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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 1524

02/25/2021 Authored by Sundin; Anderson; Greenman; Hanson, J.; Ecklund and others
The bill was read for the first time and referred to the Committee on Agriculture Finance and Policy

1.1 A bill for an act
1.2 relating to state government; establishing a budget for the Department of
1.3 Agriculture, the Board of Animal Health, and the Agricultural Utilization Research
1.4 Institute; transferring money to the border-to-border broadband fund account;
1.5 making policy and technical changes to various provisions related to agriculture;
1.6 modifying fees; creating accounts; creating a biofuels program and advisory
1.7 committee; appropriating money; amending Minnesota Statutes 2020, sections
1.8 18B.26, subdivision 3; 28A.08, by adding a subdivision; 28A.09, by adding a
1.9 subdivision; proposing coding for new law in Minnesota Statutes, chapter 41A.

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

1.11 ARTICLE 1
1.12 AGRICULTURE APPROPRIATIONS

1.13 Section 1. AGRICULTURE APPROPRIATIONS.

1.14 The sums shown in the columns marked "Appropriations" are appropriated to agencies
1.15 for the purposes specified in this article. The appropriations are from the general fund, or
1.16 another named fund, and are available for the fiscal years indicated for each purpose. The
1.17 figures "2022" and "2023" used in this article mean that the appropriations listed under them
1.18 are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The
1.19 first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is
1.20 fiscal years 2022 and 2023.

Table with 3 columns: Description, 2022, 2023. Row 1: Sec. 2. DEPARTMENT OF AGRICULTURE. Row 2: Subdivision 1. Total Appropriation \$ 56,688,000 \$ 55,897,000

2.1	<u>Appropriations by Fund</u>		
2.2		<u>2022</u>	<u>2023</u>
2.3	<u>General</u>	<u>56,289,000</u>	<u>55,498,000</u>
2.4	<u>Remediation</u>	<u>399,000</u>	<u>399,000</u>

2.5 The amounts that may be spent for each  
 2.6 purpose are specified in the following  
 2.7 subdivisions.

2.8 Subd. 2. Protection Services

2.9	<u>Appropriations by Fund</u>		
2.10		<u>2022</u>	<u>2023</u>
2.11	<u>General</u>	<u>15,250,000</u>	<u>15,476,000</u>
2.12	<u>Remediation</u>	<u>399,000</u>	<u>399,000</u>

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

2.17 (b) \$175,000 the first year and \$175,000 the  
 2.18 second year are for compensation for  
 2.19 destroyed or crippled livestock under  
 2.20 Minnesota Statutes, section 3.737. The first  
 2.21 year appropriation may be spent to compensate  
 2.22 for livestock that were destroyed or crippled  
 2.23 during fiscal year 2021. If the amount in the  
 2.24 first year is insufficient, the amount in the  
 2.25 second year is available in the first year. The  
 2.26 commissioner may use up to \$5,000 each year  
 2.27 to reimburse expenses incurred by university  
 2.28 extension educators to provide fair market  
 2.29 values of destroyed or crippled livestock. If  
 2.30 the commissioner receives federal dollars to  
 2.31 pay claims for destroyed or crippled livestock,  
 2.32 an equivalent amount may be used to  
 2.33 reimburse nonlethal prevention methods  
 2.34 performed by federal wildlife services staff.

3.1 (c) \$155,000 the first year and \$155,000 the  
3.2 second year are for compensation for crop  
3.3 damage under Minnesota Statutes, section  
3.4 3.7371. If the amount in the first year is  
3.5 insufficient, the amount in the second year is  
3.6 available in the first year. The commissioner  
3.7 may use up to \$30,000 of the appropriation  
3.8 each year to reimburse expenses incurred by  
3.9 the commissioner or the commissioner's  
3.10 approved agent to investigate and resolve  
3.11 claims.

3.12 If the commissioner determines that claims  
3.13 made under Minnesota Statutes, section 3.737  
3.14 or 3.7371, are unusually high, amounts  
3.15 appropriated for either program may be  
3.16 transferred to the appropriation for the other  
3.17 program.

3.18 (d) \$225,000 the first year and \$225,000 the  
3.19 second year are for additional funding for the  
3.20 noxious weed and invasive plant program.

3.21 (e) \$50,000 the first year is for additional  
3.22 funding for the industrial hemp program for  
3.23 IT development. This is a onetime  
3.24 appropriation and is available until June 30,  
3.25 2023.

3.26 (f) \$110,000 the first year and \$110,000 the  
3.27 second year are for additional funding for the  
3.28 meat and poultry inspection services.

3.29 (g) \$66,000 the first year and \$66,000 the  
3.30 second year are for additional funding to  
3.31 replace capital equipment in the Department  
3.32 of Agriculture's analytical laboratory.

