

**SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION**

S.F. No. 5073

(SENATE AUTHORS: PUTNAM)

DATE	D-PG	OFFICIAL STATUS
04/13/2026	7995	Introduction and first reading Referred to Agriculture, Veterans, Broadband, and Rural Development
04/20/2026	823 1a	Comm report: To pass as amended and re-refer to Finance
05/11/2026	10206a	Comm report: To pass as amended
	10377	Second reading
05/14/2026		Special Order: Amended Third reading Passed as amended

1.1 A bill for an act

1.2 relating to agriculture; modifying agriculture policy provisions; modifying farm

1.3 down payment assistance provisions; modifying seed potato provisions; modifying

1.4 fees; allowing eggs to be donated past their quality assurance date; requiring

1.5 reports; modifying prior appropriations; appropriating money; amending Minnesota

1.6 Statutes 2024, sections 17.458, subdivision 1; 18J.01; 18J.02; 18J.03; 18J.04,

1.7 subdivisions 1, 2, 3, 4; 18J.05, subdivisions 1, 2, 6; 18J.06; 18J.07, subdivisions

1.8 3, 4, 5; 18J.09; 18K.02, subdivisions 5, 6; 18K.04, subdivision 1; 21.111; 21.112,

1.9 by adding a subdivision; 21.113; 21.115; 21.117; 21.119; 21.1195; 21.891,

1.10 subdivision 2; 28A.0752; 29.21, by adding a subdivision; 29.26; 32D.30,

1.11 subdivision 5; 41A.19; 41B.048, subdivisions 2, 4, 5, by adding subdivisions;

1.12 583.215; Minnesota Statutes 2025 Supplement, sections 17.1017, subdivision 9;

1.13 17.133, subdivisions 1, 2; 28A.04, subdivision 1; 28A.08, subdivision 3; Laws

1.14 2023, chapter 43, article 1, section 2, subdivision 5, as amended; Laws 2025,

1.15 chapter 34, article 1, section 2, subdivisions 2, 3, as amended, 4, as amended;

1.16 proposing coding for new law in Minnesota Statutes, chapter 21; repealing

1.17 Minnesota Statutes 2024, sections 18K.02, subdivision 7; 18K.03, subdivision 2;

1.18 28A.075.

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

1.20 **ARTICLE 1**

1.21 **AGRICULTURE APPROPRIATIONS**

1.22 Section 1. **APPROPRIATION; AGRICULTURAL UTILIZATION RESEARCH**

1.23 **INSTITUTE.**

1.24 \$80,000 in fiscal year 2026 is appropriated from the general fund to the board of directors

1.25 of the Agricultural Utilization Research Institute for legal costs. This is a onetime

1.26 appropriation and is available until June 30, 2029.

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

2.1 Sec. 2. Laws 2023, chapter 43, article 1, section 2, subdivision 5, as amended by Laws
 2.2 2024, chapter 126, article 1, section 1, subdivision 5, is amended to read:

2.3 **Subd. 5. Administration and Financial**
 2.4 **Assistance**

16,643,000

14,587,000

2.5 (a) \$474,000 the first year and \$474,000 the
 2.6 second year are for payments to county and
 2.7 district agricultural societies and associations
 2.8 under Minnesota Statutes, section 38.02,
 2.9 subdivision 1. Aid payments to county and
 2.10 district agricultural societies and associations
 2.11 must be disbursed no later than July 15 of each
 2.12 year. These payments are the amount of aid
 2.13 from the state for an annual fair held in the
 2.14 previous calendar year.

2.15 (b) \$350,000 the first year and \$350,000 the
 2.16 second year are for grants to the Minnesota
 2.17 Agricultural Education and Leadership
 2.18 Council for programs of the council under
 2.19 Minnesota Statutes, chapter 41D. The base for
 2.20 this appropriation is \$250,000 in fiscal year
 2.21 2026 and each year thereafter.

2.22 (c) \$2,000 the first year is for a grant to the
 2.23 Minnesota State Poultry Association. This is
 2.24 a onetime appropriation. Notwithstanding
 2.25 Minnesota Statutes, section 16A.28, any
 2.26 unencumbered balance does not cancel at the
 2.27 end of the first year and is available for the
 2.28 second year.

2.29 (d) \$18,000 the first year and \$18,000 the
 2.30 second year are for grants to the Minnesota
 2.31 Livestock Breeders Association. This is a
 2.32 onetime appropriation.

2.33 (e) \$60,000 the first year and \$60,000 the
 2.34 second year are for grants to the Northern

3.1 Crops Institute that may be used to purchase
3.2 equipment. This is a onetime appropriation.

3.3 (f) \$34,000 the first year and \$34,000 the
3.4 second year are for grants to the Minnesota
3.5 State Horticultural Society. This is a onetime
3.6 appropriation.

3.7 (g) \$25,000 the first year and \$25,000 the
3.8 second year are for grants to the Center for
3.9 Rural Policy and Development. This is a
3.10 onetime appropriation.

3.11 (h) \$75,000 the first year and \$75,000 the
3.12 second year are appropriated from the general
3.13 fund to the commissioner of agriculture for
3.14 grants to the Minnesota Turf Seed Council for
3.15 basic and applied research on: (1) the
3.16 improved production of forage and turf seed
3.17 related to new and improved varieties; and (2)
3.18 native plants, including plant breeding,
3.19 nutrient management, pest management,
3.20 disease management, yield, and viability. The
3.21 Minnesota Turf Seed Council may subcontract
3.22 with a qualified third party for some or all of
3.23 the basic or applied research. Any
3.24 unencumbered balance does not cancel at the
3.25 end of the first year and is available in the
3.26 second year. The Minnesota Turf Seed Council
3.27 must prepare a report outlining the use of the
3.28 grant money and related accomplishments. No
3.29 later than January 15, 2025, the council must
3.30 submit the report to the chairs and ranking
3.31 minority members of the legislative
3.32 committees and divisions with jurisdiction
3.33 over agriculture finance and policy. This is a
3.34 onetime appropriation.

4.1 (i) \$100,000 the first year and \$100,000 the
4.2 second year are for grants to GreenSeam for
4.3 assistance to agriculture-related businesses to
4.4 support business retention and development,
4.5 business attraction and creation, talent
4.6 development and attraction, and regional
4.7 branding and promotion. These are onetime
4.8 appropriations. No later than December 1,
4.9 2024, and December 1, 2025, GreenSeam
4.10 must report to the chairs and ranking minority
4.11 members of the legislative committees with
4.12 jurisdiction over agriculture and rural
4.13 development with information on new and
4.14 existing businesses supported, number of new
4.15 jobs created in the region, new educational
4.16 partnerships and programs supported, and
4.17 regional branding and promotional efforts.

4.18 (j) \$1,950,000 the first year and \$1,950,000
4.19 the second year are for grants to Second
4.20 Harvest Heartland on behalf of Minnesota's
4.21 six Feeding America food banks for the
4.22 following purposes:

4.23 (1) at least \$850,000 each year must be
4.24 allocated to purchase milk for distribution to
4.25 Minnesota's food shelves and other charitable
4.26 organizations that are eligible to receive food
4.27 from the food banks. Milk purchased under
4.28 the grants must be acquired from Minnesota
4.29 milk processors and based on low-cost bids.
4.30 The milk must be allocated to each Feeding
4.31 America food bank serving Minnesota
4.32 according to the formula used in the
4.33 distribution of United States Department of
4.34 Agriculture commodities under The
4.35 Emergency Food Assistance Program. Second

5.1 Harvest Heartland may enter into contracts or
5.2 agreements with food banks for shared funding
5.3 or reimbursement of the direct purchase of
5.4 milk. Each food bank that receives funding
5.5 under this clause may use up to two percent
5.6 for administrative expenses. Notwithstanding
5.7 Minnesota Statutes, section 16A.28, any
5.8 unencumbered balance the first year does not
5.9 cancel and is available the second year;

5.10 (2) to compensate agricultural producers and
5.11 processors for costs incurred to harvest and
5.12 package for transfer surplus fruits, vegetables,
5.13 and other agricultural commodities that would
5.14 otherwise go unharvested, be discarded, or be
5.15 sold in a secondary market. Surplus
5.16 commodities must be distributed statewide to
5.17 food shelves and other charitable organizations
5.18 that are eligible to receive food from the food
5.19 banks. Surplus food acquired under this clause
5.20 must be from Minnesota producers and
5.21 processors. Second Harvest Heartland may
5.22 use up to 15 percent of each grant awarded
5.23 under this clause for administrative and
5.24 transportation expenses; and

5.25 (3) to purchase and distribute protein products,
5.26 including but not limited to pork, poultry, beef,
5.27 dry legumes, cheese, and eggs to Minnesota's
5.28 food shelves and other charitable organizations
5.29 that are eligible to receive food from the food
5.30 banks. Second Harvest Heartland may use up
5.31 to two percent of each grant awarded under
5.32 this clause for administrative expenses. Protein
5.33 products purchased under the grants must be
5.34 acquired from Minnesota processors and
5.35 producers.

6.1 Second Harvest Heartland must submit
6.2 quarterly reports to the commissioner and the
6.3 chairs and ranking minority members of the
6.4 legislative committees with jurisdiction over
6.5 agriculture finance in the form prescribed by
6.6 the commissioner. The reports must include
6.7 but are not limited to information on the
6.8 expenditure of funds, the amount of milk or
6.9 other commodities purchased, and the
6.10 organizations to which this food was
6.11 distributed. The base for this appropriation is
6.12 \$1,700,000 for fiscal year 2026 and each year
6.13 thereafter.

6.14 (k) \$25,000 the first year and \$25,000 the
6.15 second year are for grants to the Southern
6.16 Minnesota Initiative Foundation to promote
6.17 local foods through an annual event that raises
6.18 public awareness of local foods and connects
6.19 local food producers and processors with
6.20 potential buyers.

6.21 (l) \$300,000 the first year and \$300,000 the
6.22 second year are for grants to The Good Acre
6.23 for the Local Emergency Assistance Farmer
6.24 Fund (LEAFF) program to compensate
6.25 emerging farmers for crops donated to hunger
6.26 relief organizations in Minnesota. This is a
6.27 onetime appropriation.

