
215.8 of duties as a public safety officer. Killed in the line of duty also ~~means~~ includes if a public
215.9 safety officer dies as the direct and proximate result of a heart attack, stroke, or vascular
215.10 rupture, that officer ~~shall be~~ is presumed to have died as the direct and proximate result of
215.11 a personal injury sustained in the line of duty if:

215.12 (1) that officer, while on duty:

215.13 (i) engaged in a situation, and that engagement involved nonroutine stressful or strenuous
215.14 physical activity in law enforcement, fire suppression, rescue, hazardous material response,
215.15 emergency medical services, prison security, disaster relief, or other emergency response
215.16 activity; or

215.17 (ii) participated in a training exercise, and that participation involved nonroutine stressful
215.18 or strenuous physical activity;

215.19 (2) that officer died as a result of a heart attack, stroke, or vascular rupture suffered:

215.20 (i) while engaging or participating under clause (1);

215.21 (ii) while still on duty after engaging or participating under clause (1); or

215.22 (iii) not later than 24 hours after engaging or participating under clause (1); and

215.23 (3) the presumption is not overcome by competent medical evidence to the contrary.

215.24 (b) "Killed in the line of duty" also ~~means~~ includes that the officer died due to suicide:

215.25 (1) secondary to a diagnosis of posttraumatic stress disorder as described in the most
215.26 recent edition of the Diagnostic and Statistical Manual of Mental Disorders published by
215.27 the American Psychiatric Association; or

215.28 (2) within 45 days of the end of exposure, while on duty, to a traumatic event.

215.29 (c) "Killed in the line of duty" also includes that the officer died as a result of
215.30 complications caused by exposure sustained in the line of duty to any of the following
215.31 infectious diseases, viruses, or bacteria, if medical records identify the disease, virus, or

216.1 bacteria as a cause of or contributing factor to the death: COVID-19, influenza, hepatitis
216.2 B, hepatitis C, tuberculosis, HIV/AIDS, meningitis, MRSA, whooping cough, or
216.3 streptococcus pneumoniae.

216.4 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
216.5 final enactment and applies retroactively from February 1, 2020.

216.6 Sec. 2. Minnesota Statutes 2024, section 299A.41, is amended by adding a subdivision to
216.7 read:

216.8 Subd. 3a. **Nonroutine strenuous physical activity.** "Nonroutine strenuous physical
216.9 activity" means line-of-duty activity that:

216.10 (1) is not an action of a clerical, administrative, or nonmanual nature;

216.11 (2) is not performed as a matter of routine; and

216.12 (3) entails an unusually high level of physical exertion.

216.13 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
216.14 final enactment and applies retroactively from February 1, 2020.

216.15 Sec. 3. Minnesota Statutes 2024, section 299A.41, is amended by adding a subdivision to
216.16 read:

216.17 Subd. 3b. **Nonroutine stressful or strenuous physical activity.** "Nonroutine stressful
216.18 or strenuous physical activity" means nonroutine stressful physical activity or nonroutine
216.19 strenuous physical activity.

216.20 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
216.21 final enactment and applies retroactively from February 1, 2020.

216.22 Sec. 4. Minnesota Statutes 2024, section 299A.41, is amended by adding a subdivision to
216.23 read:

216.24 Subd. 3c. **Nonroutine stressful physical activity.** "Nonroutine stressful physical activity"
216.25 means line-of-duty activity that:

216.26 (1) is not an action of a clerical, administrative, or nonmanual nature;

216.27 (2) is not performed as a matter of routine;

216.28 (3) entails nonnegligible physical exertion; and

216.29 (4) occurs:

217.1 (i) with respect to a situation in which a public safety officer is engaged under
217.2 circumstances that objectively and reasonably:

217.3 (A) pose or appear to pose significant dangers, threats, or hazards, or reasonably
217.4 foreseeable risks thereof, not faced by similarly situated members of the public in the
217.5 ordinary course; and

217.6 (B) provoke, cause, or occasion an unusually high level of alarm, fear, or anxiety; or

217.7 (ii) with respect to a training exercise in which a public safety officer participates under
217.8 circumstances that objectively and reasonably:

217.9 (A) simulate in realistic fashion situations that pose significant dangers, threats, or
217.10 hazards; and

217.11 (B) provoke, cause, or occasion an unusually high level of alarm, fear, or anxiety.

217.12 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
217.13 final enactment and applies retroactively from February 1, 2020.