3.33 (h) \$274,000 the first year and \$550,000 the  
3.34 second year are for additional funding to

4.1 maintain the current level of service delivery  
 4.2 for programs under this subdivision.

4.3 **Subd. 3. Agricultural Marketing and**  
 4.4 **Development**

4,250,000

4,155,000

4.5 (a) \$186,000 the first year and \$186,000 the  
 4.6 second year are for transfer to the Minnesota  
 4.7 grown account and may be used as grants for  
 4.8 Minnesota grown promotion under Minnesota  
 4.9 Statutes, section 17.102. Grants may be made  
 4.10 for one year. Notwithstanding Minnesota  
 4.11 Statutes, section 16A.28, the appropriations  
 4.12 encumbered under contract on or before June  
 4.13 30, 2023, for Minnesota grown grants in this  
 4.14 paragraph are available until June 30, 2025.

4.15 (b) \$100,000 the first year is to expand  
 4.16 international marketing opportunities for  
 4.17 farmers and value-added processors, including  
 4.18 in-market representation in Taiwan. This is a  
 4.19 onetime appropriation and is available until  
 4.20 June 30, 2023.

4.21 (c) \$634,000 the first year and \$634,000 the  
 4.22 second year are for continuation of the dairy  
 4.23 development and profitability enhancement  
 4.24 and dairy business planning grant programs  
 4.25 established under Laws 1997, chapter 216,  
 4.26 section 7, subdivision 2, and Laws 2001, First  
 4.27 Special Session chapter 2, section 9,  
 4.28 subdivision 2. The commissioner may allocate  
 4.29 the available sums among permissible  
 4.30 activities, including efforts to improve the  
 4.31 quality of milk produced in the state, in the  
 4.32 proportions that the commissioner deems most  
 4.33 beneficial to Minnesota's dairy farmers. The  
 4.34 commissioner must submit a detailed  
 4.35 accomplishment report and a work plan

5.1 detailing future plans for, and anticipated  
5.2 accomplishments from, expenditures under  
5.3 this program to the chairs and ranking minority  
5.4 members of the legislative committees and  
5.5 divisions with jurisdiction over agriculture  
5.6 policy and finance on or before the start of  
5.7 each fiscal year. If significant changes are  
5.8 made to the plans in the course of the year,  
5.9 the commissioner must notify the chairs and  
5.10 ranking minority members.

5.11 (d) \$50,000 the first year and \$50,000 the  
5.12 second year are for additional funding for  
5.13 mental health outreach and support to farmers,  
5.14 ranchers, and others in the agricultural  
5.15 community, including a 24-hour hotline,  
5.16 stigma reduction, and educational offerings.

5.17 (e) \$100,000 the first year and \$50,000 the  
5.18 second year is for a pilot project creating  
5.19 farmland access teams to provide technical  
5.20 assistance to potential beginning farmers. The  
5.21 farmland access teams must assist existing  
5.22 farmers and beginning farmers on transitioning  
5.23 farm ownership and operation. Teams may  
5.24 include but are not limited to providing  
5.25 mediation assistance, designing contracts,  
5.26 financial planning, tax preparation, estate  
5.27 planning, and housing assistance. Of this  
5.28 amount, up to \$50,000 the first year may be  
5.29 used to upgrade the Minnesota FarmLink web  
5.30 application that connects farmers looking for  
5.31 land with farmers looking to transition their  
5.32 land. These are onetime appropriations.

5.33 (f) \$54,000 the first year and \$109,000 the  
5.34 second year are to maintain the current level  
5.35 of service delivery.

6.1 (g) The commissioner may use funds  
 6.2 appropriated in this subdivision for annual  
 6.3 cost-share payments to resident farmers or  
 6.4 entities that sell, process, or package  
 6.5 agricultural products in this state for the costs  
 6.6 of organic certification. The commissioner  
 6.7 may allocate these funds for assistance to  
 6.8 persons transitioning from conventional to  
 6.9 organic agriculture.