6.28 (m) \$750,000 the first year and \$750,000 the
6.29 second year are to expand the Emerging
6.30 Farmers Office and provide services to
6.31 beginning and emerging farmers to increase
6.32 connections between farmers and market
6.33 opportunities throughout the state. This
6.34 appropriation may be used for grants,
6.35 translation services, training programs, or

7.1 other purposes in line with the
7.2 recommendations of the Emerging Farmer
7.3 Working Group established under Minnesota
7.4 Statutes, section 17.055, subdivision 1. The
7.5 base for this appropriation is \$1,000,000 in
7.6 fiscal year 2026 and each year thereafter.

7.7 (n) \$50,000 the first year is to provide
7.8 technical assistance and leadership in the
7.9 development of a comprehensive and
7.10 well-documented state aquaculture plan. The
7.11 commissioner must provide the state
7.12 aquaculture plan to the legislative committees
7.13 with jurisdiction over agriculture finance and
7.14 policy by February 15, 2025.

7.15 (o) \$337,000 the first year and \$337,000 the
7.16 second year are for farm advocate services.
7.17 Of these amounts, \$50,000 the first year and
7.18 \$50,000 the second year are for the
7.19 continuation of the farmland transition
7.20 programs and may be used for grants to
7.21 farmland access teams to provide technical
7.22 assistance to potential beginning farmers.
7.23 Farmland access teams must assist existing
7.24 farmers and beginning farmers with
7.25 transitioning farm ownership and farm
7.26 operation. Services provided by teams may
7.27 include but are not limited to mediation
7.28 assistance, designing contracts, financial
7.29 planning, tax preparation, estate planning, and
7.30 housing assistance.

7.31 (p) \$260,000 the first year and \$260,000 the
7.32 second year are for a pass-through grant to
7.33 Region Five Development Commission to
7.34 provide, in collaboration with Farm Business
7.35 Management, statewide mental health

8.1 counseling support to Minnesota farm
8.2 operators, families, and employees, and
8.3 individuals who work with Minnesota farmers
8.4 in a professional capacity. Region Five
8.5 Development Commission may use up to 6.5
8.6 percent of the grant awarded under this
8.7 paragraph for administration.

8.8 (q) \$1,000,000 the first year is for transfer to
8.9 the agricultural emergency account established
8.10 under Minnesota Statutes, section 17.041.

8.11 (r) \$1,084,000 the first year and \$500,000 the
8.12 second year are to support IT modernization
8.13 efforts, including laying the technology
8.14 foundations needed for improving customer
8.15 interactions with the department for licensing
8.16 and payments. This is a onetime appropriation.

8.17 (s) \$275,000 the first year is for technical
8.18 assistance grants to certified community
8.19 development financial institutions that
8.20 participate in United States Department of
8.21 Agriculture loan or grant programs for small
8.22 or emerging farmers, including but not limited
8.23 to the Increasing Land, Capital, and Market
8.24 Access Program. For purposes of this
8.25 paragraph, "emerging farmer" has the meaning
8.26 given in Minnesota Statutes, section 17.055,
8.27 subdivision 1. The commissioner may use up
8.28 to 6.5 percent of this appropriation for costs
8.29 incurred to administer the program.

8.30 Notwithstanding Minnesota Statutes, section
8.31 16A.28, any unencumbered balance does not
8.32 cancel at the end of the first year and is
8.33 available in the second year. This is a onetime
8.34 appropriation.

9.1 (t) \$1,425,000 the first year and \$1,425,000
9.2 the second year are for transfer to the
9.3 agricultural and environmental revolving loan
9.4 account established under Minnesota Statutes,
9.5 section 17.117, subdivision 5a, for low-interest
9.6 loans under Minnesota Statutes, section
9.7 17.117.

9.8 (u) \$150,000 the first year and \$150,000 the
9.9 second year are for administrative support for
9.10 the Rural Finance Authority.

9.11 (v) The base in fiscal years 2026 and 2027 is
9.12 \$150,000 each year to coordinate
9.13 climate-related activities and services within
9.14 the Department of Agriculture and
9.15 counterparts in local, state, and federal
9.16 agencies and to hire a full-time climate
9.17 implementation coordinator. The climate
9.18 implementation coordinator must coordinate
9.19 efforts seeking federal funding for Minnesota's
9.20 agricultural climate adaptation and mitigation
9.21 efforts and develop strategic partnerships with
9.22 the private sector and nongovernment
9.23 organizations.

9.24 (w) \$1,200,000 the first year and \$930,000 the
9.25 second year are to maintain the current level
9.26 of service delivery. The base for this
9.27 appropriation is \$1,065,000 in fiscal year 2026
9.28 and \$1,065,000 in fiscal year 2027 and each
9.29 year thereafter.

9.30 (x) \$250,000 the first year is for a grant to the
9.31 Board of Regents of the University of
9.32 Minnesota to purchase equipment for the
9.33 Veterinary Diagnostic Laboratory to test for
9.34 chronic wasting disease, African swine fever,
9.35 avian influenza, and other animal diseases.

10.1 The Veterinary Diagnostic Laboratory must
10.2 report expenditures under this paragraph to
10.3 the legislative committees with jurisdiction
10.4 over agriculture finance and higher education
10.5 with a report submitted by January 3, 2024,
10.6 and a final report submitted by December 31,
10.7 2024. The reports must include a list of
10.8 equipment purchased, including the cost of
10.9 each item.

10.10 (y) \$1,000,000 the first year and \$1,000,000
10.11 the second year are to award and administer
10.12 down payment assistance grants under
10.13 Minnesota Statutes, section 17.133, with
10.14 priority given to eligible applicants with no
10.15 more than \$100,000 in annual gross farm
10.16 product sales and eligible applicants who are
10.17 producers of industrial hemp, cannabis, or one
10.18 or more of the following specialty crops as
10.19 defined by the United States Department of
10.20 Agriculture for purposes of the specialty crop
10.21 block grant program: fruits and vegetables,
10.22 tree nuts, dried fruits, medicinal plants,
10.23 culinary herbs and spices, horticulture crops,
10.24 floriculture crops, and nursery crops.

10.25 Notwithstanding Minnesota Statutes, section
10.26 16A.28, any unencumbered balance at the end
10.27 of the first year does not cancel and is
10.28 available in the second year and appropriations
10.29 encumbered under contract by June 30, 2025,
10.30 are available until June 30, 2027.

10.31 (z) \$222,000 the first year and \$322,000 the
10.32 second year are for meat processing training
10.33 and retention incentive grants under section
10.34 5. By December 1 each year in 2026, 2027,
10.35 and 2028, the commissioner must submit a

11.1 report to the chairs and ranking minority
11.2 members of the legislative committees with
11.3 jurisdiction over agriculture finance and policy
11.4 detailing uses of the funds in this paragraph,
11.5 including award amounts to each partner
11.6 organization, how much of each award was
11.7 used, the types of expenses paid for with the
11.8 funds, and the number of employees served.
11.9 The commissioner may use up to 6.5 percent
11.10 of this appropriation for costs incurred to
11.11 administer the program. Notwithstanding
11.12 Minnesota Statutes, section 16A.28, any
11.13 unencumbered balance does not cancel at the
11.14 end of the first year and is available in the
11.15 second year. This is a onetime appropriation
11.16 and is available until June 30, 2028.
11.17 (aa) \$300,000 the first year and \$300,000 the
11.18 second year are for transfer to the Board of
11.19 Regents of the University of Minnesota to
11.20 evaluate, propagate, and maintain the genetic
11.21 diversity of oilseeds, grains, grasses, legumes,
11.22 and other plants including flax, timothy,
11.23 barley, rye, triticale, alfalfa, orchard grass,
11.24 clover, and other species and varieties that
11.25 were in commercial distribution and use in
11.26 Minnesota before 1970, excluding wild rice.
11.27 This effort must also protect traditional seeds
11.28 brought to Minnesota by immigrant
11.29 communities. This appropriation includes
11.30 funding for associated extension and outreach
11.31 to small and Black, Indigenous, and People of
11.32 Color (BIPOC) farmers. This is a onetime
11.33 appropriation.
11.34 (bb) \$300,000 the second year is to award and
11.35 administer beginning farmer equipment and

12.1 infrastructure grants under Minnesota Statutes,
 12.2 section 17.055. This is a onetime
 12.3 appropriation.

12.4 (cc) \$25,000 the first year is for the credit
 12.5 market report. Notwithstanding Minnesota
 12.6 Statutes, section 16A.28, any unencumbered
 12.7 balance does not cancel at the end of the first
 12.8 year and is available in the second year. This
 12.9 is a onetime appropriation.

12.10 (dd) The commissioner shall continue to
 12.11 increase connections with ethnic minority and
 12.12 immigrant farmers to farming opportunities
 12.13 and farming programs throughout the state.

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

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

12.16 Subd. 2. **Protection Services**

Appropriations by Fund			
			21,207,000
12.18			21,207,000
12.19	General	20,828,000	<u>21,457,000</u>
12.20	Remediation	399,000	399,000

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

12.25 (b) \$639,000 the first year and \$639,000 the
 12.26 second year are for the soil health financial
 12.27 assistance program under Minnesota Statutes,
 12.28 section 17.134. The commissioner may award
 12.29 no more than \$50,000 of the appropriation
 12.30 each year to a single recipient.
 12.31 Notwithstanding Minnesota Statutes, section
 12.32 16B.98, subdivision 14, the commissioner may
 12.33 use up to 6.5 percent of this appropriation for

13.1 costs incurred to administer the program. Any
13.2 unencumbered balance does not cancel at the
13.3 end of the first year and is available in the
13.4 second year. Appropriations encumbered
13.5 under contract on or before June 30, 2027, for
13.6 soil health financial assistance grants are
13.7 available until June 30, 2029.

13.8 (c) \$275,000 the first year and \$250,000 the
13.9 second year are for compensation for livestock
13.10 destroyed or crippled by a wolf under
13.11 Minnesota Statutes, section 3.737. The first
13.12 year appropriation may be spent to compensate
13.13 for livestock that were destroyed or crippled
13.14 during fiscal year 2025. If the amount in the
13.15 first year is insufficient, the amount in the
13.16 second year is available in the first year. The
13.17 commissioner may use up to \$5,000 each year
13.18 to reimburse expenses incurred by university
13.19 extension educators to provide fair market
13.20 values of destroyed or crippled livestock. If
13.21 the commissioner receives federal money to
13.22 pay claims for destroyed or crippled livestock,
13.23 an equivalent amount of this appropriation
13.24 may be used to reimburse nonlethal prevention
13.25 methods performed by federal wildlife services
13.26 staff. The base for this appropriation is
13.27 \$175,000 in fiscal year 2028 and each year
13.28 thereafter.

