SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 1955

(SENATE AUTHORS: PUTNAM)

DATE	D-PG	OFFICIAL STATUS
02/20/2023	921	Introduction and first reading
		Referred to State and Local Government and Veterans
02/27/2023	1149	Withdrawn and re-referred to Agriculture, Broadband, and Rural Development
04/03/2023	2959a	Comm report: To pass as amended and re-refer to Finance
	3001	Rule 12.10: report of votes in committee
04/12/2023	4775a	Comm report: To pass as amended
	4777	Second reading
04/13/2023	4955	Special Order
	4958	Third reading Passed
04/21/2023	5799	Returned from House with amendment
	5800	Senate not concur, conference committee of 3 requested
	5804	Senate conferees Putnam; Kupec; Westrom
04/24/2023	5843	House conferees Vang; Pursell; Anderson, P.H.
05/11/2023	7315c	Conference committee report, delete everything
	7395	Senate adopted CC report and repassed bill
	7395	Third reading
05/12/2023	7425	House adopted SCC report and repassed bill
		Presentment date 05/16/23
		Governor's action Approval 05/18/23
		Secretary of State Chapter 43 05/18/23

A bill for an act

relating to state government; establishing a budget for the Department of Agriculture, the Board of Animal Health, the Agricultural Utilization Research Institute, and the Office of Broadband Development; making policy and technical changes to agriculture provisions; making policy and technical changes to broadband provisions; providing civil penalties; transferring money to the border-to-border broadband fund account; establishing the grain indemnity account; transferring money to the grain indemnity account; requiring reports; appropriating money; amending Minnesota Statutes 2022, sections 17.055, subdivision 1, by adding subdivisions; 17.1016, subdivision 2; 17.116, subdivision 3; 17.133, subdivisions 2, 3; 17.457; 17.710; 17.983, subdivision 1; 18.78, subdivision 2; 18B.01, subdivision 2b, by adding subdivisions; 18B.03, subdivision 3, by adding a subdivision; 18B.051; 18B.055; 18B.065, subdivision 8; 18B.26, by adding subdivisions; 18B.28, subdivision 3; 18C.005, by adding subdivisions; 18C.111, subdivision 3, by adding a subdivision; 18C.421, subdivision 1; 18C.425, subdivision 6; 18D.321, subdivision 1; 18F.01; 18F.02, by adding subdivisions; 18F.07; 18F.13; 18G.02, subdivisions 2, 6, 14, 15, 16, 20, 22, 24, 30, by adding a subdivision; 18G.03, subdivision 1; 18G.04, subdivision 2; 18G.05; 18G.06, subdivisions 2, 5; 18G.10, subdivisions 4, 5, 6; 18G.11, subdivision 1; 18G.12, subdivisions 1, 2; 18H.02, subdivisions 2, 3, 8, 9, 12, 12b, 12c, 14, 16, 18, 20, 24, 24a, 25, 26, 28, 32, 33, by adding subdivisions; 18H.03, subdivision 6; 18H.04; 18H.05; 18H.06, subdivision 2; 18H.07, subdivision 4, by adding subdivisions; 18H.08, subdivisions 1, 2; 18H.09; 18H.10; 18H.12; 18H.13; 18H.14; 18H.15; 18H.18; 18J.08, subdivision 1; 18K.04, subdivisions 1, 2; 18K.06; 25.39, subdivision 1; 25.391, subdivision 2; 28A.08, by adding a subdivision; 28A.082, subdivision 1; 28A.09, by adding a subdivision; 32D.02, subdivision 2; 32D.09, subdivision 2; 34A.04, subdivision 1; 35.02, subdivision 1; 35.05; 41A.14, subdivision 2; 41A.19; 116J.395, subdivision 7; 116J.396, subdivision 2; 223.16, by adding a subdivision; 223.17, subdivisions 7, 7a; 223.175; 223.19; 232.22, subdivision 5; Laws 2022, chapter 95, article 2, section 29, subdivision 6; article 4, section 2; proposing coding for new law in Minnesota Statutes, chapters 17; 18B; 18C; 116J; 223; repealing Minnesota Statutes 2022, sections 17.055, subdivision 2; 17.984; 18F.02, subdivisions 2, 9; 18F.12; 18G.02, subdivisions 12, 17, 21, 25, 29; 18H.02, subdivisions 10, 12a, 21, 22, 23, 29, 31, 32a, 34; 18H.06, subdivision 1; 18H.07, subdivisions 2, 3; 18K.05; 18K.09; 32D.03, subdivision 5; 32D.24; 32D.25; 32D.26; 32D.27; 32D.28; 35.156, subdivision 2; 41A.12, subdivision 4; 41A.21; 223.17, subdivisions 4, 8; 232.22, subdivisions 4, 6, 6a, 7.