6.10 **Subd. 4. Agriculture, Bioenergy, and Bioproduct**  
 6.11 **Advancement**

27,758,000

26,772,000

6.12 (a) \$9,300,000 the first year and \$9,300,000  
 6.13 the second year are for transfer to the  
 6.14 agriculture research, education, extension, and  
 6.15 technology transfer account under Minnesota  
 6.16 Statutes, section 41A.14, subdivision 3. Of  
 6.17 these amounts: at least \$600,000 the first year  
 6.18 and \$600,000 the second year are for the  
 6.19 Minnesota Agricultural Experiment Station's  
 6.20 agriculture rapid response under Minnesota  
 6.21 Statutes, section 41A.14, subdivision 1, clause  
 6.22 (2); \$2,000,000 the first year and \$2,000,000  
 6.23 the second year are for grants to the Minnesota  
 6.24 Agriculture Education Leadership Council to  
 6.25 enhance agricultural education with priority  
 6.26 given to Farm Business Management  
 6.27 challenge grants; \$350,000 the first year and  
 6.28 \$350,000 the second year are for potato  
 6.29 breeding; and \$450,000 the first year and  
 6.30 \$450,000 the second year are for the cultivated  
 6.31 wild rice breeding project at the North Central  
 6.32 Research and Outreach Center to include a  
 6.33 tenure track/research associate plant breeder.  
 6.34 The commissioner shall transfer the remaining  
 6.35 funds in this appropriation each year to the  
 6.36 Board of Regents of the University of

7.1 Minnesota for purposes of Minnesota Statutes,  
7.2 section 41A.14. Of the amount transferred to  
7.3 the Board of Regents, up to \$1,000,000 each  
7.4 year is for research on avian influenza.

7.5 To the extent practicable, money expended  
7.6 under Minnesota Statutes, section 41A.14,  
7.7 subdivision 1, clauses (1) and (2), must  
7.8 supplement and not supplant existing sources  
7.9 and levels of funding. The commissioner may  
7.10 use up to one percent of this appropriation for  
7.11 costs incurred to administer the program.

7.12 (b) \$16,443,000 the first year and \$15,443,000  
7.13 the second year are for the agricultural growth,  
7.14 research, and innovation program in  
7.15 Minnesota Statutes, section 41A.12. Except  
7.16 as provided below, the commissioner may  
7.17 allocate the appropriation each year among  
7.18 the following areas: facilitating the start-up,  
7.19 modernization, improvement, or expansion of  
7.20 livestock operations including beginning and  
7.21 transitioning livestock operations with  
7.22 preference given to robotic dairy-milking  
7.23 equipment; providing funding not to exceed  
7.24 \$400,000 each year to develop and enhance  
7.25 farm-to-school markets for Minnesota farmers  
7.26 by providing more fruits, vegetables, meat,  
7.27 grain, and dairy for Minnesota children in  
7.28 school and child care settings including, at the  
7.29 commissioner's discretion, reimbursing  
7.30 schools for purchases from local farmers;  
7.31 assisting value-added agricultural businesses  
7.32 to begin or expand, to access new markets, or  
7.33 to diversify, including aquaponics systems;  
7.34 providing funding not to exceed \$300,000  
7.35 each year for urban youth agricultural

8.1 education or urban agriculture community  
8.2 development; providing funding not to exceed  
8.3 \$300,000 each year for the good food access  
8.4 program under Minnesota Statutes, section  
8.5 17.1017; facilitating the start-up,  
8.6 modernization, or expansion of other  
8.7 beginning and transitioning farms including  
8.8 by providing loans under Minnesota Statutes,  
8.9 section 41B.056; sustainable agriculture  
8.10 on-farm research and demonstration;  
8.11 development or expansion of food hubs and  
8.12 other alternative community-based food  
8.13 distribution systems; enhancing renewable  
8.14 energy infrastructure and use; crop research  
8.15 including basic and applied turf seed research;  
8.16 Farm Business Management tuition assistance;  
8.17 and good agricultural practices and good  
8.18 handling practices certification assistance. The  
8.19 commissioner may use up to 6.5 percent of  
8.20 this appropriation for costs incurred to  
8.21 administer the program.

8.22 Of the amount appropriated for the agricultural  
8.23 growth, research, and innovation program in  
8.24 Minnesota Statutes, section 41A.12:

8.25 (1) \$1,000,000 the first year and \$1,000,000  
8.26 the second year are for distribution in equal  
8.27 amounts to each of the state's county fairs to  
8.28 preserve and promote Minnesota agriculture;

8.29 (2) \$3,750,000 the first year and \$3,750,000  
8.30 the second year are for incentive payments  
8.31 under Minnesota Statutes, sections 41A.16,  
8.32 41A.17, and 41A.18. Notwithstanding  
8.33 Minnesota Statutes, section 16A.28, the first  
8.34 year appropriation is available until June 30,  
8.35 2023, and the second year appropriation is



9.1 available until June 30, 2024. If this  
9.2 appropriation exceeds the total amount for  
9.3 which all producers are eligible in a fiscal  
9.4 year, the balance of the appropriation is  
9.5 available for the agricultural growth, research,  
9.6 and innovation program. The base amount for  
9.7 the allocation under this clause is \$3,750,000  
9.8 in fiscal year 2024 and later;

9.9 (3) \$1,000,000 the first year is for grants to  
9.10 facilitate the start-up, modernization, or  
9.11 expansion of meat, poultry, egg, and milk  
9.12 processing facilities.