13.29 (d) \$255,000 the first year and \$230,000 the
13.30 second year are for compensation for crop or
13.31 fence damage caused by elk under Minnesota
13.32 Statutes, section 3.7371. If the amount in the
13.33 first year is insufficient, the amount in the
13.34 second year is available in the first year. The
13.35 commissioner may use up to \$10,000 of the

14.1 appropriation each year to reimburse expenses
14.2 incurred by the commissioner or the
14.3 commissioner's approved agent to investigate
14.4 and resolve claims, as well as for costs
14.5 associated with training for approved agents.
14.6 The commissioner may use up to \$40,000 of
14.7 the appropriation each year for grants to
14.8 producers for measures to protect stored crops
14.9 from elk damage. If the commissioner
14.10 determines that claims made under Minnesota
14.11 Statutes, section 3.737 or 3.7371, are
14.12 unusually high, amounts appropriated for
14.13 either program may be transferred to the
14.14 appropriation for the other program. The base
14.15 for this appropriation is \$155,000 in fiscal year
14.16 2028 and each year thereafter.

14.17 (e) \$825,000 the first year and \$825,000 the
14.18 second year are to replace capital equipment
14.19 in the Department of Agriculture's analytical
14.20 laboratory.

14.21 (f) \$750,000 the first year and \$750,000 the
14.22 second year are for additional meat and poultry
14.23 inspection services. The commissioner is
14.24 encouraged to seek inspection waivers, match
14.25 federal money, and offer more online
14.26 inspections for the purposes of this paragraph.
14.27 This is a onetime appropriation.

14.28 (g) \$500,000 the first year and \$500,000 the
14.29 second year are for grants to counties to
14.30 support county agricultural inspectors. The
14.31 commissioner may use up to three percent of
14.32 the appropriation each year for administration.
14.33 This is a onetime appropriation. County
14.34 agricultural inspectors and county-designated
14.35 employees must annually submit an

15.1 application, on a form approved by the
15.2 commissioner, to be eligible for funding
15.3 during a given year. The commissioner must
15.4 equally divide available grant money among
15.5 eligible counties. To be eligible for grants
15.6 under this section, a county must employ a
15.7 county agricultural inspector or a
15.8 county-designated employee who:

15.9 (1) has attended training for new county
15.10 agricultural inspectors offered by the
15.11 commissioner;

15.12 (2) coordinates with the commissioner to
15.13 review applicable laws and enforcement
15.14 procedures;

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

15.17 (4) conducts an annual meeting and training
15.18 for local weed inspectors; and

15.19 (5) assists the commissioner with control
15.20 programs and other agricultural programs
15.21 when requested under Minnesota Statutes,
15.22 section 18.81, subdivision 1b, as directed by
15.23 the county board.

15.24 (h) \$250,000 the first year and \$250,000 the
15.25 second year are appropriated to establish and
15.26 administer the biofertilizer innovation and
15.27 efficiency program ~~under Minnesota Statutes,~~
15.28 ~~section 18C.113.~~ The commissioner may use
15.29 up to 6.5 percent of this appropriation for costs
15.30 incurred to administer the program.

15.31 Notwithstanding Minnesota Statutes, section
15.32 16A.28, any unencumbered balance at the end
15.33 of fiscal year 2026 does not cancel and is

16.1 available until June 30, 2027. This is a onetime
16.2 appropriation.

16.3 ~~(f)~~ (i) \$75,000 the first year is to conduct an
16.4 evaluation of the practice performance and
16.5 economic performance of the Olmsted County
16.6 groundwater protection and soil health
16.7 initiative, including the cover crop program,
16.8 alternative crops program, and haying,
16.9 grazing, and pasture enhancement program.

16.10 The evaluation must look at environmental
16.11 outcomes, include a cost-benefit analysis, and
16.12 be submitted to the chairs and ranking
16.13 minority members of the legislative
16.14 committees and divisions with jurisdiction
16.15 over agriculture policy and finance by June 1,
16.16 2027. The commissioner may contract with
16.17 an independent third party to conduct the
16.18 evaluation.

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

16.21 Sec. 4. Laws 2025, chapter 34, article 1, section 2, subdivision 3, as amended by Laws
16.22 2025, First Special Session chapter 11, section 11, is amended to read:

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

16.25 (a) \$634,000 the first year and \$634,000 the
16.26 second year are for the continuation of the
16.27 dairy development and profitability
16.28 enhancement program, including dairy
16.29 profitability teams and dairy business planning
16.30 grants under Minnesota Statutes, section
16.31 32D.30.

16.32 (b) The commissioner may use funds
16.33 appropriated in this subdivision for annual
16.34 cost-share payments to resident farmers or

17.1 entities that sell, process, or package
17.2 agricultural products in this state for the costs
17.3 of organic certification. The commissioner
17.4 may allocate these funds for assistance to
17.5 persons transitioning from conventional to
17.6 organic agriculture.

17.7 (c) \$100,000 the first year and \$100,000 the
17.8 second year are for mental health outreach and
17.9 support to farmers, ranchers, farm workers
17.10 and employees, and others in the agricultural
17.11 community and profession and for farm and
17.12 farm worker safety grant and outreach
17.13 programs under Minnesota Statutes, section
17.14 17.1195. Mental health outreach and support
17.15 may include a 24-hour hotline, stigma
17.16 reduction, and education. Notwithstanding
17.17 Minnesota Statutes, section 16A.28, any
17.18 unencumbered balance does not cancel at the
17.19 end of the first year and is available in the
17.20 second year. The base for this appropriation
17.21 is \$50,000 in fiscal year 2028 and each year
17.22 thereafter.

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

17.30 (e) \$1,000,000 the second year is to expand
17.31 the Emerging Farmers Office and provide
17.32 services to beginning and emerging farmers
17.33 to increase connections between farmers and
17.34 market opportunities throughout the state. This
17.35 appropriation may be used for grants,

18.1 translation services, training programs, or
18.2 other purposes in line with the
18.3 recommendations of the emerging farmer
18.4 working group established under Minnesota
18.5 Statutes, section 17.055, subdivision 1.

18.6 ~~(e)~~ (f) \$18,257,000 the first year and
18.7 \$18,007,000 the second year are for the
18.8 agricultural growth, research, and innovation
18.9 program under Minnesota Statutes, section
18.10 41A.12. The base for this appropriation is
18.11 \$17,449,000 in fiscal year 2028 and each year
18.12 thereafter.

18.13 ~~(f)~~ (g) Except as provided in paragraph ~~(g)~~ (h),
18.14 the commissioner may allocate the
18.15 appropriation in paragraph ~~(e)~~ (f) each year
18.16 among the following areas: facilitating the
18.17 startup, modernization, improvement, or
18.18 expansion of livestock operations, including
18.19 beginning and transitioning livestock
18.20 operations with preference given to robotic
18.21 dairy-milking equipment; assisting
18.22 value-added agricultural businesses to begin
18.23 or expand, to access new markets, or to
18.24 diversify, including aquaponics systems, with
18.25 preference given to hemp fiber processing
18.26 equipment; facilitating the startup,
18.27 modernization, or expansion of other
18.28 beginning and transitioning farms, including
18.29 by providing loans under Minnesota Statutes,
18.30 section 41B.056; sustainable agriculture
18.31 on-farm research and demonstration; the
18.32 development or expansion of food hubs and
18.33 other alternative community-based food
18.34 distribution systems; enhancing renewable
18.35 energy infrastructure and use; crop research,

19.1 including basic and applied turf seed research;
19.2 Farm Business Management tuition assistance;
19.3 supporting the commercialization of an
19.4 innovative material additive utilizing
19.5 agricultural coproducts or waste streams to
19.6 produce fiber-based barrier packaging to
19.7 reduce perfluoroalkyl and polyfluoroalkyl
19.8 substances (PFAS) and plastics in packaging
19.9 products; and good agricultural practices and
19.10 good handling practices certification
19.11 assistance. Notwithstanding Minnesota
19.12 Statutes, section 16B.98, subdivision 14, the
19.13 commissioner may use up to 7.5 percent of
19.14 the appropriation in paragraph ~~(e)~~ (f) for costs
19.15 incurred to administer the program.

19.16 ~~(g)~~ (h) Of the amount appropriated for the
19.17 agricultural growth, research, and innovation
19.18 program under Minnesota Statutes, section
19.19 41A.12:

19.20 (1) \$1,000,000 the first year and \$1,000,000
19.21 the second year are for distribution in equal
19.22 amounts to each of the state's county fairs to
19.23 preserve and promote Minnesota agriculture;

19.24 (2) \$3,000,000 the first year and \$3,000,000
19.25 the second year are for incentive payments
19.26 under Minnesota Statutes, sections 41A.16,
19.27 41A.17, 41A.18, and 41A.20. If this
19.28 appropriation exceeds the total amount for
19.29 which all producers are eligible in a fiscal
19.30 year, the balance of the appropriation is
19.31 available for other purposes under this
19.32 paragraph;

19.33 (3) \$2,750,000 the first year and \$2,750,000
19.34 the second year are for grants that enable retail
19.35 petroleum dispensers, fuel storage tanks, and

20.1 other equipment to dispense biofuels to the
20.2 public in accordance with the biofuel
20.3 replacement goals established under
20.4 Minnesota Statutes, section 239.7911. A retail
20.5 petroleum dispenser selling petroleum for use
20.6 in spark ignition engines for vehicle model
20.7 years after 2000 is eligible for grant money
20.8 under this clause if the retail petroleum
20.9 dispenser has no more than 20 retail petroleum
20.10 dispensing sites and each site is located in
20.11 Minnesota. The grant money must be used to
20.12 replace or upgrade equipment that does not
20.13 have the ability to be certified for E25. A grant
20.14 award must not exceed 65 percent of the cost
20.15 of the appropriate technology. A grant award
20.16 must not exceed \$200,000 per station. The
20.17 commissioner must cooperate with biofuel
20.18 stakeholders in the implementation of the grant
20.19 program. The commissioner, in cooperation
20.20 with any economic or community development
20.21 financial institution and any other entity with
20.22 which the commissioner contracts, must
20.23 submit a the report on under Minnesota
20.24 Statutes, section 41A.12, subdivision 3, that
20.25 includes metrics of the biofuels infrastructure
20.26 financial assistance program by January 15
20.27 each year to the chairs and ranking minority
20.28 members of the legislative committees and
20.29 divisions with jurisdiction over agriculture
20.30 policy and finance. The annual report must
20.31 include but not be limited to a summary of the
20.32 following metrics: (i) the number and types
20.33 of projects financed; (ii) the amount of dollars
20.34 leveraged or matched per project; (iii) the
20.35 geographic distribution of financed projects;
20.36 (iv) any market expansion associated with