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

ARTICLE 1
APPROPRIATIONS

Section 1. **AGRICULTURE APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2024" and "2025" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025.

	APPROPRIATIONS Available for the Year Ending June 30	
	2024	**2025**
Sec. 2. **DEPARTMENT OF AGRICULTURE**		
Subdivision 1. **Total Appropriation**	**$ 92,025,000**	**$ 72,223,000**

Appropriations by Fund

	2024	2025
General	91,626,000	71,824,000
Remediation	399,000	399,000

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

Subd. 2. **Protection Services**

Appropriations by Fund

	2024	2025
General	32,034,000	18,743,000
Remediation	399,000	399,000

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

(b) $625,000 the first year and $625,000 the second year are for the soil health financial assistance program under Minnesota Statutes, section 17.134. The commissioner may award no more than $50,000 of the appropriation each year to a single recipient. The commissioner may use up to 6.5 percent of this appropriation for costs incurred to administer the program. Any unencumbered balance does not cancel at the end of the first year and is available in the second year. Appropriations encumbered under contract on or before June 30, 2025, for soil health financial assistance grants are available until June 30, 2027. The base for this appropriation is $639,000 in fiscal year 2026 and each year thereafter.

(c) $800,000 the first year is for transfer to the pollinator research account established under Minnesota Statutes, section 18B.051. The base for this transfer is $100,000 in fiscal year 2026 and each year thereafter.

(d) $150,000 the first year and $150,000 the second year are for transfer to the noxious weed and invasive plant species assistance account established under Minnesota Statutes, section 18.89, to award grants under Minnesota Statutes, section 18.90, to counties, municipalities, and other weed management entities, including Minnesota Tribal governments as defined in Minnesota Statutes, section 10.65. This is a onetime appropriation.

(e) $175,000 the first year and $175,000 the second year are for compensation for destroyed or crippled livestock under

Minnesota Statutes, section 3.737. The first year appropriation may be spent to compensate for livestock that were destroyed or crippled during fiscal year 2023. If the amount in the first year is insufficient, the amount in the second year is available in the first year. The commissioner may use up to $5,000 each year to reimburse expenses incurred by university extension educators to provide fair market values of destroyed or crippled livestock. If the commissioner receives federal dollars to pay claims for destroyed or crippled livestock, an equivalent amount of this appropriation may be used to reimburse nonlethal prevention methods performed by federal wildlife services staff.

(f) $155,000 the first year and $155,000 the second year are for compensation for crop damage under Minnesota Statutes, section 3.7371. If the amount in the first year is insufficient, the amount in the second year is available in the first year. The commissioner may use up to $10,000 of the appropriation each year to reimburse expenses incurred by the commissioner or the commissioner's approved agent to investigate and resolve claims, as well as for costs associated with training for approved agents. The commissioner may use up to $40,000 of the appropriation each year to make grants to producers for measures to protect stored crops from elk damage. If the commissioner determines that claims made under Minnesota Statutes, section 3.737 or 3.7371, are unusually high, amounts appropriated for

either program may be transferred to the appropriation for the other program.

(g) $825,000 the first year and $825,000 the second year are to replace capital equipment in the Department of Agriculture's analytical laboratory.

(h) $75,000 the first year and $75,000 the second year are to support a meat processing liaison position to assist new or existing meat and poultry processing operations in getting started, expanding, growing, or transitioning into new business models.