217.14 Sec. 5. Minnesota Statutes 2024, section 299A.41, subdivision 4, is amended to read:

217.15 Subd. 4. **Public safety officer.** "Public safety officer" includes:

217.16 (1) a peace officer defined in section 626.84, subdivision 1, paragraph (c) or (d);

217.17 (2) a correction officer employed at a correctional facility and charged with maintaining
217.18 the safety, security, discipline, and custody of inmates at the facility;

217.19 (3) a corrections staff person working in a public agency and supervising offenders in
217.20 the community as defined in sections 243.05, subdivision 6; 244.19, subdivision 1; and
217.21 401.01, subdivision 2;

217.22 (4) an individual employed on a full-time or part-time basis by the state or by a fire
217.23 department of a governmental subdivision of the state, who is engaged in any of the following
217.24 duties:

217.25 (i) firefighting;

217.26 (ii) emergency motor vehicle operation;

217.27 (iii) investigation into the cause and origin of fires;

217.28 (iv) the provision of emergency medical services; or

217.29 (v) hazardous material responder;

218.1 (5) a legally enrolled member of a volunteer or paid on-call fire department or member
 218.2 of an independent nonprofit firefighting corporation who is engaged in the hazards of
 218.3 firefighting;

218.4 (6) a good samaritan while complying with the request or direction of a public safety
 218.5 officer to assist the officer;

218.6 (7) a reserve police officer or a reserve deputy sheriff while acting under the supervision
 218.7 and authority of a political subdivision;

218.8 (8) a driver or attendant with a licensed basic or advanced life-support transportation
 218.9 service who is engaged in providing emergency care;

218.10 (9) a first responder who is certified by the director of the Office of Emergency Medical
 218.11 Services to perform basic emergency skills before the arrival of a licensed ambulance service
 218.12 and who is a member of an organized service recognized by a local political subdivision to
 218.13 respond to medical emergencies to provide initial medical care before the arrival of an
 218.14 ambulance; ~~and~~

218.15 (10) a person, other than a state trooper, employed by the commissioner of public safety
 218.16 and assigned to the State Patrol, whose primary employment duty is either Capitol security
 218.17 or the enforcement of commercial motor vehicle laws and regulations; and

218.18 (11) a person formerly employed as a public safety officer under clauses (1) to (5) or
 218.19 (7) to (10) if the person separated from service due to a duty disability, as defined in section
 218.20 353.01, subdivision 41.

218.21 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 218.22 final enactment and applies retroactively from February 1, 2020.

218.23 Sec. 6. **[299A.412] DETERMINING WHAT IS ROUTINE.**

218.24 Neither of the following is dispositive in determining whether an activity or action is
 218.25 understood to have been performed as a matter of routine under section 299A.41:

218.26 (1) being generally described by the public safety agency as routine or ordinary; or

218.27 (2) the frequency with which the activity or action may be performed.

218.28 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 218.29 final enactment and applies retroactively from February 1, 2020.

219.1 Sec. 7. Minnesota Statutes 2024, section 299D.03, subdivision 2, is amended to read:

219.2 Subd. 2. **Salary and reimbursement.** (a) Each employee other than the chief supervisor,
219.3 lieutenant colonel, majors, captains, lieutenants, corporals, and sergeants hereinafter
219.4 designated shall be known as patrol troopers.

219.5 (b) There may be appointed one lieutenant colonel; and such majors, captains, lieutenants,
219.6 corporals, sergeants, and troopers as the commissioner deems necessary to carry out the
219.7 duties and functions of the State Patrol. Persons in above-named positions shall be appointed
219.8 by law and have such duties as the commissioner may direct and, except for troopers, shall
219.9 be selected from the patrol troopers, corporals, sergeants, captains, lieutenants, and majors
219.10 who shall have had at least five years' experience as either patrol troopers, corporals,
219.11 sergeants, or supervisors.

219.12 (c) The salary rates for all State Patrol troopers, corporals, and sergeants shall be deemed
219.13 to include \$6 per day reimbursement for shift differential, meal and business expenses
219.14 incurred by State Patrol troopers, corporals, and sergeants in the performance of their
219.15 assigned duties in their patrol areas; business expenses include, but are not limited to:
219.16 uniform costs, home garaging of squad cars, and maintenance of home office.

219.17 Sec. 8. Minnesota Statutes 2024, section 299D.03, subdivision 2a, is amended to read:

219.18 Subd. 2a. **Salary and benefits survey.** (a) By January 1 of 2021, 2024, 2027, and 2030
219.19 every odd-numbered year thereafter, the legislative auditor must conduct a compensation
219.20 ~~and benefit~~ survey of law enforcement officers in every police department:

219.21 (1) in a city with a population in excess of 25,000, located in a metropolitan county, as
219.22 defined in section 473.121, subdivision 4, that is represented by a union certified by the
219.23 Bureau of Mediation Services; or

219.24 (2) in a city of the first class.