9.13 Notwithstanding Minnesota Statutes, section  
9.14 16A.28, any unencumbered balance does not  
9.15 cancel at the end of the first year and is  
9.16 available for the second year, and  
9.17 appropriations encumbered under contract on  
9.18 or before June 30, 2023, for agricultural  
9.19 growth, research, and innovation grants are  
9.20 available until June 30, 2026.

9.21 The base amount for the agricultural growth,  
9.22 research, and innovation program is  
9.23 \$15,443,000 in fiscal year 2024 and  
9.24 \$15,443,000 in fiscal year 2025, and includes  
9.25 funding for incentive payments under  
9.26 Minnesota Statutes, sections 41A.16, 41A.17,  
9.27 and 41A.18.

9.28 (c) \$2,000,000 the first year and \$2,000,000  
9.29 the second year are for a biofuels infrastructure  
9.30 financial assistance program. Notwithstanding  
9.31 Minnesota Statutes, section 16A.28, the  
9.32 appropriations encumbered under contract for  
9.33 grants on or before June 30, 2023, are  
9.34 available until June 30, 2027. Of this amount,  
9.35 \$100,000 each year is for the administration

10.1 of the biofuels infrastructure financial  
 10.2 assistance program.  
 10.3 (d) \$15,000 the first year and \$29,000 the  
 10.4 second year are to maintain the current level  
 10.5 of service delivery.

10.6 **Subd. 5. Administration and Financial**  
 10.7 **Assistance**

9,031,000

9,095,000

10.8 (a) \$474,000 the first year and \$474,000 the  
 10.9 second year are for payments to county and  
 10.10 district agricultural societies and associations  
 10.11 under Minnesota Statutes, section 38.02,  
 10.12 subdivision 1. Aid payments to county and  
 10.13 district agricultural societies and associations  
 10.14 shall be disbursed no later than July 15 of each  
 10.15 year. These payments are the amount of aid  
 10.16 from the state for an annual fair held in the  
 10.17 previous calendar year.

10.18 (b) \$287,000 the first year and \$287,000 the  
 10.19 second year are for farm advocate services.

10.20 (c) \$238,000 the first year and \$238,000 the  
 10.21 second year are for transfer to the Board of  
 10.22 Trustees of the Minnesota State Colleges and  
 10.23 Universities for statewide mental health  
 10.24 counseling support to farm families and  
 10.25 business operators through the Minnesota State  
 10.26 Agricultural Centers of Excellence. South  
 10.27 Central College and Central Lakes College  
 10.28 shall serve as the fiscal agents.

10.29 (d) \$1,650,000 the first year and \$1,650,000  
 10.30 the second year are for grants to Second  
 10.31 Harvest Heartland on behalf of Minnesota's  
 10.32 six Feeding America food banks for the  
 10.33 following:

11.1 (1) to purchase milk for distribution to  
11.2 Minnesota's food shelves and other charitable  
11.3 organizations that are eligible to receive food  
11.4 from the food banks. Milk purchased under  
11.5 the grants must be acquired from Minnesota  
11.6 milk processors and based on low-cost bids.  
11.7 The milk must be allocated to each Feeding  
11.8 America food bank serving Minnesota  
11.9 according to the formula used in the  
11.10 distribution of United States Department of  
11.11 Agriculture commodities under The  
11.12 Emergency Food Assistance Program. Second  
11.13 Harvest Heartland may enter into contracts or  
11.14 agreements with food banks for shared funding  
11.15 or reimbursement of the direct purchase of  
11.16 milk. Each food bank that receives funding  
11.17 under this clause may use up to two percent  
11.18 for administrative expenses; and  
  
11.19 (2) to compensate agricultural producers and  
11.20 processors for costs incurred to harvest and  
11.21 package for transfer surplus fruits, vegetables,  
11.22 and other agricultural commodities that would  
11.23 otherwise go unharvested, be discarded, or  
11.24 sold in a secondary market. Surplus  
11.25 commodities must be distributed statewide to  
11.26 food shelves and other charitable organizations  
11.27 that are eligible to receive food from the food  
11.28 banks. Surplus food acquired under this clause  
11.29 must be from Minnesota producers and  
11.30 processors. Second Harvest Heartland may  
11.31 use up to 15 percent of each grant awarded  
11.32 under this clause for administrative and  
11.33 transportation expenses.  
  