(i) $2,200,000 the first year and $1,650,000 the second year are additional funding to maintain the current level of service delivery for programs under this subdivision. The base for this appropriation is $1,925,000 for fiscal year 2026 and each year thereafter.

(j) $250,000 the first year and $250,000 the second year are for grants to organizations in Minnesota to develop enterprises, supply chains, and markets for continuous-living cover crops and cropping systems in the early stages of commercial development. For the purposes of this paragraph, "continuous-living cover crops and cropping systems" refers to agroforestry, perennial biomass, perennial forage, perennial grains, and winter-annual cereal grains and oilseeds that have market value as harvested or grazed commodities. By February 1 each year, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture finance and policy detailing uses of the funds

in this paragraph, including administrative costs, and the achievements these funds contributed to. The commissioner may use up to 6.5 percent of this appropriation for administrative costs. This is a onetime appropriation.

(k) $45,000 the first year and $45,000 the second year are appropriated for wolf-livestock conflict-prevention grants. The commissioner may use some of this appropriation to support nonlethal prevention work performed by federal wildlife services. This is a onetime appropriation.

(l) $10,000,000 the first year is for transfer to the grain indemnity account established in Minnesota Statutes, section 223.24. This is a onetime transfer.

(m) $125,000 the first year and $125,000 the second year are for the PFAS in pesticides review. This is a onetime appropriation.

(n) $1,941,000 the first year is for transfer to the food handler license account. This is a onetime transfer.

Subd. 3. **Agricultural Marketing and Development**	5,165,000	4,985,000

(a) $150,000 the first year and $150,000 the second year are to expand international trade opportunities and markets for Minnesota agricultural products.

(b) $186,000 the first year and $186,000 the second year are for transfer to the Minnesota grown account and may be used as grants for Minnesota grown promotion under Minnesota Statutes, section 17.102. Notwithstanding

Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2025, for Minnesota grown grants in this paragraph are available until June 30, 2027.

(c) $634,000 the first year and $634,000 the second year are for the continuation of the dairy development and profitability enhancement programs, including dairy profitability teams and dairy business planning grants under Minnesota Statutes, section 32D.30.

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

(e) $600,000 the first year and $420,000 the second year are to maintain the current level of service delivery. The base for this appropriation is $490,000 for fiscal year 2026 and each year thereafter.

(f) $100,000 the first year and $100,000 the second year are for mental health outreach and support to farmers, ranchers, and others in the agricultural community and for farm safety grant and outreach programs under Minnesota Statutes, section 17.1195. Mental health outreach and support may include a 24-hour hotline, stigma reduction, and education. Notwithstanding Minnesota Statutes, section

16A.28, any unencumbered balance does not cancel at the end of the first year and is available in the second year. This is a onetime appropriation.

(g) $100,000 the first year and $100,000 the second year are to award and administer grants for infrastructure to support EBT, SNAP, SFMNP, and related programs at farmers markets. Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance does not cancel at the end of the first year and is available in the second year. This is a onetime appropriation.

(h) $200,000 the first year and $200,000 the second year are to award cooperative grants under Minnesota Statutes, section 17.1016. The commissioner may use up to 6.5 percent of the appropriation each year to administer the grant program. Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance does not cancel at the end of the first year and is available in the second year. This is a onetime appropriation.

Subd. 4. **Agriculture, Bioenergy, and Bioproduct Advancement**	37,809,000	33,809,000

(a) $10,702,000 the first year and $10,702,000 the second year are for the agriculture research, education, extension, and technology transfer program under Minnesota Statutes, section 41A.14. Except as provided below, the appropriation each year is for transfer to the agriculture research, education, extension, and technology transfer account under Minnesota Statutes, section 41A.14, subdivision 3, and the commissioner shall

transfer funds each year to the Board of Regents of the University of Minnesota for purposes of Minnesota Statutes, section 41A.14. To the extent practicable, money expended under Minnesota Statutes, section 41A.14, subdivision 1, clauses (1) and (2), must supplement and not supplant existing sources and levels of funding. The commissioner may use up to one percent of this appropriation for costs incurred to administer the program.