219.25 The State Patrol must also be included in the survey.

219.26 (b) The legislative auditor must base the survey on compensation ~~and benefits~~ for the
219.27 past completed calendar year. The survey must be based on full-time equivalent employees.
219.28 The legislative auditor must calculate compensation using base salary, overtime wages, and
219.29 premium pay. Premium pay is payment that is received by a majority of employees and
219.30 includes but is not limited to education pay and longevity pay. The legislative auditor must
219.31 not include any payments made to officers or troopers for work performed for an entity
219.32 other than the agency that employs the officer or trooper, regardless of who makes the
219.33 payment. ~~The legislative auditor must also include in the survey all benefits, including~~

220.1 ~~insurance, retirement, and pension benefits. The legislative auditor must include contributions~~
 220.2 ~~from both the employee and employer when determining benefits.~~

220.3 (c) The legislative auditor must compile the survey results into a report. The report must
 220.4 show each department separately. For each department, the survey must include:

220.5 ~~(1) an explanation of the salary structure, and include minimum and maximum salaries~~
 220.6 ~~for each range or step; and.~~

220.7 ~~(2) an explanation of benefits offered, including the options that are offered and the~~
 220.8 ~~employee and employer contribution for each option.~~

220.9 ~~Wherever possible, the report must be designed so that the data for each department is in~~
 220.10 ~~the same table or grid format to facilitate easy comparison.~~

220.11 (d) By January 15 of 2021, 2024, 2027, and ~~2030~~ every odd-numbered year thereafter,
 220.12 the legislative auditor must transmit the survey report to the chairs and ranking minority
 220.13 members of the house of representatives and senate committees with jurisdiction over the
 220.14 State Patrol budget.

220.15 (e) It is the legislature's intent to use the information in this study to compare salaries
 220.16 between the identified police departments and the State Patrol and to make appropriate
 220.17 increases to patrol trooper, captain, and lieutenant salaries. Nothing in this subdivision
 220.18 precludes the collective bargaining of salaries or compensation in excess of salaries or
 220.19 compensation supported by the salary survey. Salary adjustments for supervisory ranks,
 220.20 including corporals, sergeants, lieutenants, and captains, must be proportionate to the salary
 220.21 adjustments made for patrol troopers resulting from the survey. This subdivision does not
 220.22 expand the scope of the salary survey beyond patrol troopers. For purposes of this paragraph,
 220.23 "patrol troopers" has the meaning given in subdivision 2, paragraph (a).

220.24 Sec. 9. [299D.14] VOLUNTEER CHAPLAINS.

220.25 Subdivision 1. Volunteers permitted. The commissioner or the chief supervisor of the
 220.26 State Patrol may recruit, train, and accept, without regard to personnel laws or rules, the
 220.27 services of individuals without compensation as volunteer chaplains to support members
 220.28 of the State Patrol in their roles and responsibilities under this chapter.

220.29 Subd. 2. Incidental expenses. The chief supervisor may provide for the incidental
 220.30 expenses of a volunteer chaplain, including transportation, lodging, and subsistence.

220.31 Subd. 3. Application of law. Except as otherwise provided in this section, a volunteer
 220.32 chaplain is not a state employee and is not subject to the provisions of law relating to state

221.1 employment, including but not limited to those governing hours of work, rates of
 221.2 compensation, leave, unemployment benefits, and state employee benefits.

221.3 Sec. 10. Laws 2024, chapter 104, article 1, section 2, the effective date, is amended to
 221.4 read:

221.5 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 221.6 final enactment ~~and expires January 1, 2032.~~ This section applies to contracts entered into
 221.7 on or after the effective date ~~but before January 1, 2032.~~

221.8 Sec. 11. **PUBLIC SAFETY OFFICER DEATH BENEFIT RETROACTIVE CLAIMS.**

221.9 (a) Notwithstanding Minnesota Statutes, section 299A.47, claims for benefits arising
 221.10 out of deaths occurring before July 1, 2026, that are eligible due to the retroactive changes
 221.11 made in this act are timely if filed before July 1, 2028. Claims for benefits arising out of
 221.12 deaths that occur on or after July 1, 2026, are subject to the limitation period under Minnesota
 221.13 Statutes, section 299A.47.

221.14 (b) Notwithstanding Minnesota Statutes, section 299A.47, the commissioner of public
 221.15 safety must:

221.16 (1) review previously denied benefit claims for deaths occurring between February 1,
 221.17 2020, and the effective date of this act;

221.18 (2) determine whether the applicant is eligible for benefits based on the retroactive
 221.19 application of the amendments made in this act; and

221.20 (3) award applicable benefits according to Minnesota Statutes, sections 299A.41 to
 221.21 299A.46.

