

S.F. No. 1552 and H.F. No. 1063, which had been referred to the Chief Clerk for comparison, were examined and found to be not identical.

The following document shows the differences between S.F. No. 1552, the first engrossment, and H.F. No. 1063, as introduced.

March 3, 2025

Patrick D. Murphy
Chief Clerk, House of Representatives

Explanation of Comparison Reports

When a Senate File is received from the Senate, it is given its first reading and must be referred to the appropriate standing committee or division under Rule 1.11. But if the House File companion of that Senate File has already been reported out of Committee and given its second reading and is on the General Register, the Senate File must be referred to the Chief Clerk for comparison pursuant to Rule 1.15. The Chief Clerk reports whether the bills were found to be identical or not identical. Once the bills have been compared and the differences have been reported, the Senate File is given its second reading and is substituted for the House File. The House File is then considered withdrawn. Pursuant to rule 3.33, if the bills are not identical and the chief author of the bill wishes to use the House language, the chief author must give notice of their intent to substitute the House language when the bill is placed on the Calendar for the Day or the Fiscal Calendar. If the chief author of the bill wishes to keep the Senate language, no action is required.

1.1 A bill for an act

1.2 relating to agriculture; modifying financial reporting requirements for grain buyers;

1.3 amending Minnesota Statutes 2024, section 223.17, subdivision 6.

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

1.5 Section 1. Minnesota Statutes 2024, section 223.17, subdivision 6, is amended to read:

1.6 Subd. 6. **Financial statements.** (a) Except as allowed in paragraph (c), a grain buyer

1.7 licensed under this chapter must annually submit to the commissioner a financial statement

1.8 prepared by a third-party independent accountant or certified public accountant in accordance

1.9 with generally accepted accounting principles national or international accounting standards.

1.10 The annual financial statement required under this subdivision must also:

1.11 (1) include; but not be limited to the following:

1.12 (i) a balance sheet;

1.13 (ii) a statement of income (profit and loss);

1.14 (iii) a statement of retained earnings;

1.15 (iv) a statement of ~~changes in financial position~~ cash flow; and

1.16 (v) a statement of the dollar amount of grain purchased in the previous fiscal year of the

1.17 grain buyer;

1.18 (2) be accompanied by a ~~compilation~~ report of the financial statement that is prepared

1.19 by a grain commission firm or a management firm approved by the commissioner or by an

1.20 independent public accountant, in accordance with standards established by the American

1.21 Institute of Certified Public Accountants or similar international standards;

2.1 ~~(3) be accompanied by a certification by the chief executive officer or the chief executive~~

2.2 ~~officer's designee of the licensee, and where applicable, all members of the governing board~~

2.3 ~~of directors under penalty of perjury, that the financial statement accurately reflects the~~

2.4 ~~financial condition of the licensee for the period specified in the statement;~~

2.5 ~~(4) for grain buyers purchasing under \$7,500,000 of grain annually, be reviewed by a~~

2.6 ~~certified public accountant in accordance with standards established by the American Institute~~

2.7 ~~of Certified Public Accountants, and must show that the financial statements are free from~~

2.8 ~~material misstatements; and~~

2.9 ~~(5) (3) for grain buyers purchasing \$7,500,000 or more of grain annually, be audited or~~

2.10 ~~reviewed~~ by a certified public accountant in accordance with standards established by the

2.11 American Institute of Certified Public Accountants ~~and~~ or similar international standards.

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1.9 accountant in accordance with generally accepted accounting principles national or

1.10 international accounting standards. The annual financial statement required under this

1.11 subdivision must also:

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1.15 (iii) a statement of retained earnings;

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1.18 grain buyer;

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1.20 by a grain commission firm or a management firm approved by the commissioner or by an

2.1 independent public accountant, in accordance with standards established by the American

2.2 Institute of Certified Public Accountants or similar international standards;

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2.10 ~~material misstatements; and~~

2.11 ~~(5) (4) for grain buyers purchasing \$7,500,000 or more of grain annually, be audited or~~

2.12 ~~reviewed~~ by a certified public accountant in accordance with standards established by the

2.13 American Institute of Certified Public Accountants ~~and~~ or similar international standards.

2.12 An audit must include an opinion statement from the certified public accountant performing
2.13 the audit; and

2.14 (4) for grain buyers purchasing \$20,000,000 or more of grain annually, be audited by a
2.15 certified public accountant in accordance with standards established by the American Institute
2.16 of Certified Public Accountants or similar international standards. The audit must include
2.17 an opinion statement from the certified public accountant performing the audit.

2.18 (b) Only one financial statement must be filed for a chain of warehouses owned or
2.19 operated as a single business entity, unless otherwise required by the commissioner. All
2.20 financial statements filed with the commissioner are private or nonpublic data as provided
2.21 in section 13.02.

2.22 (c) A grain buyer who purchases grain immediately upon delivery solely with cash; ~~a~~
2.23 ~~certified check; a cashier's check; or a postal, bank, or express money order,~~ as defined in
2.24 section 223.16, subdivision 2a, paragraph (b), is exempt from this subdivision if the grain
2.25 buyer's gross annual purchases are \$1,000,000 or less.

2.26 (d) For a grain buyer that qualifies for the exemption in paragraph (c), the commissioner
2.27 retains the right to require the grain buyer to provide the commissioner with financial
2.28 reporting based on inspections, any report of nonpayment, or other documentation related
2.29 to violations of this chapter, chapter 232, or Minnesota Rules, chapter 1562.

2.30 (e) To ensure compliance with this chapter, the commissioner must annually review
2.31 financial statements submitted under paragraph (a).

2.32 ~~(f) (f)~~ The commissioner shall annually provide information on a person's fiduciary
2.33 ~~duties to each licensee. To the extent practicable, the commissioner must direct each licensee~~
3.1 ~~to provide this information to all persons required to certify the licensee's financial statement~~
3.2 ~~under paragraph (a), clause (3).~~

3.3 (g) The commissioner may require a grain buyer to provide additional financial statements
3.4 or financial reporting, including audited financial statements.

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

2.14 An audit must include an opinion statement from the certified public accountant performing
2.15 the audit; and

2.16 (5) for grain buyers purchasing \$17,500,000 or more of grain annually, be audited by a
2.17 certified public accountant in accordance with standards established by the American Institute
2.18 of Certified Public Accountants or similar international standards. The audit must include
2.19 an opinion statement from the certified public accountant performing the audit.

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