Of the amount appropriated for the agriculture research, education, extension, and technology transfer grant program under Minnesota Statutes, section 41A.14:

(1) $600,000 the first year and $600,000 the second year are for the Minnesota Agricultural Experiment Station's agriculture rapid response fund under Minnesota Statutes, section 41A.14, subdivision 1, clause (2);

(2) up to $1,000,000 the first year and up to $1,000,000 the second year are for research on avian influenza, salmonella, and other turkey-related diseases and disease prevention measures;

(3) $2,250,000 the first year and $2,250,000 the second year are for grants to the Minnesota Agricultural Education Leadership Council to enhance agricultural education with priority given to Farm Business Management challenge grants;

(4) $450,000 the first year is for the cultivated wild rice breeding project at the North Central

Research and Outreach Center to include a tenure track/research associate plant breeder;

(5) $350,000 the first year and $350,000 the second year are for potato breeding;

(6) $802,000 the first year and $802,000 the second year are to fund the Forever Green Initiative and protect the state's natural resources while increasing the efficiency, profitability, and productivity of Minnesota farmers by incorporating perennial and winter-annual crops into existing agricultural practices. The base for the allocation under this clause is $802,000 in fiscal year 2026 and each year thereafter. By February 1 each year, the dean of the College of Food, Agricultural and Natural Resource Sciences must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture finance and policy and higher education detailing uses of the funds in this paragraph, including administrative costs, and the achievements these funds contributed to; and

(7) $350,000 each year is for farm-scale winter greenhouse research and development coordinated by University of Minnesota Extension Regional Sustainable Development Partnerships. The allocation in this clause is onetime.

(b) The base for the agriculture research, education, extension, and technology transfer program is $10,352,000 in fiscal year 2026 and $10,352,000 in fiscal year 2027.

(c) $27,107,000 the first year and $23,107,000 the second year are for the agricultural growth, research, and innovation program under Minnesota Statutes, section 41A.12. Except as provided below, the commissioner may allocate this appropriation each year among the following areas: facilitating the start-up, modernization, improvement, or expansion of livestock operations, including beginning and transitioning livestock operations with preference given to robotic dairy-milking equipment; assisting value-added agricultural businesses to begin or expand, to access new markets, or to diversify, including aquaponics systems, with preference given to hemp fiber processing equipment; facilitating the start-up, modernization, or expansion of other beginning and transitioning farms, including by providing loans under Minnesota Statutes, section 41B.056; sustainable agriculture on-farm research and demonstration; the development or expansion of food hubs and other alternative community-based food distribution systems; enhancing renewable energy infrastructure and use; crop research, including basic and applied turf seed research; Farm Business Management tuition assistance; and good agricultural practices and good handling practices certification assistance. The commissioner may use up to 6.5 percent of this appropriation for costs incurred to administer the program.

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

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

(2) $5,750,000 the first year and $5,750,000 the second year are for incentive payments under Minnesota Statutes, sections 41A.16, 41A.17, 41A.18, and 41A.20. Notwithstanding Minnesota Statutes, section 16A.28, the first year appropriation is available until June 30, 2025, and the second year appropriation is available until June 30, 2026. If this appropriation exceeds the total amount for which all producers are eligible in a fiscal year, the balance of the appropriation is available for other purposes under this paragraph. The base under this clause is $3,000,000 in fiscal year 2026 and each year thereafter;