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

221.23

ARTICLE 22

221.24

CONSUMER PROTECTION RESTITUTION ACCOUNT

221.25 Section 1. Minnesota Statutes 2025 Supplement, section 8.37, subdivision 3, is amended
 221.26 to read:

221.27 Subd. 3. **Money deposited in the account.** ~~50~~ Fifty percent of all money recovered by
 221.28 the attorney general in a consumer enforcement action that is payable to the state and not
 221.29 designated as consumer enforcement public compensation or for another specific purpose
 221.30 up to the first ~~\$5,000,000~~ \$10,000,000 each fiscal year must be deposited into the account.

222.1 The remaining 50 percent of money recovered by the attorney general in a consumer
 222.2 enforcement action that is payable to the state and not designated as consumer enforcement
 222.3 public compensation or for another specific purpose must be deposited into the general
 222.4 fund. For purposes of this subdivision, the amount of money recovered in a consumer
 222.5 enforcement action that must be deposited into the fund is determined at the time when the
 222.6 money otherwise would have been deposited into the general fund.

222.7 Sec. 2. Minnesota Statutes 2025 Supplement, section 8.37, subdivision 5, is amended to
 222.8 read:

222.9 Subd. 5. **Distributions to eligible consumers.** (a) Money in the account may be
 222.10 distributed to any eligible consumer with an identified amount of unpaid consumer
 222.11 enforcement public compensation. ~~If the amount of money in the account is insufficient to~~
 222.12 ~~pay all distributions to eligible consumers with an identified amount of unpaid consumer~~
 222.13 ~~enforcement public compensation,~~ the Money must be distributed first to consumers eligible
 222.14 for unpaid consumer enforcement public compensation based on a consumer enforcement
 222.15 action with a final order of the oldest date.

222.16 ~~(b) If the attorney general projects that there will be insufficient funding to pay all eligible~~
 222.17 ~~consumers from the funds available on an ongoing basis, the attorney general may~~
 222.18 ~~recommend to the legislature that the legislature prescribe a formula for prorating or capping~~
 222.19 ~~payments to eligible consumers so that more eligible consumers will receive payment from~~
 222.20 ~~the fund.~~

222.21 (b) If money is distributed to an eligible consumer, the distribution is limited to:

222.22 (1) the full identified amount of unpaid consumer enforcement public compensation, up
 222.23 to \$50,000; and

222.24 (2) 50 percent of the identified amount of unpaid consumer enforcement public
 222.25 compensation over \$50,000, or \$50,000, whichever is less.

222.26

ARTICLE 23

222.27

DATA PRACTICES

222.28 Section 1. [13.205] TOWNS; PHYSICIAN REQUESTS.

222.29 Notwithstanding section 13.02, subdivision 11, a town is subject to this chapter for
 222.30 purposes of this section. A town must provide data of any classification requested by a
 222.31 physician licensed under chapter 147 for the purposes of treating a patient.

APPENDIX
Article locations for S4059-2

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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.

115A.9155 DISPOSING OF CERTAIN DRY CELL BATTERIES.

Subdivision 1. **Prohibition.** A person may not place in mixed municipal solid waste a dry cell battery containing mercuric oxide electrode, silver oxide electrode, nickel-cadmium, or sealed lead-acid that was purchased for use or used by a government agency, or an industrial, communications, or medical facility.

Subd. 2. **Manufacturer responsibility.** (a) A manufacturer of batteries subject to subdivision 1 shall:

(1) ensure that a system for the proper collection, transportation, and processing of waste batteries exists for purchasers in Minnesota; and

(2) clearly inform each final purchaser of the prohibition on disposal of waste batteries and of the system or systems for proper collection, transportation, and processing of waste batteries available to the purchaser.

(b) To ensure that a system for the proper collection, transportation, and processing of waste batteries exists, a manufacturer shall:

(1) identify collectors, transporters, and processors for the waste batteries and contract or otherwise expressly agree with a person or persons for the proper collection, transportation, and processing of the waste batteries; or

(2) accept waste batteries returned to its manufacturing facility.

(c) At the time of sale of a battery subject to subdivision 1, a manufacturer shall provide in a clear and conspicuous manner a telephone number that the final consumer of the battery can call to obtain information on specific procedures to follow in returning the battery for recycling or proper disposal. The manufacturer may include the telephone number and notice of return procedures on an invoice or other transaction document held by the purchaser. The manufacturer shall provide the telephone number to the commissioner of the agency.