11.34 Of the amount appropriated under this  
11.35 paragraph, at least \$600,000 each year must

12.1 be allocated under clause (1). Notwithstanding  
 12.2 Minnesota Statutes, section 16A.28, any  
 12.3 unencumbered balance the first year does not  
 12.4 cancel and is available in the second year.  
 12.5 Second Harvest Heartland must submit  
 12.6 quarterly reports to the commissioner in the  
 12.7 form prescribed by the commissioner. The  
 12.8 reports must include but are not limited to  
 12.9 information on the expenditure of funds, the  
 12.10 amount of milk or other commodities  
 12.11 purchased, and the organizations to which this  
 12.12 food was distributed.

12.13 (e) \$250,000 the first year and \$250,000 the  
 12.14 second year are for grants to the Minnesota  
 12.15 Agricultural Education and Leadership  
 12.16 Council for programs of the council under  
 12.17 Minnesota Statutes, chapter 41D.

12.18 (f) The commissioner shall continue to  
 12.19 increase connections with ethnic minority and  
 12.20 immigrant farmers to farming opportunities  
 12.21 and farming programs throughout the state.

12.22 (g) \$1,000,000 the first year and \$1,000,000  
 12.23 the second year are transferred to the  
 12.24 commissioner of agriculture for deposit in the  
 12.25 agricultural and environmental revolving loan  
 12.26 account established under Minnesota Statutes,  
 12.27 section 17.117, subdivision 5a, for low-interest  
 12.28 loans under Minnesota Statutes, section  
 12.29 17.117. These are onetime transfers.

12.30 (h) \$222,000 the first year and \$286,000 the  
 12.31 second year are to maintain the current level  
 12.32 of service delivery.

12.33 **Sec. 3. BOARD OF ANIMAL HEALTH                    \$            5,780,000 \$            5,881,000**

13.1 \$200,000 the first year and \$200,000 the  
 13.2 second year are for agricultural emergency  
 13.3 preparedness and response.

13.4 **Sec. 4. AGRICULTURAL UTILIZATION**  
 13.5 **RESEARCH INSTITUTE**                                 \$         3,893,000   \$         3,893,000

13.6         **Sec. 5. CANCELLATIONS.**

13.7             (a) The day following final enactment of this section, \$916,553 of the 2021 fiscal year  
 13.8 appropriation for protection services under Laws 2019, First Special Session chapter 1,  
 13.9 article 1, section 2, subdivision 2, is canceled to the general fund.

13.10           (b) The day following final enactment of this section, \$136,000 of the 2021 fiscal year  
 13.11 appropriation for agricultural marketing and development under Laws 2019, First Special  
 13.12 Session chapter 1, article 1, section 2, subdivision 3, is canceled to the general fund.

13.13           (c) The day following final enactment of this section, \$120,000 of the 2021 fiscal year  
 13.14 appropriation for agriculture, bioenergy, and bioproduct advancement under Laws 2019,  
 13.15 First Special Session chapter 1, article 1, section 2, subdivision 4, is canceled to the general  
 13.16 fund.

13.17           (d) The day following final enactment of this section, \$157,500 of the 2021 fiscal year  
 13.18 appropriation for administration and financial assistance under Laws 2019, First Special  
 13.19 Session chapter 1, article 1, section 2, subdivision 5, is canceled to the general fund.

13.20   **ARTICLE 2**

13.21   **AGRICULTURE STATUTORY CHANGES**

13.22         Section 1. Minnesota Statutes 2020, section 18B.26, subdivision 3, is amended to read:

13.23             Subd. 3. **Registration application and gross sales fee.** (a) For an agricultural pesticide,  
 13.24 a registrant shall pay an annual registration application fee for each agricultural pesticide  
 13.25 of \$350. The fee is due by December 31 preceding the year for which the application for  
 13.26 registration is made. The fee is nonrefundable.

13.27             (b) For a nonagricultural pesticide, a registrant shall pay a minimum annual registration  
 13.28 application fee for each nonagricultural pesticide of \$350. The fee is due by December 31  
 13.29 preceding the year for which the application for registration is made. The fee is  
 13.30 nonrefundable. If the registrant's annual gross sales of the nonagricultural pesticide exceeded  
 13.31 \$70,000 in the previous calendar year, the registrant shall pay, in addition to the \$350  
 13.32 minimum fee, a fee equal to ~~0.5~~ 0.9 percent of that portion of the annual gross sales over

14.1 \$70,000. For purposes of this subdivision, gross sales includes both nonagricultural pesticide  
14.2 sold in the state and nonagricultural pesticide sold into the state for use in this state. No  
14.3 additional fee is required if the fee due amount based on percent of annual gross sales of a  
14.4 nonagricultural pesticide is less than \$10. The registrant shall secure sufficient sales  
14.5 information of nonagricultural pesticides distributed into this state from distributors and  
14.6 dealers, regardless of distributor location, to make a determination. Sales of nonagricultural  
14.7 pesticides in this state and sales of nonagricultural pesticides for use in this state by  
14.8 out-of-state distributors are not exempt and must be included in the registrant's annual report,  
14.9 as required under paragraph (g), and fees shall be paid by the registrant based upon those  
14.10 reported sales. Sales of nonagricultural pesticides in the state for use outside of the state are  
14.11 exempt from the gross sales fee in this paragraph if the registrant properly documents the  
14.12 sale location and distributors. A registrant paying more than the minimum fee shall pay the  
14.13 balance due by March 1 based on the gross sales of the nonagricultural pesticide by the  
14.14 registrant for the preceding calendar year. A pesticide determined by the commissioner to  
14.15 be a sanitizer or disinfectant is exempt from the gross sales fee.