(3) $3,375,000 the first year and $3,375,000 the second year are for grants that enable retail petroleum dispensers, fuel storage tanks, and other equipment to dispense biofuels to the public in accordance with the biofuel replacement goals established under Minnesota Statutes, section 239.7911. A retail petroleum dispenser selling petroleum for use in spark ignition engines for vehicle model years after 2000 is eligible for grant money under this clause if the retail petroleum dispenser has no more than 10 retail petroleum dispensing sites and each site is located in Minnesota. The grant money must be used to replace or upgrade equipment that does not have the ability to be certified for E25. A grant

award must not exceed 65 percent of the cost of the appropriate technology. A grant award must not exceed $200,000 per station. The commissioner must cooperate with biofuel stakeholders in the implementation of the grant program. The commissioner, in cooperation with any economic or community development financial institution and any other entity with which the commissioner contracts, must submit a report on the biofuels infrastructure financial assistance program by January 15 of each year to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture policy and finance. The annual report must include but not be limited to a summary of the following metrics: (i) the number and types of projects financed; (ii) the amount of dollars leveraged or matched per project; (iii) the geographic distribution of financed projects; (iv) any market expansion associated with upgraded infrastructure; (v) the demographics of the areas served; (vi) the costs of the program; and (vii) the number of grants to minority-owned or female-owned businesses. The base under this clause is $3,000,000 for fiscal year 2026 and each year thereafter;

(4) $1,250,000 the first year and $1,250,000 the second year are for grants to facilitate the start-up, modernization, or expansion of meat, poultry, egg, and milk processing facilities. A grant award under this clause must not exceed $200,000. Any unencumbered balance at the end of the second year does not cancel until June 30, 2026, and may be used for other purposes under this paragraph. The base under

this clause is $250,000 in fiscal year 2026 and each year thereafter;

(5) $1,150,000 the first year and $1,150,000 the second year are for providing more fruits, vegetables, meat, poultry, grain, and dairy for children in school and early childhood education centers, including, at the commissioner's discretion, providing grants to reimburse schools and early childhood education centers for purchasing equipment and agricultural products. Of the amount appropriated, $150,000 each year is for a statewide coordinator of farm-to-institution strategy and programming. The coordinator must consult with relevant stakeholders and provide technical assistance and training for participating farmers and eligible grant recipients. The base under this clause is $1,294,000 in fiscal year 2026 and each year thereafter;

(6) $4,000,000 the first year is for Dairy Assistance, Investment, Relief Initiative (DAIRI) grants and other forms of financial assistance to Minnesota dairy farms that enroll in coverage under a federal dairy risk protection program and produced no more than 16,000,000 pounds of milk in 2022. The commissioner must make DAIRI payments based on the amount of milk produced in 2022, up to 5,000,000 pounds per participating farm, at a rate determined by the commissioner within the limits of available funding. Any unencumbered balance does not cancel at the end of the first year and is available in the second year. Any unencumbered balance at

the end of the second year does not cancel until June 30, 2026, and may be used for other purposes under this paragraph. The allocation in this clause is onetime;

(7) $2,000,000 the first year and $2,000,000 the second year are for urban youth agricultural education or urban agriculture community development; and

(8) $1,000,000 the first year and $1,000,000 the second year are for the good food access program under Minnesota Statutes, section 17.1017.

Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance does not cancel at the end of the first year and is available for the second year, and appropriations encumbered under contract on or before June 30, 2025, for agricultural growth, research, and innovation grants are available until June 30, 2028.

(d) The base for the agricultural growth, research, and innovation program is $16,294,000 in fiscal year 2026 and each year thereafter and includes $200,000 each year for cooperative development grants.

Subd. 5. **Administration and Financial Assistance**	16,618,000	14,287,000

(a) $474,000 the first year and $474,000 the second year are for payments to county and district agricultural societies and associations under Minnesota Statutes, section 38.02, subdivision 1. Aid payments to county and district agricultural societies and associations must be disbursed no later than July 15 of each

year. These payments are the amount of aid from the state for an annual fair held in the previous calendar year.

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

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

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

(e) $60,000 the first year and $60,000 the second year are for grants to the Northern Crops Institute that may be used to purchase equipment. This is a onetime appropriation.

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

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

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

(i) $100,000 the first year and $100,000 the second year are for grants to GreenSeam for assistance to agriculture-related businesses to support business retention and development, business attraction and creation, talent development and attraction, and regional branding and promotion. These are onetime appropriations. No later than December 1, 2024, and December 1, 2025, GreenSeam must report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture and rural

development with information on new and existing businesses supported, number of new jobs created in the region, new educational partnerships and programs supported, and regional branding and promotional efforts.