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(d) A manufacturer shall ensure that the cost of proper collection, transportation, and processing of the waste batteries is included in the sales transaction or agreement between the manufacturer and any purchaser.

(e) A manufacturer that has complied with this subdivision is not liable under subdivision 1 for improper disposal by a person other than the manufacturer of waste batteries.

115A.961 HOUSEHOLD BATTERIES; COLLECTION, PROCESSING, AND DISPOSAL.

Subdivision 1. **Definition.** For the purposes of this section, "household batteries" means disposable or rechargeable dry cells commonly used as power sources for household or consumer products including, but not limited to, nickel-cadmium, alkaline, mercuric oxide, silver oxide, zinc oxide, lithium, and carbon-zinc batteries, but excluding lead acid batteries.

Subd. 2. **Program.** (a) The commissioner, in consultation with other state agencies, political subdivisions, and representatives of the household battery industry, may develop household battery programs. The commissioner must coordinate the programs with the Legislative-Citizen Commission on Minnesota Resources study on batteries.

(b) The commissioner shall investigate options and develop guidelines for collection, processing, and disposal of household batteries. The options the commissioner may investigate include:

(1) establishing a grant program for counties to plan and implement household battery collection, processing, and disposal projects;

(2) establishing collection and transportation systems;

(3) developing and disseminating educational materials regarding environmentally sound battery management; and

(4) developing markets for materials recovered from the batteries.

(c) The commissioner may also distribute funds to political subdivisions to develop battery management plans and implement those plans.

Subd. 3. **Participation.** A political subdivision, on its own or in cooperation with others, may implement a program to collect, process, or dispose of household batteries. A political subdivision may provide financial incentives to any person, including public or private civic groups, to collect the batteries.

136A.657 EXEMPTION; RELIGIOUS SCHOOLS.

Subdivision 1. **Exemption.** (a) A program is exempt from the provisions of sections 136A.61 to 136A.71 if it is:

(1) offered by a school or any department or branch of a school that is substantially owned, operated, or supported by a bona fide church or religious organization;

(2) primarily designed for, aimed at and attended by persons who sincerely hold or seek to learn the particular religious faith or beliefs of that church or religious organization; and

(3) primarily intended to prepare its students to become ministers of, to enter into some other vocation closely related to, or to conduct their lives in consonance with, the particular faith of that church or religious organization.

(b) A school or a department or branch of a school is exempt from the provisions of sections 136A.61 to 136A.71 if all of its programs are exempt under paragraph (a).

Subd. 2. **Limitation.** (a) This exemption shall not extend to any program or school or to any department or branch of a school that through advertisements or solicitations represents to any students or prospective students that the school, its aims, goals, missions or purposes or its programs are different from those described in subdivision 1.

(b) This exemption shall not extend to any school that represents to any student or prospective student that the major purpose of its programs is to:

(1) prepare the student for a vocation not closely related to that particular religious faith; or

(2) provide the student with a general educational program recognized by other schools or the broader educational, business or social community as being substantially equivalent to the educational programs offered by schools or departments or branches of schools that are not exempt from sections 136A.61 to 136A.71, and rules adopted pursuant thereto.

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(c) This exemption shall not extend to any school that uses any publication or advertisement that is not truthful and gives any false, fraudulent, deceptive, inaccurate, or misleading impressions about the school; its personnel, programs, or services; or occupational opportunities for its graduates for promotion and student recruitment. Exemptions denied under this section are subject to appeal under section 136A.65, subdivision 8, paragraph (c). If an appeal is initiated, the denial of the exemption is not effective until the final determination of the appeal, unless immediate effect is ordered by the court.

Subd. 3. **Scope.** Nothing in sections 136A.61 to 136A.71, or the rules adopted pursuant thereto, shall be interpreted as permitting the office to determine the truth or falsity of any particular set of religious beliefs.

Subd. 4. **Statement required; religious nature.** Any degree awarded upon completion of a religiously exempt program shall include descriptive language to make the religious nature of the award clear.

Subd. 5. **Application.** A school that seeks an exemption under this section from the provisions of sections 136A.61 to 136A.71 must apply to the office to establish that the school meets the requirements of an exemption. An exemption expires two years from the date of approval or when a school adds a new program or makes a modification equal to or greater than 25 percent to an existing educational program. If a school is reapplying for an exemption, the application must be submitted to the office 90 days before the current exemption expires.

136A.834 EXEMPTION; RELIGIOUS SCHOOLS.