21.1 upgraded infrastructure; (v) the demographics
21.2 of the areas served; (vi) the costs of the
21.3 program; and (vii) the number of grants to
21.4 minority-owned or female-owned businesses;

21.5 (4) \$350,000 the first year and \$250,000 the
21.6 second year are for grants to facilitate the
21.7 startup, modernization, or expansion of meat,
21.8 poultry, egg, and milk processing facilities. A
21.9 grant award under this clause must not exceed
21.10 \$200,000;

21.11 (5) \$1,594,000 the first year and \$1,544,000
21.12 the second year are for providing more fruits,
21.13 vegetables, meat, poultry, grain, and dairy for
21.14 children in school and early childhood
21.15 education settings, including, at the
21.16 commissioner's discretion, providing grants
21.17 to reimburse schools and early childhood
21.18 education and child care providers for
21.19 purchasing equipment and agricultural
21.20 products. Of the amount appropriated,
21.21 \$150,000 each year is for a statewide
21.22 coordinator of farm-to-institution strategy and
21.23 programming. The coordinator must consult
21.24 with relevant stakeholders and provide
21.25 technical assistance and training for
21.26 participating farmers and eligible grant
21.27 recipients. The base for this appropriation is
21.28 \$1,636,000 in fiscal year 2028 and each year
21.29 thereafter. At the commissioner's discretion,
21.30 for state administration of federal cooperative
21.31 agreements for purchasing Minnesota grown
21.32 and raised foods for schools, child care
21.33 providers, food banks, and other institutions,
21.34 the commissioner may use an amount of state
21.35 funds equal to no more than 7.5 percent of the

22.1 total federal funds awarded to the state. The
22.2 commissioner shall expend any available
22.3 federal administrative funds awarded for this
22.4 purpose before using state funds;

22.5 (6) up to \$1,750,000 the first year and up to
22.6 \$1,750,000 the second year are for grants to
22.7 facilitate the development of urban agriculture,
22.8 including projects related to youth education,
22.9 community and economic development,
22.10 value-added processing, and vocational
22.11 training;

22.12 (7) \$1,000,000 the first year and \$1,000,000
22.13 the second year are for the food retail
22.14 improvement and development program under
22.15 Minnesota Statutes, section 17.1017;

22.16 (8) up to \$200,000 the first year and up to
22.17 \$200,000 the second year are for cooperative
22.18 development grants under Minnesota Statutes,
22.19 section 17.1016;

22.20 (9) \$250,000 the first year and \$150,000 the
22.21 second year are for the protecting livestock
22.22 grant program for producers to support the
22.23 installation of measures to prevent the
22.24 transmission of avian influenza. For the
22.25 appropriation in this clause, a grant applicant
22.26 must document a cost-share of 20 percent. An
22.27 applicant's cost-share amount may be reduced
22.28 up to \$2,000 to cover time and labor costs.
22.29 This is a onetime appropriation; and

22.30 (10) up to \$525,000 the first year and up to
22.31 \$525,000 the second year are to award AGRI
22.32 Works grants to institutions and organizations
22.33 to provide regional and statewide services.
22.34 Preference shall be given to legislatively

23.1 created entities and organizations that enhance
 23.2 agricultural, horticultural, or rural community
 23.3 and economic development, marketing, and
 23.4 promotion, and research and education. A
 23.5 grant award under this clause must not exceed
 23.6 \$200,000. Grants made under this paragraph
 23.7 are subject to the requirements in Minnesota
 23.8 Statutes, sections 16B.98 and 16B.981. This
 23.9 is a onetime appropriation.

23.10 ~~(h)~~ (i) Notwithstanding Minnesota Statutes,
 23.11 section 16A.28, the appropriation in paragraph
 23.12 ~~(e)~~ (f) does not cancel at the end of the second
 23.13 year and is available until June 30, 2029.

23.14 Appropriations encumbered under contract on
 23.15 or before June 30, 2029, for agricultural
 23.16 growth, research, and innovation grants are
 23.17 available until June 30, 2032. At the end of
 23.18 fiscal year 2027, the commissioner must
 23.19 prioritize any money resulting from canceled
 23.20 contracts to be used for AGRI Works grants
 23.21 under paragraph ~~(g)~~ (h), clause (10).

23.22 Sec. 5. Laws 2025, chapter 34, article 1, section 2, subdivision 4, as amended by Laws
 23.23 2025, First Special Session chapter 11, section 12, is amended to read:

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

23.26 (a) \$474,000 the first year and \$474,000 the
 23.27 second year are for payments to county and
 23.28 district agricultural societies and associations
 23.29 under Minnesota Statutes, section 38.02,
 23.30 subdivision 1. Aid payments to county and
 23.31 district agricultural societies and associations
 23.32 must be disbursed no later than July 15 each
 23.33 year. These payments are the amount of aid
 23.34 from the state for an annual fair held in the
 23.35 previous calendar year.

24.1 (b) \$300,000 the first year and \$300,000 the
24.2 second year are for grants to the Minnesota
24.3 Agricultural Education and Leadership
24.4 Council for programs of the council under
24.5 Minnesota Statutes, chapter 41D. The base for
24.6 this appropriation is \$250,000 in fiscal year
24.7 2028 and each year thereafter.

24.8 (c) \$1,250,000 the first year ~~and \$1,250,000~~
24.9 ~~the second year are~~ is to award and administer
24.10 farm down payment assistance grants under
24.11 Minnesota Statutes, section 17.133, with
24.12 priority given to eligible applicants with no
24.13 more than \$100,000 in annual gross farm
24.14 product sales and eligible applicants who are
24.15 producers of industrial hemp, cannabis, or one
24.16 or more of the following specialty crops as
24.17 defined by the United States Department of
24.18 Agriculture for purposes of the specialty crop
24.19 block grant program: fruits and vegetables,
24.20 tree nuts, dried fruits, medicinal plants,
24.21 culinary herbs and spices, horticulture crops,
24.22 floriculture crops, and nursery crops.
24.23 Notwithstanding Minnesota Statutes, section
24.24 16A.28, any unencumbered balance at the end
24.25 of the first year does not cancel and is
24.26 available in the second year ~~and appropriations~~
24.27 ~~encumbered under contract by June 30, 2027,~~
24.28 are available and any unencumbered balance
24.29 at the end of the second year does not cancel
24.30 and is available until June 30, 2029. ~~The base~~
24.31 ~~for this appropriation is \$1,000,000 in fiscal~~
24.32 ~~year 2028 and each year thereafter.~~

24.33 (d) \$1,000,000 the first year and \$1,000,000
24.34 the second year are for the purchase of milk
24.35 for distribution to Minnesota's food shelves

25.1 and other charitable organizations that are
25.2 eligible to receive food from the food banks.
25.3 Milk purchased with grant money must be
25.4 acquired from Minnesota milk processors and
25.5 based on low-cost bids. The milk must be
25.6 allocated to each Feeding America food bank
25.7 serving Minnesota according to the formula
25.8 used in the distribution of United States
25.9 Department of Agriculture commodities under
25.10 The Emergency Food Assistance Program.
25.11 The commissioner may enter into contracts or
25.12 agreements with food banks for shared funding
25.13 or reimbursement of the direct purchase of
25.14 milk. Each food bank that receives funding
25.15 under this paragraph may use up to two
25.16 percent for administrative expenses.
25.17 Notwithstanding Minnesota Statutes, section
25.18 16A.28, any unencumbered balance the first
25.19 year does not cancel and is available the
25.20 second year.
25.21 (e) \$260,000 the first year and \$260,000 the
25.22 second year are for a pass-through grant to
25.23 Region Five Development Commission to
25.24 provide, in collaboration with Farm Business
25.25 Management, statewide mental health
25.26 counseling support to Minnesota farm
25.27 operators, families, and employees, and
25.28 individuals who work with Minnesota farmers
25.29 in a professional capacity. Region Five
25.30 Development Commission may use up to 7.5
25.31 percent of the grant awarded under this
25.32 paragraph for administration.
25.33 (f) \$1,000,000 the first year and ~~\$1,000,000~~
25.34 ~~the second year are~~ is to expand the Emerging
25.35 Farmers Office and provide services to

26.1 beginning and emerging farmers to increase
26.2 connections between farmers and market
26.3 opportunities throughout the state. This
26.4 appropriation may be used for grants,
26.5 translation services, training programs, or
26.6 other purposes in line with the
26.7 recommendations of the emerging farmer
26.8 working group established under Minnesota
26.9 Statutes, section 17.055, subdivision 1.

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

26.12 (h) \$337,000 the first year and \$337,000 the
26.13 second year are for farm advocate services.

26.14 Of these amounts, \$50,000 the first year and
26.15 \$50,000 the second year are for the
26.16 continuation of the farmland transition
26.17 programs and may be used for grants to
26.18 farmland access teams to provide technical
26.19 assistance to potential beginning farmers.

26.20 Farmland access teams must assist existing
26.21 farmers and beginning farmers with
26.22 transitioning farm ownership and farm
26.23 operation. Services provided by teams may
26.24 include but are not limited to mediation
26.25 assistance, designing contracts, financial
26.26 planning, tax preparation, estate planning, and
26.27 housing assistance.

26.28 (i) \$3,000,000 the first year is for transfer to
26.29 the Public Facilities Authority for a grant to
26.30 First District Association to acquire land for
26.31 and to design, engineer, construct, equip, and
26.32 furnish a wastewater treatment project. This
26.33 appropriation is in addition to the
26.34 appropriation in Laws 2023, chapter 71, article
26.35 1, section 15, subdivision 7. This appropriation

27.1 is available until the project is completed or
27.2 abandoned, subject to Minnesota Statutes,
27.3 section 16A.642.

27.4 ~~(k)~~ (j) \$50,000 the first year is to be awarded
27.5 as a grant in a competitive bid process to an
27.6 entity that is not a for-profit entity to conduct
27.7 a study of market and workforce factors that
27.8 may contribute to the incorrect marking for
27.9 the installation of underground
27.10 telecommunications infrastructure that is
27.11 located within ten feet of existing underground
27.12 utilities or that crosses the existing
27.13 underground utilities. The study must include
27.14 recommendations to the legislature and be
27.15 submitted to the chairs and ranking minority
27.16 members of the legislative committees and
27.17 divisions with jurisdiction over agriculture
27.18 policy and finance by June 1, 2027.