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

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

(2) to compensate agricultural producers and processors for costs incurred to harvest and package for transfer surplus fruits, vegetables,

and other agricultural commodities that would otherwise go unharvested, be discarded, or be sold in a secondary market. Surplus commodities must be distributed statewide to food shelves and other charitable organizations that are eligible to receive food from the food banks. Surplus food acquired under this clause must be from Minnesota producers and processors. Second Harvest Heartland may use up to 15 percent of each grant awarded under this clause for administrative and transportation expenses; and

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

Second Harvest Heartland must submit quarterly reports to the commissioner and the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture finance in the form prescribed by the commissioner. The reports must include but are not limited to information on the expenditure of funds, the amount of milk or other commodities purchased, and the organizations to which this food was distributed. The base for this appropriation is

$1,700,000 for fiscal year 2026 and each year thereafter.

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

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

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

(n) $50,000 the first year is to provide technical assistance and leadership in the development of a comprehensive and well-documented state aquaculture plan. The commissioner must provide the state

aquaculture plan to the legislative committees with jurisdiction over agriculture finance and policy by February 15, 2025.

(o) $337,000 the first year and $337,000 the second year are for farm advocate services. Of these amounts, $50,000 the first year and $50,000 the second year are for the continuation of the farmland transition programs and may be used for grants to farmland access teams to provide technical assistance to potential beginning farmers. Farmland access teams must assist existing farmers and beginning farmers with transitioning farm ownership and farm operation. Services provided by teams may include but are not limited to mediation assistance, designing contracts, financial planning, tax preparation, estate planning, and housing assistance.

(p) $260,000 the first year and $260,000 the second year are for a pass-through grant to Region Five Development Commission to provide, in collaboration with Farm Business Management, statewide mental health counseling support to Minnesota farm operators, families, and employees, and individuals who work with Minnesota farmers in a professional capacity. Region Five Development Commission may use up to 6.5 percent of the grant awarded under this paragraph for administration.

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

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

(s) $275,000 the first year is for technical assistance grants to certified community development financial institutions that participate in United States Department of Agriculture loan or grant programs for small or emerging farmers, including but not limited to the Increasing Land, Capital, and Market Access Program. For purposes of this paragraph, "emerging farmer" has the meaning given in Minnesota Statutes, section 17.055, subdivision 1. The commissioner may use up to 6.5 percent of this appropriation for costs incurred to administer the program. Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance does not cancel at the end of the first year and is available in the second year. This is a onetime appropriation.

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

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

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

(w) $1,200,000 the first year and $930,000 the second year are to maintain the current level of service delivery. The base for this appropriation is $1,085,000 in fiscal year 2026 and $1,085,000 in fiscal year 2027.

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

(y) $1,000,000 the first year and $1,000,000 the second year are to award and administer

down payment assistance grants under Minnesota Statutes, section 17.133, with priority given to emerging farmers as defined in Minnesota Statutes, section 17.055, subdivision 1. Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance at the end of the first year does not cancel and is available in the second year and appropriations encumbered under contract by June 30, 2025, are available until June 30, 2027.

(z) $222,000 the first year and $322,000 the second year are for meat processing training and retention incentive grants under section 5. The commissioner may use up to 6.5 percent of this appropriation for costs incurred to administer the program. Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance does not cancel at the end of the first year and is available in the second year. This is a onetime appropriation.

(aa) $300,000 the first year and $300,000 the second year are for transfer to the Board of Regents of the University of Minnesota to evaluate, propagate, and maintain the genetic diversity of oilseeds, grains, grasses, legumes, and other plants including flax, timothy, barley, rye, triticale, alfalfa, orchard grass, clover, and other species and varieties that were in commercial distribution and use in Minnesota before 1970, excluding wild rice. This effort must also protect traditional seeds brought to Minnesota by immigrant communities. This appropriation includes funding for associated extension and outreach

to small and Black, Indigenous, and People of Color (BIPOC) farmers. This is a onetime appropriation.