Subdivision 1. **Exemption.** (a) A program is exempt from the provisions of sections 136A.821 to 136A.832 if it is:

(1) offered by a school or any department or branch of a school that is substantially owned, operated, or supported by a bona fide church or religious organization;

(2) primarily designed for, aimed at, and attended by persons who sincerely hold or seek to learn the particular religious faith or beliefs of that church or religious organization; and

(3) primarily intended to prepare its students to become ministers of, to enter into some other vocation closely related to, or to conduct their lives in consonance with the particular faith of that church or religious organization.

(b) Any school or any department or branch of a school is exempt from the provisions of sections 136A.821 to 136A.832 if all of its programs are exempt under paragraph (a).

Subd. 2. **Limitations.** (a) An exemption shall not extend to any private career school, department or branch of a private career school, or program of a private career school that through advertisements or solicitations represents to any students or prospective students that the school, its aims, goals, missions, purposes, or programs are different from those described in subdivision 1.

(b) An exemption shall not extend to any private career school or program that represents to any student or prospective student that the major purpose of its programs is to:

(1) prepare the student for a vocation not closely related to that particular religious faith; or

(2) provide the student with a general educational program recognized by other private career schools or the broader educational, business, or social community as being substantially equivalent to the educational programs offered by private career schools or departments or branches of private career schools which are not religious in nature and are not exempt from sections 136A.82 to 136A.834 and from rules adopted under sections 136A.82 to 136A.834.

(c) This exemption shall not extend to any school that uses any publication or advertisement that is not truthful and gives any false, fraudulent, deceptive, inaccurate, or misleading impressions about the school or its personnel, programs, services, or occupational opportunities for graduates for promotion and student recruitment. Exemptions denied under this section are subject to appeal under section 136A.65, subdivision 8, paragraph (c). If an appeal is initiated, the denial of the exemption is not effective until the final determination of the appeal, unless immediate effect is ordered by the court.

Subd. 3. **Scope.** Nothing in sections 136A.82 to 136A.834 or the rules adopted under them shall be interpreted as permitting the office to determine the truth or falsity of any particular set of religious beliefs.

Subd. 4. **Descriptive language required.** Any certificate, diploma, degree, or other formal recognition awarded upon completion of any religiously exempt program shall include such descriptive language as to make the religious nature of the award clear.

Subd. 5. **Application.** A school that seeks an exemption from the provisions of sections 136A.82 to 136A.834 must apply to the office to establish that the school meets the requirements of an exemption. An exemption expires two years from the date of approval or when a school adds a new program or makes a modification equal to or greater than 25 percent to an existing educational program. If a school is reapplying for an exemption, the application must be submitted to the office 90 days before the current exemption expires. If a school fails to apply within 90 days of expiration, the school is subject to the fees and penalties under sections 136A.831 and 136A.832.

155A.275 SPECIAL EVENTS.

Subdivision 1. **Special event services.** For purposes of this section, "special event services" means services rendered for compensation and performed at a location other than a licensed salon. These services are limited to the practice of nonpermanent manipulation of the hair, including: styling, setting, reinforcing, or extending the hair; the application of nail polish to the nails; and the application of makeup to the skin.

Subd. 2. **Special event services permit.** (a) No person shall perform special event services without first obtaining a special event services permit from the board. To be eligible for a special event services permit, a person must have a valid manager's license issued by the board under the authority of section 155A.27.

(b) An individual applying for a special event services permit must submit to the board, on a form approved by the board, an application for a special event services permit.

(c) An individual providing services under a special event services permit may only perform services within the individual's specific field of licensure and as defined by the permit. The services provided pursuant to the special event services permit must comply with the requirements of this chapter and all federal, state, and local laws.

325E.125 GENERAL AND SPECIAL PURPOSE BATTERY REQUIREMENTS.

Subdivision 1. **Labeling.** (a) The manufacturer of a button cell battery that is to be sold in this state shall ensure that each battery contains no intentionally introduced mercury or is labeled to clearly identify for the final consumer of the battery the type of electrode used in the battery.

(b) The manufacturer of a rechargeable battery that is to be sold in this state shall ensure that each rechargeable battery is labeled to clearly identify for the final consumer of the battery the type of electrode and the name of the manufacturer. The manufacturer of a rechargeable battery shall also provide clear instructions for properly recharging the battery.

Subd. 2. **Mercury content.** (a) Except as provided in paragraph (c), a manufacturer may not sell, distribute, or offer for sale in this state an alkaline manganese battery that contains more than 0.025 percent mercury by weight.

(b) On application, the commissioner of the Pollution Control Agency may exempt a specific type of battery from the requirements of paragraph (a) or (d) if there is no battery meeting the requirements that can be reasonably substituted for the battery for which the exemption is sought. A battery exempted by the commissioner under this paragraph is subject to the requirements of section 115A.9155, subdivision 2.