14.16 (c) For agricultural pesticides, a licensed agricultural pesticide dealer or licensed pesticide  
14.17 dealer shall pay a gross sales fee of ~~0.55~~ 0.9 percent of annual gross sales of the agricultural  
14.18 pesticide in the state and the annual gross sales of the agricultural pesticide sold into the  
14.19 state for use in this state.

14.20 (d) In those cases where a registrant first sells an agricultural pesticide in or into the  
14.21 state to a pesticide end user, the registrant must first obtain an agricultural pesticide dealer  
14.22 license and is responsible for payment of the annual gross sales fee under paragraph (c),  
14.23 record keeping under paragraph (i), and all other requirements of section 18B.316.

14.24 (e) If the total annual revenue from fees collected in fiscal year 2011, 2012, or 2013, by  
14.25 the commissioner on the registration and sale of pesticides is less than \$6,600,000, the  
14.26 commissioner, after a public hearing, may increase proportionally the pesticide sales and  
14.27 product registration fees under this chapter by the amount necessary to ensure this level of  
14.28 revenue is achieved. The authority under this section expires on June 30, 2014. The  
14.29 commissioner shall report any fee increases under this paragraph 60 days before the fee  
14.30 change is effective to the senate and house of representatives agriculture budget divisions.

14.31 (f) An additional fee of 50 percent of the registration application fee must be paid by  
14.32 the applicant for each pesticide to be registered if the application is a renewal application  
14.33 that is submitted after December 31.

15.1 (g) A registrant must annually report to the commissioner the amount, type and annual  
15.2 gross sales of each registered nonagricultural pesticide sold, offered for sale, or otherwise  
15.3 distributed in the state. The report shall be filed by March 1 for the previous year's  
15.4 registration. The commissioner shall specify the form of the report or approve the method  
15.5 for submittal of the report and may require additional information deemed necessary to  
15.6 determine the amount and type of nonagricultural pesticide annually distributed in the state.  
15.7 The information required shall include the brand name, United States Environmental  
15.8 Protection Agency registration number, and amount of each nonagricultural pesticide sold,  
15.9 offered for sale, or otherwise distributed in the state, but the information collected, if made  
15.10 public, shall be reported in a manner which does not identify a specific brand name in the  
15.11 report.

15.12 (h) A licensed agricultural pesticide dealer or licensed pesticide dealer must annually  
15.13 report to the commissioner the amount, type, and annual gross sales of each registered  
15.14 agricultural pesticide sold, offered for sale, or otherwise distributed in the state or into the  
15.15 state for use in the state. The report must be filed by January 31 for the previous year's sales.  
15.16 The commissioner shall specify the form, contents, and approved electronic method for  
15.17 submittal of the report and may require additional information deemed necessary to determine  
15.18 the amount and type of agricultural pesticide annually distributed within the state or into  
15.19 the state. The information required must include the brand name, United States Environmental  
15.20 Protection Agency registration number, and amount of each agricultural pesticide sold,  
15.21 offered for sale, or otherwise distributed in the state or into the state.

15.22 (i) A person who registers a pesticide with the commissioner under paragraph (b), or a  
15.23 registrant under paragraph (d), shall keep accurate records for five years detailing all  
15.24 distribution or sales transactions into the state or in the state and subject to a fee and surcharge  
15.25 under this section.

15.26 (j) The records are subject to inspection, copying, and audit by the commissioner and  
15.27 must clearly demonstrate proof of payment of all applicable fees and surcharges for each  
15.28 registered pesticide product sold for use in this state. A person who is located outside of  
15.29 this state must maintain and make available records required by this subdivision in this state  
15.30 or pay all costs incurred by the commissioner in the inspecting, copying, or auditing of the  
15.31 records.

15.32 (k) The commissioner may adopt by rule regulations that require persons subject to audit  
15.33 under this section to provide information determined by the commissioner to be necessary  
15.34 to enable the commissioner to perform the audit.