27.19 ~~(j)~~ (k) \$50,000 the first year is to conduct a
27.20 study and develop recommendations for
27.21 establishing an incentive-based program to
27.22 support and encourage agricultural retailers
27.23 in promoting 4R nutrient management
27.24 practices. The 4R nutrient management
27.25 practices include: the right source of nutrients,
27.26 at the right rate and right time, in the right
27.27 place.

27.28 (1) As part of the study, the department must
27.29 evaluate strategies for leveraging cost-share
27.30 programs, including the feasibility of
27.31 coordinating with the Agricultural Water
27.32 Quality Certification Program and other efforts
27.33 related to the state's Nutrient Reduction
27.34 Strategy.

28.1 (2) The commissioner must submit a report
28.2 detailing its findings, including potential
28.3 funding sources and proposal outlines for
28.4 funding requests where appropriate. The
28.5 commissioner must submit the report to the
28.6 chairs and ranking minority members of the
28.7 legislative committees with jurisdiction over
28.8 agriculture and environment by March 15,
28.9 2026.

28.10 (l) \$1,250,000 the second year is to award and
28.11 administer farm down payment assistance
28.12 grants under Minnesota Statutes, section
28.13 17.133, with priority given to eligible
28.14 applicants with annual gross farm product
28.15 sales between \$1,000 and \$100,000. Of this
28.16 appropriation, up to 50 percent may be
28.17 awarded by lottery to priority applicants who
28.18 possess a purchase agreement as of June 30,
28.19 2026. Notwithstanding Minnesota Statutes,
28.20 section 16A.28, any unencumbered balance
28.21 at the end of the second year does not cancel
28.22 and is available until June 30, 2030. The base
28.23 for this appropriation is \$1,000,000 in fiscal
28.24 year 2028 and each year thereafter.

28.25 ~~(s)~~ (m) The commissioner shall continue to
28.26 increase connections with ethnic minority and
28.27 immigrant farmers to farming opportunities
28.28 and farming programs throughout the state.

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

29.1 **ARTICLE 2**

29.2 **AGRICULTURE POLICY**

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

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

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

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

29.14 (3) the geographic distribution of financed projects;

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

29.16 (5) the demographics of the areas served;

29.17 (6) the costs of the program;

29.18 (7) the number of SNAP dollars spent;

29.19 (8) any increase in retail square footage;

29.20 (9) the number of loans or grants to businesses owned by women and Black, Indigenous,
29.21 or Persons of Color; and

29.22 (10) measurable economic and health outcomes, including, but not limited to, increases
29.23 in sales and consumption of locally sourced and other fresh fruits and vegetables, the number
29.24 of construction and retail jobs retained or created, and any health initiatives associated with
29.25 the program.

29.26 Sec. 2. Minnesota Statutes 2025 Supplement, section 17.133, subdivision 1, is amended
29.27 to read:

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

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

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

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

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

30.5 (4) has a net worth that does not exceed the limit under section 41B.03, subdivision 3,
30.6 paragraph (a), clause (2);

30.7 ~~(3)~~ (5) has not, and whose spouse has not, at any time had a direct or indirect ownership
30.8 interest in farmland; and

30.9 ~~(4)~~ (6) is not, and whose spouse is not, a family member of the owner of the farmland
30.10 that the individual intends to acquire. "Family member" has the meaning given in section
30.11 267(c)(4) of the Internal Revenue Code.

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

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

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

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

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

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

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

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

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

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

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

31.1 ~~(f)~~ (g) "Limited market access" means the individual has gross sales of no more than
 31.2 \$100,000 per year from the sale of farm products.

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

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

31.6 Subd. 2. **Grants.** The commissioner may award farm down payment assistance grants
 31.7 of up to 30 percent of the purchase price of a farm, with a maximum grant of \$20,000 per
 31.8 eligible farmer. Each award must be matched with at least \$8,000 of other funding. Grants
 31.9 under this subdivision may be awarded by a randomized selection process after applications
 31.10 are collected over a period of no less than 30 calendar days. An eligible farmer must commit
 31.11 to own and farm the land purchased with assistance provided under this section for at least
 31.12 five years. For the first five years, each recipient must verify gross farm income of at least
 31.13 \$1,000 or demonstrate investment of at least \$1,000 in farm business infrastructure,
 31.14 equipment, perennial crops, or livestock. For each year that a grant recipient does not own
 31.15 and farm the land during the five-year period, the grant recipient must pay a penalty to the
 31.16 commissioner equal to 20 percent of the grant amount.

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

31.18 Sec. 4. Minnesota Statutes 2024, section 17.458, subdivision 1, is amended to read:

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

31.23 Sec. 5. Minnesota Statutes 2024, section 18J.01, is amended to read:

31.24 **18J.01 DEFINITIONS.**

31.25 (a) The definitions in this section; chapters 18G, 18H, 18K, 27, 223, 231, and 232; and
 31.26 sections ~~18G.02, 18H.02, 18K.02, 27.01, 223.16, 231.01, and 232.21~~ 21.111 to 21.125 and
 31.27 21.80 to 21.92 apply to this chapter.

31.28 (b) For purposes of this chapter, "associated rules" means rules adopted under this
 31.29 chapter, chapter 18G, 18H, 18K, 27, 223, 231, or 232, or sections 21.111 to 21.125 and
 31.30 21.80 to 21.92.

32.1 Sec. 6. Minnesota Statutes 2024, section 18J.02, is amended to read:

32.2 **18J.02 DUTIES OF COMMISSIONER.**

32.3 The commissioner shall administer and enforce this chapter, chapters 18G, 18H, 18K,
32.4 27, 223, 231, and 232; sections 21.111 to 21.125, and 21.80 to 21.92; and associated rules.

32.5 Sec. 7. Minnesota Statutes 2024, section 18J.03, is amended to read:

32.6 **18J.03 CIVIL LIABILITY.**

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

32.10 Sec. 8. Minnesota Statutes 2024, section 18J.04, subdivision 1, is amended to read:

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

32.17 Sec. 9. Minnesota Statutes 2024, section 18J.04, subdivision 2, is amended to read:

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

32.19 (1) inspection of inventory and equipment for the manufacture, storage, handling,
32.20 distribution, disposal, or any other process regulated under chapter 18G, 18H, 18K, 27, 223,
32.21 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;

32.22 (2) sampling of sites, seeds, plants, products, grain, household goods, general
32.23 merchandise, produce, or other living or nonliving objects that are manufactured, stored,
32.24 distributed, handled, or disposed of at those sites and regulated under chapter 18G, 18H,
32.25 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;

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

33.1 (4) investigating compliance with chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections
33.2 21.111 to 21.125 or 21.80 to 21.92; or associated rules; or

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

33.5 (b) The commissioner may enter any public or private premises during or after regular
33.6 business hours without notice of inspection when a suspected violation of chapter 18G,
33.7 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
33.8 rules may threaten public health or the environment.

33.9 Sec. 10. Minnesota Statutes 2024, section 18J.04, subdivision 3, is amended to read:

33.10 Subd. 3. **Notice of inspection samples and analyses.** (a) The commissioner shall provide
33.11 the owner, operator, or agent in charge with a receipt describing any samples obtained. If
33.12 requested, the commissioner shall split any samples obtained and provide them to the owner,
33.13 operator, or agent in charge. If an analysis is made of the samples, a copy of the results of
33.14 the analysis must be furnished to the owner, operator, or agent in charge within 30 days
33.15 after an analysis has been performed. If an analysis is not performed, the commissioner
33.16 must notify the owner, operator, or agent in charge within 30 days of the decision not to
33.17 perform the analysis.

33.18 (b) The sampling and analysis must be done according to methods provided for under
33.19 applicable provisions of chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to
33.20 21.125 or 21.80 to 21.92; or associated rules. In cases not covered by those sections and
33.21 methods or in cases where methods are available in which improved applicability has been
33.22 demonstrated the commissioner may adopt appropriate methods from other sources.

33.23 Sec. 11. Minnesota Statutes 2024, section 18J.04, subdivision 4, is amended to read:

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

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

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

34.6 Sec. 12. Minnesota Statutes 2024, section 18J.05, subdivision 1, is amended to read:

34.7 Subdivision 1. **Enforcement required.** (a) A violation of chapter 18G, 18H, 18K, 27,
34.8 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or an associated rule is a
34.9 violation of this chapter.

34.10 (b) Upon the request of the commissioner, county attorneys, sheriffs, and other officers
34.11 having authority in the enforcement of the general criminal laws must take action to the
34.12 extent of their authority necessary or proper for the enforcement of chapter 18G, 18H, 18K,
34.13 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules or
34.14 valid orders, standards, stipulations, and agreements of the commissioner.

34.15 Sec. 13. Minnesota Statutes 2024, section 18J.05, subdivision 2, is amended to read:

34.16 Subd. 2. **Commissioner's discretion.** If minor violations of chapter 18G, 18H, 18K,
34.17 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules occur
34.18 or the commissioner believes the public interest will be best served by a suitable notice of
34.19 warning in writing, this section does not require the commissioner to:

34.20 (1) report the violation for prosecution;

34.21 (2) institute seizure proceedings; or

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

34.23 Sec. 14. Minnesota Statutes 2024, section 18J.05, subdivision 6, is amended to read:

34.24 Subd. 6. **Agent for service of process.** All persons licensed, permitted, registered, or
34.25 certified under chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or
34.26 21.80 to 21.92; or associated rules must appoint the commissioner as the agent upon whom
34.27 all legal process may be served and service upon the commissioner is deemed to be service
34.28 on the licensee, permittee, registrant, or certified person.

35.1 Sec. 15. Minnesota Statutes 2024, section 18J.06, is amended to read:

35.2 **18J.06 FALSE STATEMENT OR RECORD.**

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

35.5 (1) an application for registration, license, certification, or permit under chapter 18G,
35.6 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
35.7 rules;

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

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

35.12 Sec. 16. Minnesota Statutes 2024, section 18J.07, subdivision 3, is amended to read:

35.13 Subd. 3. **Cancellation of registration, permit, license, certification.** The commissioner
35.14 may cancel or revoke a registration, permit, license, or certification provided for under
35.15 chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92;
35.16 or associated rules or refuse to register, permit, license, or certify under provisions of chapter
35.17 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or
35.18 associated rules if the registrant, permittee, licensee, or certified person has used fraudulent
35.19 or deceptive practices in the evasion or attempted evasion of a provision of chapter 18G,
35.20 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
35.21 rules.