(c) Notwithstanding paragraph (a), a manufacturer may not sell, distribute, or offer for sale in this state a button cell nonrechargeable battery not subject to paragraph (a) that contains more than 25 milligrams of mercury.

(d) A manufacturer may not sell, distribute, or offer for sale in this state a dry cell battery containing a mercuric oxide electrode.

(e) After January 1, 1996, a manufacturer may not sell, distribute, or offer for sale in this state an alkaline manganese battery, except an alkaline manganese button cell, that contains mercury unless the commissioner of the Pollution Control Agency determines that compliance with this requirement is not technically and commercially feasible.

Subd. 2a. **Approval of new batteries.** A manufacturer may not sell, distribute, or offer for sale in this state a nonrechargeable battery other than a zinc air, zinc carbon, silver oxide, lithium, or alkaline manganese battery, without first having received approval of the battery from the

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commissioner of the Pollution Control Agency. The commissioner shall approve only batteries that comply with subdivision 1 and do not pose an undue hazard when disposed of. This subdivision is intended to ensure that new types of batteries do not add additional hazardous or toxic materials to the state's mixed municipal waste stream.

Subd. 3. **Rechargeable tools and appliances.** (a) A manufacturer may not sell, distribute, or offer for sale in this state a rechargeable consumer product unless:

(1) the battery can be easily removed by the consumer or is contained in a battery pack that is separate from the product and can be easily removed; and

(2) the product and the battery are both labeled in a manner that is clearly visible to the consumer indicating that the battery must be recycled or disposed of properly and the battery must be clearly identifiable as to the type of electrode used in the battery.

(b) "Rechargeable consumer product" as used in this subdivision means any product that contains a rechargeable battery and is primarily used or purchased to be used for personal, family, or household purposes.

(c) On application by a manufacturer, the commissioner of the Pollution Control Agency may exempt a rechargeable consumer product from the requirements of paragraph (a) if:

(1) the product cannot be reasonably redesigned and manufactured to comply with the requirements prior to the effective date of Laws 1990, chapter 409, section 2;

(2) the redesign of the product to comply with the requirements would result in significant danger to public health and safety; or

(3) the type of electrode used in the battery poses no unreasonable hazards when placed in and processed or disposed of as part of mixed municipal solid waste.

(d) An exemption granted by the commissioner of the Pollution Control Agency under paragraph (c), clause (1), must be limited to a maximum of two years and may be renewed.

Subd. 4. **Rechargeable batteries and products; notice.** (a) A person who sells rechargeable batteries or products powered by rechargeable batteries governed by section 115A.9157 at retail shall post the notice in paragraph (b) in a manner clearly visible to a consumer making purchasing decisions.

(b) The notice must be at least four inches by six inches and state:

"ATTENTION USERS OF RECHARGEABLE BATTERIES AND CORDLESS PRODUCTS:

Under Minnesota law, manufacturers of rechargeable batteries, rechargeable battery packs, and products powered by nonremovable rechargeable batteries will provide a special collection system for these items by April 15, 1994. It is illegal to put rechargeable batteries in the garbage. Use the special collection system that will be provided in your area. Take care of our environment.

DO NOT PUT RECHARGEABLE BATTERIES OR PRODUCTS POWERED BY
NONREMOVABLE RECHARGEABLE BATTERIES IN THE GARBAGE."

(c) Notice is not required for home solicitation sales, as defined in section 325G.06, or for catalogue sales.

325E.1251 PENALTY ENFORCEMENT.

Subdivision 1. **Penalty.** Violation of section 325E.125 is a misdemeanor. A manufacturer who violates section 325E.125 is also subject to a minimum fine of \$100 per violation.

609.466 MEDICAL ASSISTANCE FRAUD.

Any person who, with the intent to defraud, presents a claim for reimbursement, a cost report or a rate application, relating to the payment of medical assistance funds pursuant to chapter 256B, to the state agency, which is false in whole or in part, is guilty of an attempt to commit theft of public funds and may be sentenced accordingly.

Laws 2017, First Special Session chapter 4, article 1, section 29

Sec. 29. **BOARD OF COSMETOLOGIST
EXAMINERS**

\$ 2,775,000 \$ 2,785,000

The executive director must report quarterly to the chairs and ranking minority members of the committees in the house of representatives and senate with jurisdiction over state government finance on the number of inspections conducted by license type in the past quarter, number and percent of total salons and schools inspected within the last year, total number of licensees by type, and the number of inspectors employed by the board. The first report must be submitted by July 15, 2017.