16.1 (l) A registrant who is required to pay more than the minimum fee for any pesticide  
16.2 under paragraph (b) must pay a late fee penalty of \$100 for each pesticide application fee  
16.3 paid after March 1 in the year for which the license is to be issued.

16.4 Sec. 2. Minnesota Statutes 2020, section 28A.08, is amended by adding a subdivision to  
16.5 read:

16.6 Subd. 4. **Food handler license account; appropriation.** A food handler license account  
16.7 is established in the agricultural fund. Fees paid under subdivision 3 must be deposited in  
16.8 this account. Money in the account, including interest, is appropriated to the commissioner  
16.9 for expenses relating to licensing and inspecting food handlers under chapters 28 to 34A or  
16.10 rules adopted under one of those chapters.

16.11 Sec. 3. Minnesota Statutes 2020, section 28A.09, is amended by adding a subdivision to  
16.12 read:

16.13 Subd. 3. **Vending machine inspection account; appropriation.** A vending machine  
16.14 inspection account is established in the agricultural fund. Fees paid under subdivision 1  
16.15 must be deposited in this account. Money in the account, including interest, is appropriated  
16.16 to the commissioner for expenses relating to identifying and inspecting food vending  
16.17 machines under chapters 28 to 34A or rules adopted under one of those chapters.

16.18 Sec. 4. **[41A.25] BIOFUELS INFRASTRUCTURE FINANCIAL ASSISTANCE**  
16.19 **PROGRAM.**

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

16.22 (b) "Account" means the biofuels infrastructure financial assistance account established  
16.23 in subdivision 3.

16.24 (c) "Biofuel" has the meaning given in section 239.051.

16.25 (d) "Biodiesel blend" has the meaning given in section 239.77.

16.26 (e) "Biodiesel fuel" has the meaning given in section 239.77.

16.27 (f) "Biofuels Infrastructure Financial Assistance Program Advisory Committee" or  
16.28 "advisory committee" means the Biofuels Infrastructure Financial Assistance Program  
16.29 Advisory Committee under section 41A.26.

16.30 (g) "Commissioner" means the commissioner of agriculture.



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

17.3 (i) "Program" means the biofuels infrastructure financial assistance program established  
 17.4 in this section.

17.5 (j) "Technical assistance" means individualized guidance, presentations, workshops,  
 17.6 trainings, printed materials, or other guidance and resources on relevant topics.

17.7 (k) "Transportation fuel storage and dispensing infrastructure" means an underground  
 17.8 storage tank or above-ground storage tank, as those terms are defined in section 116.46 and  
 17.9 any rules adopted under that section. Transportation fuel storage and dispensing infrastructure  
 17.10 includes any structures or appurtenances to an underground storage tank or above-ground  
 17.11 storage tank.

17.12 Subd. 2. **Program established.** (a) A biofuels infrastructure financial assistance program  
 17.13 is established within the Department of Agriculture to provide financing and financial  
 17.14 assistance to owners of transportation fuel storage and dispensing infrastructure for the  
 17.15 purpose of upgrading infrastructure to become compatible with blends of gasoline containing  
 17.16 greater than ten percent biofuel by volume or biodiesel blends containing greater than 20  
 17.17 percent of biodiesel fuel by volume. The commissioner, in cooperation with public and  
 17.18 private partners, must establish and implement the program as provided in this section.

17.19 (b) The biofuels infrastructure financial assistance program must be comprised of state  
 17.20 or private grants, loans, or other types of financial and technical assistance for the purpose  
 17.21 as provided in this subdivision.

17.22 (c) The commissioner's actions under this subdivision are not subject to chapter 14.

17.23 Subd. 3. **Biofuels infrastructure financial assistance account.** A biofuels infrastructure  
 17.24 financial assistance account is established in the agricultural fund. The account consists of  
 17.25 money appropriated to the commissioner and any other money donated, allotted, transferred,  
 17.26 or otherwise provided to the account. Money in the account, including interest, is appropriated  
 17.27 to the commissioner for the purposes of this section, and must be used, to the extent  
 17.28 practicable, to leverage other forms of public and private financing or financial assistance  
 17.29 for the projects.

17.30 Subd. 4. **Program administration.** (a) The commissioner is the administrator of the  
 17.31 account for auditing purposes and must establish program requirements and a competitive  
 17.32 process for projects applying for financial and technical assistance.

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

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

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

18.12 (e) To encourage public-private, cross-sector collaboration and investment in the account  
18.13 and program and to ensure that the program intent is maintained throughout implementation,  
18.14 the commissioner must convene and maintain the Biofuels Infrastructure Financial Assistance  
18.15 Program Advisory Committee.

18.16 (f) The commissioner, in cooperation with the Biofuels Infrastructure Financial Assistance  
18.17 Program Advisory Committee, must manage the program, establish program criteria, facilitate  
18.18 leveraging of additional public and private investment, and promote the program statewide.