35.22 Sec. 17. Minnesota Statutes 2024, section 18J.07, subdivision 4, is amended to read:

35.23 Subd. 4. **Service of order or notice.** (a) If a person is not available for service of an
35.24 order, the commissioner may attach the order to the facility, site, seed or seed container,
35.25 plant or other living or nonliving object regulated under chapter 18G, 18H, 18K, 27, 223,
35.26 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules and notify the
35.27 owner, custodian, other responsible party, or registrant.

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

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

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

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

36.9 Sec. 19. Minnesota Statutes 2024, section 18J.09, is amended to read:

36.10 **18J.09 CREDITING OF PENALTIES, FEES, AND COSTS.**

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

36.16 Sec. 20. Minnesota Statutes 2024, section 18K.02, subdivision 5, is amended to read:

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

36.24 Sec. 21. Minnesota Statutes 2024, section 18K.02, subdivision 6, is amended to read:

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

37.1 Sec. 22. Minnesota Statutes 2024, section 18K.04, subdivision 1, is amended to read:

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

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

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

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

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

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

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

37.23 Sec. 23. Minnesota Statutes 2024, section 21.111, is amended to read:

37.24 **21.111 DEFINITIONS.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

40.8 Sec. 24. Minnesota Statutes 2024, section 21.112, is amended by adding a subdivision to
 40.9 read:

40.10 Subd. 1a. **Interstate cooperation.** In order to best use state resources, the commissioner
 40.11 may enter into agreements with other seed potato certification entities to carry out the
 40.12 purposes of sections 21.111 to 21.125. An agreement under this subdivision may provide
 40.13 for field inspections, shipping point inspections, winter testing, and other certification
 40.14 functions to be carried out by personnel employed by either the commissioner or other seed
 40.15 potato certification entities according to methods determined by the seed potato certification
 40.16 entities. The commissioner may extend seed potato certification services to a state where
 40.17 growers wish to grow certified seed potatoes and where the state does not have a seed potato
 40.18 certification program. Any agreement under this subdivision must be reported to the chairs
 40.19 and ranking minority members of the legislative committees responsible for the budget or
 40.20 policy of the seed potato inspection program and to the commissioner of management and
 40.21 budget.

40.22 Sec. 25. Minnesota Statutes 2024, section 21.113, is amended to read:

40.23 **21.113 SHIPPING POINT CERTIFICATES OF INSPECTION; CERTIFICATES**
 40.24 **OF ORIGIN; AND BULK CERTIFICATES.**

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

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

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

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

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

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

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

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

41.21 Sec. 26. Minnesota Statutes 2024, section 21.115, is amended to read:

41.22 **21.115 FEES; SEED POTATO INSPECTION ACCOUNT.**

41.23 The commissioner shall fix the fees for all inspections and certifications in such amounts
 41.24 as from time to time may be found necessary to pay the expenses of carrying out and
 41.25 enforcing the purposes of sections 21.111 to ~~21.122~~ 21.125, with a reasonable reserve, and
 41.26 shall require the same to be paid before such inspections or certifications are made. All
 41.27 moneys collected as fees or as penalties for violations of any of the provisions of such
 41.28 sections shall be paid into the agricultural fund and credited to the seed potato inspection
 41.29 account of the commissioner, which account is hereby created and appropriated for carrying
 41.30 out the purposes of sections 21.111 to ~~21.122~~ 21.125. Interest, if any, received on deposits
 41.31 of these moneys shall be credited to the account, and there shall be paid into this fund any
 41.32 sum provided by the legislature for the purpose of carrying out the provisions of such
 41.33 sections.

42.1 Sec. 27. Minnesota Statutes 2024, section 21.117, is amended to read:

42.2 **21.117 APPLICATIONS FOR INSPECTIONS; WITHDRAWALS;**
 42.3 **AMENDMENTS.**

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

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

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

42.17 Sec. 28. Minnesota Statutes 2024, section 21.119, is amended to read:

42.18 **21.119 USE OF CERTAIN TERMS FORBIDDEN; EXCEPTIONS.**

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

42.25 Sec. 29. Minnesota Statutes 2024, section 21.1195, is amended to read:

42.26 **21.1195 MINIMUM STANDARDS FOR PLANTING.**

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

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

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

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

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

43.21 Sec. 30. **[21.123] SEED POTATO CERTIFICATION.**

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

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

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

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

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

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

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

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

44.10 (7) a grower must comply with sections 21.111 to 21.125. A grower's violation of sections
44.11 21.111 to 21.125 is cause for the commissioner to reject the grower's field or lot. A grower
44.12 must not sell or label potatoes as certified seed potatoes when the potatoes were grown in
44.13 a rejected field or lot.

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

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

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

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

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

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

45.5 Subd. 3. **Bacterial ring rot or potato spindle tuber viroid.** If the commissioner finds
45.6 the presence of bacterial ring rot or potato spindle tuber viroid in a field or lot, the
45.7 commissioner must reject the entire field or lot. If the commissioner discovers a single plant
45.8 in a field or a tuber in storage that is infected with bacterial ring rot or potato spindle tuber
45.9 viroid, the commissioner must reject the entire field or lot where the plant was grown. If
45.10 the commissioner has not found bacterial ring rot or potato spindle tuber viroid in a field
45.11 or lot, the field or lot is not necessarily free from either disease.

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

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

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

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

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

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

46.3 Subd. 5. **Seed potato certification classes.** Seed potato certification classes must be
46.4 differentiated by the potatoes' compliance with disease tolerances, varietal purity, and seed
46.5 origin. Seed potato certification classes are: Prenuclear (PN), Generation 1 (G1), Generation
46.6 2 (G2), Generation 3 (G3), Generation 4 (G4), Generation 5 (G5), Generation 6 (G6), and
46.7 Certified (C).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

48.10 (c) If a grower plans to store a lot in a public warehouse or storage unit that is not directly
48.11 under the grower's control, the grower must send a complete record of storage to the
48.12 commissioner prior to storing the lot. The record must include the address and location of
48.13 the public warehouse or storage unit, the variety of potatoes in each bin, and the number of
48.14 potatoes in each bin. If a warehouse receipt for the lot is available, the grower must submit
48.15 a copy of the warehouse receipt to the commissioner. If more than one grower stores lots
48.16 in the same public warehouse or storage unit, the grower must label each lot according to
48.17 paragraph (b).

48.18 (d) A grower must not use the same equipment for grading and handling lots of certified
48.19 seed potatoes and other potatoes. If a grower has used the same equipment for grading and
48.20 handling certified seed potatoes and other potatoes, the commissioner must reject the grower's
48.21 lots.

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

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

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

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

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

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

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

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

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

49.23 (1) the blue-tag-certified seed potato grade is the first grade of certified seed potatoes.
49.24 The blue-tag-certified seed potato grade is stricter than other grades. The blue-tag-certified
49.25 seed potato grade does not allow as many physical defects of tubers as other grades. A
49.26 grower may use the blue-tag-certified seed potato grade for intrastate and interstate shipments
49.27 of certified seed potatoes;

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

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

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

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

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

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

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

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

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

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

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

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

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

50.22 Sec. 31. [21.124] REQUIREMENTS FOR PRODUCTION OF DIFFERENT
 50.23 CLASSES OF CERTIFIED SEED POTATOES.

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

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

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

50.29 (3) potato virus X;

50.30 (4) potato virus S;

51.1 (5) potato virus A;

51.2 (6) potato virus M;

51.3 (7) potato virus Y;

51.4 (8) potato spindle tuber viroid; and

51.5 (9) potato leafroll virus.

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

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

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

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

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

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

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

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

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

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

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

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

52.6 Subd. 3. **Generation 2 class certified seed potatoes.** Generation 2 class seed potatoes
52.7 must originate from Generation 1 class seed potatoes. Generation 2 class seed potatoes must
52.8 not contain more than the allowable tolerances of disease and varietal mixture in subdivision
52.9 9.

52.10 Subd. 4. **Generation 3 class certified seed potatoes.** Generation 3 class seed potatoes
52.11 must originate from Generation 2 class seed potatoes. Generation 3 class seed potatoes must
52.12 not contain more than the allowable tolerances of disease and varietal mixture in subdivision
52.13 9.

52.14 Subd. 5. **Generation 4 class certified seed potatoes.** Generation 4 class seed potatoes
52.15 must originate from Generation 3 class seed potatoes. Generation 4 class seed potatoes must
52.16 not contain more than the allowable tolerances for disease and varietal mixture in subdivision
52.17 9.

52.18 Subd. 6. **Generation 5 class certified seed potatoes.** Generation 5 class seed potatoes
52.19 must originate from Generation 4 class seed potatoes. Generation 5 class seed potatoes must
52.20 not contain more than the allowable tolerances for disease and varietal mixture in subdivision
52.21 9.

52.22 Subd. 7. **Generation 6 class certified seed potatoes.** Generation 6 class seed potatoes
52.23 must originate from Generation 5 class seed potatoes. Generation 6 class seed potatoes must
52.24 not contain more than the allowable tolerances for disease and varietal mixture in subdivision
52.25 9.

52.26 Subd. 8. **Certified class certified seed potatoes.** Certified class seed potatoes must
52.27 originate from generation classes of seed potatoes. Certified class seed potatoes must not
52.28 contain more than the allowable tolerances for disease and varietal mixture in subdivision
52.29 9.

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

	<u>PN</u>	<u>G1</u>	<u>G2</u>	<u>G3</u>	<u>G4</u>	<u>G5</u>	<u>G6</u>	<u>C</u>	
53.1									
53.2	<u>Tolerances:</u>								
53.3	<u>Severe Mosaic from</u>								
53.4	<u>potato virus Y, A, M,</u>								
53.5	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>1</u>	
53.6	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>1</u>	
53.7	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>1</u>	
53.8	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	
53.9	<u>Mycoplasm (haywire,</u>								
53.10	<u>witches broom, yellow</u>								
53.11	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	
53.12	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	
53.13	<u>0</u>	<u>0</u>	<u>0.2</u>	<u>0.5</u>	<u>1</u>	<u>exc.</u>	<u>exc.</u>	<u>exc.</u>	
53.14	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.2</u>	<u>0.2</u>	
53.15	<u>Ring Rot and Spindle</u>								
53.16	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
53.17	<u>Winter Test:</u>								
53.18	<u>Virus or expressing</u>								
53.19	<u>symptoms of chemical</u>								
53.20	<u>-</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	

53.21 **Sec. 32. [21.125] MINNESOTA CERTIFIED SEED POTATO GRADES AND**
53.22 **TOLERANCES.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

55.20 Subd. 6. **Condition after transit.** Deterioration that developed in transit must affect the
 55.21 condition of potatoes. Deterioration that developed in transit must not affect the grade of
 55.22 potatoes.