2100.2500 EXAMINATION DATES.

Examinations for a certificate as a registered barber shall be held in the second week of February, May, August, and November of each year. Notice of the examination shall be given during the first week of the month preceding the month in which the examination is to be held. Two additional examinations may be held when the board determines it is cost efficient.

2100.2600 APPLICATION FOR EXAMINATION.

An applicant for examination as a registered barber shall file an application for examination on forms furnished by the board. This application must be filed with the board no later than the 20th day of the month preceding the month in which the examination is to be given; provided, however, that the board shall, upon the showing of a hardship, accept applications at a later date.

Applicants for registered barber status must complete the program entitled "Home Study Course for Barbers" prepared or approved by the Board of Barber Examiners before the examination may be taken.

2100.2900 CONTENTS OF EXAMINATION.

An examination consists of five parts: a written examination and four practical services. The type of haircut, shave or beard trim, and two of the following practical services: shampoo, perm wrap, facial, or color application, will be determined at the discretion of the board.

2100.3000 GRADING OF EXAMINATION.

The registered barber examinations given pursuant to Minnesota Statutes, section 154.09, shall be graded as follows: The grading criteria for the written part of the examination and the passing grade will be established for each written examination at the time of its preparation; however, the lowest passing grade established shall never be less than 55. The grading for the practical performances part of the examination will be on a scale of 1 to 100 with 100 representing a perfect score. A score of 75 will be the minimum passing grade for the haircut portion, and 75 will also be the minimum passing score for the average of the remaining parts of the practical performances. If an applicant does not receive at least the established minimum passing grade on the written portion of the examination, or at least a grade of 75 on the haircut portion of the examination, or score an average of at least 75 on the remaining parts of the practical examination, the applicant will have failed the examination, and may only retake the examination after paying the necessary fee and meeting the requirements of Minnesota Statutes, section 154.05.

2100.3200 FAILURE OF EXAMINATION.

An individual who has not held a Minnesota barber registration prior to examination and who fails the examination and onetime written retake, if applicable, shall complete an additional 500 hours of barber school to be eligible to retake the examination as many times as necessary to pass.

An individual who has previously held a Minnesota barber registration as an apprentice or registered barber may take the examination as many times as necessary to reinstate the registration without additional barber school hours.

2100.3300 FAILURE TO RENEW CERTIFICATE WITHIN FOUR YEARS.

A registered barber who has failed to renew the certificate of registration for four years or more from the date of expiration must complete the current program entitled "Home Study Course for Barbers" prepared or approved by the Board of Barber Examiners and take and pass the registered barber examination before a certificate of registration may be issued. Home Study Course for Barbers is required prior to examination for all examinees.

2100.4500 INSTRUCTOR REGISTRATION QUALIFICATION.

To qualify for an instructor's examination, an applicant must be a registered barber with three years' experience.

2100.5200 CONSIDERATIONS IN REGISTRATION ISSUANCE.

Subpart 1. **Factors.** Upon receipt of an application for establishment of a barber school, the board shall give consideration to the factors in subparts 2 and 5.

Subp. 2. **Public welfare.** The board shall give consideration to any detriment to the public welfare and the need for barber school facilities in the community and neighborhood where the proposed barber school is to be located, giving particular consideration to:

- A. the economic character of the community and neighborhood;
- B. the effect on existing barber shops and barber schools in the community;
- C. the availability of adequate support for the proposed barber school in the community and neighborhood with particular regard to adequate practice for students;
- D. the extent to which the proposed barber school would draw patrons from adjacent communities or neighborhoods and the character thereof; and
- E. the effect of the establishment of a barber school on the social and economic aspects of the community and neighborhood and adjacent communities and neighborhoods in regard to the proposed site.

Subp. 5. **Student-registered instructor ratio.** There must be at least one instructor for every 17 students enrolled.

2100.5300 PUBLIC HEARING ON REGISTRATION APPLICATION.

Upon receipt of an application for the establishment of a barber school, the board shall conduct a public hearing in accordance with Minnesota Statutes, chapter 14, and rules promulgated thereunder. The applicant shall show at such hearing, by competent evidence, the factual basis of the assertions of the application and the applicant's qualifications as required by Minnesota Statutes, chapter 154, and the rules of the board. The applicant shall further show financial qualifications and it shall be a sufficient reason for denial of the application that the board considers the financial resources of the applicant to be insufficient to maintain and operate a barber school and assure the graduation of students who are registered in such school and have paid their tuition.

2100.6000 HOURS OF INSTRUCTION.

Each student, including each part-time student, must complete at least 281 classroom hours and 1,219 practical hours in the required 1,500-hour course.