18.19 (g) The commissioner, in cooperation with the Biofuels Infrastructure Financial  
18.20 Assistance Program Advisory Committee must establish annual monitoring and accountability  
18.21 mechanisms for all projects receiving financing or other financial or technical assistance  
18.22 through this program.

18.23 Subd. 5. **Eligible projects.** (a) The commissioner, in cooperation with the Biofuels  
18.24 Infrastructure Financial Assistance Program Advisory Committee, must establish project  
18.25 eligibility guidelines and application processes to be used to review and select project  
18.26 applicants for financing or other financial or technical assistance.

18.27 (b) Projects eligible for financing, financial assistance such as grants, or technical  
18.28 assistance, must fulfill the purpose as provided in subdivision 2.

18.29 Subd. 6. **Legislative report.** The commissioner, in cooperation with any economic or  
18.30 community development financial institution and any other entity with which it contracts,  
18.31 must submit a report on the biofuels infrastructure financial assistance program by January  
18.32 15 of each year to the chairs and ranking minority members of the legislative committees

19.1 and divisions with jurisdiction over agriculture policy and finance. The annual report must  
 19.2 include but not be limited to a summary of the following metrics:

- 19.3 (1) the number and types of projects financed;  
 19.4 (2) the amount of dollars leveraged or matched per project;  
 19.5 (3) the geographic distribution of financed projects;  
 19.6 (4) the number and types of technical assistance recipients;  
 19.7 (5) any market expansion associated with upgraded infrastructure;  
 19.8 (6) the demographics of the areas served;  
 19.9 (7) the costs of the program; and  
 19.10 (8) the number of loans or grants to minority-owned or female-owned businesses.

19.11 Sec. 5. [41A.26] BIOFUELS INFRASTRUCTURE FINANCIAL ASSISTANCE  
 19.12 PROGRAM ADVISORY COMMITTEE.

19.13 Subdivision 1. **Definitions.** As used in this section, the following terms have the meanings  
 19.14 given:

- 19.15 (1) "commissioner" means the commissioner of agriculture; and  
 19.16 (2) "program" means the biofuels infrastructure financial assistance program under  
 19.17 section 41A.25.

19.18 Subd. 2. **Creation.** The Biofuels Infrastructure Financial Assistance Program Advisory  
 19.19 Committee consists of no more than 15 members appointed by the commissioner of  
 19.20 agriculture, including but not limited to representatives of agriculture, the biofuels industry,  
 19.21 and motor fuel retailers.

19.22 Subd. 3. **Duties.** The advisory committee must advise the commissioner of agriculture  
 19.23 on managing the program, establishing program criteria, establishing project eligibility  
 19.24 guidelines, establishing application processes and additional selection criteria, establishing  
 19.25 annual monitoring and accountability mechanisms, facilitating leveraging of additional  
 19.26 public and private investments, and promoting the program statewide.

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

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

20.1 Subd. 6. Chair. The commissioner of agriculture or the commissioner's designee must  
20.2 serve as chair of the committee.

20.3 Subd. 7. Compensation. The public members of the advisory committee serve without  
20.4 compensation or payment of expenses.

20.5 **ARTICLE 3**

20.6 **BROADBAND DEVELOPMENT**

20.7 Section 1. **BROADBAND DEVELOPMENT APPROPRIATIONS.**

20.8 The sums shown in the columns marked "Appropriations" are appropriated to the agency  
20.9 and for the purposes specified in this article. The appropriations are from the general fund,  
20.10 or another named fund, and are available for the fiscal years indicated for each purpose.  
20.11 The figures "2022" and "2023" used in this article mean that the appropriations listed under  
20.12 them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively.  
20.13 "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium"  
20.14 is fiscal years 2022 and 2023.

20.15 **APPROPRIATIONS**

20.16 **Available for the Year**

20.17 **Ending June 30**

20.18 **2022**

**2023**

20.19 **Sec. 2. DEPARTMENT OF EMPLOYMENT**  
20.20 **AND ECONOMIC DEVELOPMENT**

**\$**

**50,350,000**

**\$**

**350,000**

20.21 (a) \$350,000 each year is for the Broadband  
20.22 Development Office.

20.23 (b) \$50,000,000 in fiscal year 2022 is for  
20.24 transfer to the border-to-border broadband  
20.25 fund account under Minnesota Statutes,  
20.26 section 116J.396. This transfer is onetime.

20.27 (c) Of the amount transferred under paragraph  
20.28 (b), up to three percent is for costs incurred  
20.29 by the commissioner of employment and  
20.30 economic development in administering the  
20.31 grant program under Minnesota Statutes,  
20.32 section 116J.395.