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

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

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

56.3 (2) for round or intermediate shaped varieties, the maximum potato size is 12 ounces
56.4 (340.2 grams) and, unless otherwise specified, the minimum size must not be less than 1-1/2
56.5 inches (38.1 millimeters) in diameter. For long varieties, the maximum size is 14 ounces
56.6 (396.9 grams) and, unless otherwise specified, the minimum size must not be less than 1-1/2
56.7 inches (38.1 millimeters) in diameter. For all varieties, the minimum diameter for size "B"
56.8 must not be less than 1-1/2 inches (38.1 millimeters) and the maximum size must not be
56.9 more than 2-1/4 inches (57.1 millimeters) in diameter. The department may grade potatoes
56.10 that do not meet the maximum and minimum size specifications as Minnesota
56.11 blue-tag-certified seed potatoes if the buyer agrees to accept potatoes of alternate size
56.12 specifications from the grower and the specifications are listed on the affixed tag or
56.13 accompanying bulk certificate issued by the department.

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

56.16 (1) for defects:

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

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

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

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

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

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

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

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

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

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

- 57.1 (E) late blight tuber rot, 1.0 percent; and
- 57.2 (vii) the presence of the following does not affect seed quality and must not be scored
- 57.3 against the potatoes' grade:
- 57.4 (A) brown discoloration following skinning;
- 57.5 (B) dried stems;
- 57.6 (C) flattened or depressed areas showing no underlying flesh discoloration;
- 57.7 (D) greening;
- 57.8 (E) sunburn;
- 57.9 (F) skin checks; and
- 57.10 (G) silver scurf; and
- 57.11 (2) for off size:
- 57.12 (i) up to five percent of potatoes may fail to meet the required or specified minimum
- 57.13 size; and
- 57.14 (ii) up to ten percent of potatoes may fail to meet the required maximum size.
- 57.15 Subd. 8. **Minnesota yellow-tag-certified seed potato grade.** (a) To be graded as
- 57.16 Minnesota yellow-tag-certified seed potatoes, potatoes must meet the following requirements:
- 57.17 (1) at the time of the shipping point inspection, the potatoes must be of one variety;
- 57.18 unwashed; fairly well-shaped; free from bacterial ring rot, late blight, freezing, black heart,
- 57.19 and soft rot or wet breakdown; free from damage caused by second growth, air cracks, cuts,
- 57.20 shriveling, pitted scabs, surface scabs, powdery scabs, dry rot, other diseases, insects or
- 57.21 worms, or mechanical means or other means; and free from serious damage caused by soil
- 57.22 or other foreign matter, hollow heart, wireworm, growth cracks, russet scabs, or internal
- 57.23 discoloration other than hollow heart. Sunburn and silver scurf must not be considered
- 57.24 factors that affect the grading of potatoes. This clause does not apply to hollow heart if
- 57.25 labeled "hollow heart exempt" on the affixed tag or accompanying certificate; and
- 57.26 (2) for all varieties, the maximum potato size is 14 ounces (396.9 grams) and the
- 57.27 minimum size is 1-1/2 inch (38.1 millimeter) in diameter. For all varieties, the minimum
- 57.28 diameter for size "B" must not be less than 1-1/2 inches (38.1 millimeters) and the maximum
- 57.29 diameter must not be more than 2-1/4 inches (57.1 millimeters). The department may grade
- 57.30 potatoes that do not meet the maximum and minimum size specifications as Minnesota
- 57.31 yellow-tag-certified seed potatoes if the buyer agrees to accept potatoes with alternate size

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

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

58.5 (1) for defects:

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

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

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

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

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

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

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

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

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

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

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

58.25 (A) brown discoloration following skinning;

58.26 (B) dried stems;

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

58.28 (D) greening;

58.29 (E) sunburn;

58.30 (F) skin checks;

59.1 (G) silver scurf; and

59.2 (H) sprouts; and

59.3 (2) for off size:

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

59.5 and

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

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

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

59.9 misshapen.

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

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

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

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

59.14 than one percent late blight tuber rot is allowed.

59.15 Sec. 33. Minnesota Statutes 2024, section 21.891, subdivision 2, is amended to read:

59.16 Subd. 2. **Seed fee permits.** (a) A labeler who wishes to sell seed in Minnesota must
59.17 comply with section 21.89, subdivisions 1 and 2, and the procedures in this subdivision.

59.18 Each labeler who wishes to sell seed in Minnesota must apply to the commissioner to obtain
59.19 a permit. The application must contain the name and address of the applicant, the application
59.20 date, and the name and title of the applicant's contact person. Permit fees are based on the
59.21 initial sale of seed in Minnesota.

59.22 (b) The application for a seed permit covered by section 21.89, subdivision 2, clause
59.23 (1), must be accompanied by an application fee of \$75.

59.24 (c) The application for a seed permit covered by section 21.89, subdivision 2, clause
59.25 (2), must be accompanied by an application fee based on the level of annual gross sales as
59.26 follows:

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

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

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

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

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

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

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

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

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

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

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

60.7 in bulk or containers are:

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

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

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

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

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

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

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

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

60.16 closely resembling it in normal planting rate applies; and

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

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

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

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

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

60.22 responsible for payment of the seed permit fees.

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

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

60.25 "Minnesota seed permit fees" must be used.

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

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

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

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

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

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

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

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

61.13 Sec. 34. Minnesota Statutes 2025 Supplement, section 28A.04, subdivision 1, is amended
61.14 to read:

61.15 Subdivision 1. **Application; date of issuance.** (a) Except as provided under section
61.16 28A.152, no person ~~shall~~ may engage in the business of manufacturing, processing, selling,
61.17 handling, or storing food without having first obtained from the commissioner a license for
61.18 doing such business. Applications for such license ~~shall~~ must be made to the commissioner
61.19 in such manner and time as required and upon such forms as provided by the commissioner
61.20 and ~~shall~~ must contain the name and address of the applicant, address or description of each
61.21 place of business, and the nature of the business to be conducted at each place, and such
61.22 other pertinent information as the commissioner may require.

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

61.27 (c) A food handler license ~~shall~~ must be issued for the period January 1 to December
61.28 31 and ~~shall~~ must be renewed thereafter by the licensee on or before January 1 of each year,
61.29 except that:

61.30 (1) retail and wholesale food handler licenses issued for the period of July 1, 2025, to
61.31 June 30, 2026, must be renewed on or before July 1, 2026, for the period of July 1, 2026,
61.32 to December 31, 2026. The renewal fee for the period of July 1, 2026, to December 31,
61.33 2026, is one-half of the fee for a food handler specified in section 28A.08, subdivision 3;

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

62.6 (3) a license for a food handler operating only at the State Fair must be issued for the
 62.7 period of July 1 to June 30 and must be renewed thereafter by the licensee on or before July
 62.8 1 of each year.

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

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

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

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

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

62.26 Sec. 35. Minnesota Statutes 2024, section 28A.0752, is amended to read:

62.27 **28A.0752 DELEGATION OF POWERS AND DUTIES.**

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

63.1 17.04, ~~29.21, 29.23, 29.235, 29.236, 29.237, 29.24, 29.25, 29.26, 29.27, and 30.49;~~
 63.2 appropriate sections of the Minnesota Food Law, chapters 31 and 34A; and applicable
 63.3 Minnesota food rules.

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

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

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

63.13 (e) The commissioner must not delegate duties under this section pertaining to food
 63.14 handlers who conduct activities regulated under Code of Federal Regulations, title 21, part
 63.15 111; 112; 113; 114; 117, subpart C; 120; or 123.

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

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

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

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

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

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

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

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

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

64.10 (h) A designated agent may charge a fee to recover the estimated costs of performing
 64.11 duties according to terms of an agreement under this section if the duties involve enforcing
 64.12 the Minnesota Food Law and applicable Minnesota food rules. The fee charged by the
 64.13 designated agent must be fair, reasonable, and proportionate to the actual cost of the duties
 64.14 performed by the designated agent. A designated agent must only use a fee under this
 64.15 paragraph to cover the costs of performing duties according to terms of the agreement under
 64.16 this section.

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

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

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

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

64.28 Sec. 36. Minnesota Statutes 2025 Supplement, section 28A.08, subdivision 3, is amended
 64.29 to read:

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

64.31				Penalties	
64.32	Type of food handler	Risk	License	Late	No
64.33		Category	Fee	Renewal	License

65.1	1. Custom exempt food handler				
65.2	(a) Having \$50,000 or less gross sales or				
65.3	service for the immediately previous				
65.4	license or fiscal year		\$135	\$45	\$90
65.5	(b) Having \$50,001 to \$125,000 gross sales				
65.6	or service for the immediately previous				
65.7	license or fiscal year		\$200	\$67	\$133
65.8	(c) Having \$125,001 to \$500,000 gross				
65.9	sales or service for the immediately				
65.10	previous license or fiscal year		\$370	\$123	\$247
65.11	(d) Having \$500,001 to \$1,000,000 gross				
65.12	sales or service for the immediately				
65.13	previous license or fiscal year		\$475	\$158	\$317
65.14	(e) Having \$1,000,001 to \$5,000,000 gross				
65.15	sales or service for the immediately				
65.16	previous license or fiscal year		\$1,350	\$450	\$900
65.17	(f) Having \$5,000,001 to \$10,000,000 gross				
65.18	sales or service for the immediately				
65.19	previous license or fiscal year		\$1,750	\$583	\$1,167
65.20	(g) Having \$10,000,001 to \$15,000,000				
65.21	gross sales or service for the immediately				
65.22	previous license or fiscal year		\$2,150	\$717	\$1,433
65.23	(h) Having \$15,000,001 to \$20,000,000				
65.24	gross sales or service for the immediately				
65.25	previous license or fiscal year		\$2,550	\$849	\$1,700
65.26	(i) Having \$20,000,001 to \$25,000,000				
65.27	gross sales or service for the immediately				
65.28	previous license or fiscal year		\$2,950	\$984	\$1,967
65.29	(j) Having over \$25,000,001 gross sales or				
65.30	service for the immediately previous				
65.31	license or fiscal year		\$3,350	\$1,117	\$2,233
65.32	2. Food handler				
65.33	(a) Having gross sales of only prepackaged				
65.34	nonperishable food of less than \$30,000				
65.35	for the immediately previous license or				
65.36	fiscal year and filing a statement with the				
65.37	commissioner		\$90	\$30	\$60
65.38	(b) Having gross sales or service of less	High	\$285	\$95	\$190
65.39	than \$50,000 for the immediately previous	Medium	\$195	\$65	\$130
65.40	license or fiscal year	Low	\$135	\$45	\$90
65.41	(c) Having \$50,001 to \$125,000 gross sales	High	\$350	\$117	\$233
65.42	or service for the immediately previous	Medium	\$260	\$87	\$173
65.43	license or fiscal year	Low	\$200	\$67	\$133
65.44	(d) Having \$125,001 to \$250,000 gross	High	\$415	\$138	\$277
65.45	sales or service for the immediately	Medium	\$350	\$117	\$233
65.46	previous license or fiscal year	Low	\$265	\$88	\$177
65.47	(e) Having \$250,001 to \$500,000 gross	High	\$520	\$173	\$347
65.48	sales or service for the immediately	Medium	\$430	\$143	\$287
65.49	previous license or fiscal year	Low	\$370	\$123	\$247

66.1	(f) Having \$500,001 to \$1,000,000 gross sales or service for the immediately previous license or fiscal year	High	\$625	\$208	\$417
66.2		Medium	\$535	\$178	\$357
66.3		Low	\$475	\$158	\$317
66.4	(g) Having \$1,000,001 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year	High	\$1,500	\$500	\$1,000
66.5		Medium	\$1,425	\$475	\$950
66.6		Low	\$1,350	\$450	\$900
66.7	(h) Having \$5,000,001 to \$10,000,000 gross sales or service for the immediately previous license or fiscal year	High	\$1,900	\$633	\$1,267
66.8		Medium	\$1,825	\$608	\$1,217
66.9		Low	\$1,750	\$583	\$1,167
66.10	(i) Having \$10,000,001 to \$15,000,000 gross sales or service for the immediately previous license or fiscal year	High	\$2,300	\$767	\$1,533
66.11		Medium	\$2,225	\$742	\$1,483
66.12		Low	\$2,150	\$717	\$1,433
66.13	(j) Having \$15,000,001 to \$20,000,000 gross sales or service for the immediately previous license or fiscal year	High	\$2,700	\$900	\$1,800
66.14		Medium	\$2,625	\$875	\$1,750
66.15		Low	\$2,550	\$849	\$1,700
66.16	(k) Having \$20,000,001 to \$25,000,000 gross sales or service for the immediately previous license or fiscal year	High	\$3,100	\$1,033	\$2,067
66.17		Medium	\$3,025	\$1,008	\$2,017
66.18		Low	\$2,950	\$984	\$1,967
66.19	(l) Having \$25,000,001 to \$50,000,000 gross sales or service for the immediately previous license or fiscal year	High	\$3,500	\$1,167	\$2,333
66.20		Medium	\$3,425	\$1,142	\$2,283
66.21		Low	\$3,350	\$1,117	\$2,233
66.22	(m) Having \$50,000,001 to \$100,000,000 gross sales or service for the immediately previous license or fiscal year	High	\$4,000	\$1,334	\$2,667
66.23		Medium	\$3,925	\$1,309	\$2,617
66.24		Low	\$3,850	\$1,284	\$2,567
66.25	(n) Having \$100,000,001 or more gross sales or service for the immediately previous license or fiscal year	High	\$4,500	\$1,500	\$3,000
66.26		Medium	\$4,425	\$1,475	\$2,950
66.27		Low	\$4,350	\$1,450	\$2,900
66.28	3. Food handler operating under authority of this chapter solely as a special event food stand as defined in Minnesota Statutes, section 157.15				
66.29					
66.30					
66.31				\$75	\$25
66.32	4. Meat or poultry processing solely under supervision of the U.S. Department of Agriculture				
66.33					
66.34					
66.35		(a) Having gross sales or service of less than \$125,000 for the immediately previous license or fiscal year		\$190	\$63
66.36	(b) Having \$125,001 to \$250,000 gross sales or service for the immediately previous license or fiscal year				
66.37					
66.38					
66.39	(c) Having \$250,001 to \$500,000 gross sales or service for the immediately previous license or fiscal year				
66.40					
66.41					
66.42	(d) Having \$500,001 to \$1,000,000 gross sales or service for the immediately previous license or fiscal year				
66.43					
66.44					
66.45	(e) Having \$1,000,001 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year				
66.46					
66.47					
66.48					
66.49			\$725	\$241	\$483

67.1	(f) Having \$5,000,001 to \$10,000,000 gross			
67.2	sales or service for the immediately			
67.3	previous license or fiscal year	\$885	\$295	\$590
67.4	(g) Having \$10,000,001 to \$15,000,000			
67.5	gross sales or service for the immediately			
67.6	previous license or fiscal year	\$1,305	\$435	\$807
67.7	(h) Having \$15,000,001 to \$20,000,000			
67.8	gross sales or service for the immediately			
67.9	previous license or fiscal year	\$1,515	\$505	\$1,010
67.10	(i) Having \$20,000,001 to \$25,000,000			
67.11	gross sales or service for the immediately			
67.12	previous license or fiscal year	\$1,745	\$582	\$1,163
67.13	(j) Having \$25,000,001 to \$50,000,000			
67.14	gross sales or service for the immediately			
67.15	previous license or fiscal year	\$1,975	\$658	\$1,317
67.16	(k) Having \$50,000,001 to \$100,000,000			
67.17	gross sales or service for the immediately			
67.18	previous license or fiscal year	\$2,215	\$738	\$1,477
67.19	(l) Having \$100,000,001 or more gross			
67.20	sales or service for the immediately			
67.21	previous license or fiscal year	\$2,465	\$822	\$1,643

67.22 Sec. 37. Minnesota Statutes 2024, section 29.21, is amended by adding a subdivision to
67.23 read:

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

67.28 Sec. 38. Minnesota Statutes 2024, section 29.26, is amended to read:

67.29 **29.26 EGGS IN POSSESSION OF RETAILER.**

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

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

- 68.1 (1) are contained in their original packaging;
- 68.2 (2) have previously been candled and graded;
- 68.3 (3) are continuously refrigerated;
- 68.4 (4) are distributed to the end consumer prior to 30 days past the original quality assurance
- 68.5 date; and
- 68.6 (5) are contained in packaging affixed with a label that includes the following information:
- 68.7 (i) the name of the charitable food assistance program distributing the eggs;
- 68.8 (ii) a "distribute by" date of no more than 30 days past the original quality assurance
- 68.9 date; and
- 68.10 (iii) the following statement: "Donated Eggs - Not for Resale."

68.11 Sec. 39. Minnesota Statutes 2024, section 32D.30, subdivision 5, is amended to read:

68.12 Subd. 5. **Reporting.** No later than ~~July 1~~ September 15 each year, the commissioner

68.13 must submit a detailed accomplishment report and work plan detailing future plans for, and

68.14 the actual and anticipated accomplishments from, expenditures under this section to the

68.15 chairs and ranking minority members of the legislative committees and divisions with

68.16 jurisdiction over agriculture policy and finance. If the commissioner significantly modifies

68.17 a submitted work plan ~~during the fiscal year~~, the commissioner must notify the chairs and

68.18 ranking minority members.

68.19 Sec. 40. Minnesota Statutes 2024, section 41A.19, is amended to read:

68.20 **41A.19 REPORT; INCENTIVE PROGRAMS.**

68.21 ~~By January 15~~ Each year, the commissioner shall report on the incentive programs under

68.22 sections 41A.16, 41A.17, 41A.18, and 41A.20 to the legislative committees with jurisdiction

68.23 over environment and agriculture policy and finance in the report under section 41A.12,

68.24 subdivision 3. The report shall include information on production and incentive expenditures

68.25 under the programs.

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

68.27 Subd. 2. **Establishment.** The authority shall establish and implement an agroforestry

68.28 loan program to help finance the production of short rotation woody crops, agroforestry

68.29 crops, agroforestry systems, such as silvopasture and alley systems, and other systems.

69.1 Sec. 42. Minnesota Statutes 2024, section 41B.048, subdivision 4, is amended to read:

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

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

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

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

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

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

69.11 Sec. 43. Minnesota Statutes 2024, section 41B.048, subdivision 5, is amended to read:

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

69.14 (1) be a resident of Minnesota or any entity eligible to own farm land under section
 69.15 500.24;

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

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

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

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

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

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

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

70.1 Sec. 44. Minnesota Statutes 2024, section 41B.048, is amended by adding a subdivision
70.2 to read:

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

70.5 (1) be a resident of Minnesota or any entity eligible to own farm land under section
70.6 500.24;

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

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

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

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

70.15 Sec. 45. Minnesota Statutes 2024, section 41B.048, is amended by adding a subdivision
70.16 to read:

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

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

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

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

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

70.29 (f) The authority may impose a reasonable, nonrefundable application fee for each
70.30 application for an agroforestry loan under this program. The authority may review the fee
70.31 annually and make adjustments as necessary. The initial application fee is \$50. Application

71.1 fees received by the authority must be deposited in the Rural Finance Authority administrative
71.2 account established in section 41B.03.

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

71.5 (h) All repayments of financial assistance granted under this section, including principal
71.6 and interest, must be deposited into the revolving loan account established under section
71.7 41B.06.

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

71.10 Sec. 46. Minnesota Statutes 2024, section 583.215, is amended to read:

71.11 **583.215 EXPIRATION.**

71.12 Sections 336.9-601, subsections (h) and (i); 550.365; 559.209; 582.039; and 583.20 to
71.13 583.32, expire June 30, ~~2027~~ 2032.

71.14 Sec. 47. **REPORT; PARAQUAT DICHLORIDE.**

71.15 By February 1, 2029, the commissioner of agriculture must report to the chairs and
71.16 ranking minority members of the legislative committees with jurisdiction over agriculture
71.17 finance and policy on the use of paraquat dichloride in the state over time and the status of
71.18 paraquat dichloride in the pesticide supply chain.

71.19 Sec. 48. **REPEALER.**

71.20 Minnesota Statutes 2024, sections 18K.02, subdivision 7; 18K.03, subdivision 2; and
71.21 28A.075, are repealed.

APPENDIX
Article locations for S5073-2

ARTICLE 1 AGRICULTURE APPROPRIATIONS..... Page.Ln 1.20
ARTICLE 2 AGRICULTURE POLICY..... Page.Ln 29.1

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.