(bb) The commissioner shall continue to increase connections with ethnic minority and immigrant farmers to farming opportunities and farming programs throughout the state.

Sec. 3. **BOARD OF ANIMAL HEALTH**	**$**	**6,241,000**	**$**	**6,401,000**

(a) $200,000 the first year and $200,000 the second year are for agricultural emergency preparedness and response.

(b) $160,000 the first year and $320,000 the second year are to maintain the current level of service delivery.

Sec. 4. **AGRICULTURAL UTILIZATION RESEARCH INSTITUTE**	**$**	**6,143,000**	**$**	**4,343,000**

(a) $300,000 the first year is for equipment upgrades, equipment replacement, installation expenses, and laboratory infrastructure at the Agricultural Utilization Research Institute's laboratories in the cities of Crookston, Marshall, and Waseca.

(b) $1,500,000 the first year is to replace analytical and processing equipment and make corresponding facility upgrades at Agricultural Utilization Research Institute facilities in the cities of Marshall, Crookston, and Waseca. Of this amount, up to $500,000 may be used for renewable natural gas and anaerobic digestion projects. This is a onetime appropriation and is available until June 30, 2026.

(c) $300,000 the first year and $300,000 the second year are to maintain the current level of service delivery.

Sec. 5. **GRANTS FOR MEAT PROCESSING TRAINING AND RETENTION INCENTIVES.**

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

(b) "Partner organizations" include:

(1) foundations engaged in economic development;

(2) community development financial institutions;

(3) federally recognized economic development districts; and

(4) community development corporations.

(c) "Small- to medium-sized meat and poultry processor" means a meat and poultry processor licensed by the state of Minnesota or the federal government that has fewer than 150 employees.

Subd. 2. **Grants.** (a) The commissioner of agriculture must provide grants to partner organizations to assist small- to medium-sized meat and poultry processors with hiring and training new employees. New employees at eligible meat and poultry processing plants may receive up to $10,000 in the form of tuition reimbursement for programs at Minnesota State Colleges and Universities, sign-on bonuses, relocation assistance, retention incentives, child care stipends, and other related expenses. Employees at any one meat or poultry processor may not receive more than $50,000 under this paragraph.

(b) Up to 20 percent of a grant to a partner organization may be used for direct services to employees, including but not limited to translation services.

(c) Priority must be given to applications from partner organizations working in partnership with Minnesota State Colleges and Universities.

ARTICLE 2
AGRICULTURE STATUTORY CHANGES

Section 1. **[17.033] LICENSE AND PERMIT SURCHARGES.**

The commissioner may collect license and permit surcharges on all licensing and permitting transactions conducted by the Department of Agriculture for which a fee is charged. The surcharge applies to all initial and renewal license and permit applications and is calculated based on the license or permit base fee. Late penalties or other assessments are not included in the calculation of the surcharge. The fee is set at five percent beginning

August 1, 2023, with a minimum fee of $5 for each transaction. The surcharge rate must be reviewed and set annually by the commissioner and may be assessed at a rate of between three and eight percent of the licensing or permitting fee, with a minimum fee of $5 for each transaction. The fees collected for this surcharge must be deposited in a dedicated account in the agricultural fund. Money in the account, including interest, is appropriated to the commissioner for the information technology improvement activities needed to create electronic systems for conducting licensing and permitting transactions and to modernize the department's inspection and customer management systems.

Sec. 2. Minnesota Statutes 2022, section 17.055, subdivision 1, is amended to read:

Subdivision 1. **Emerging farmer working group.** To advise the commissioner and legislature regarding the development and implementation of programs and initiatives that support emerging farmers in this state, the commissioner must periodically convene a working group consisting, to the extent possible, of persons who are, and organizations that represent, farmers or aspiring farmers who are women, veterans, persons with disabilities, American Indian or Alaskan Natives, members of a community of color, young, ~~and~~ lesbian, gay, bisexual, transgender, queer, intersex, or asexual (LGBTQIA+), or urban, and any other emerging farmers as determined by the commissioner. ~~No later than January 15 each year, the commissioner must update the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture regarding the working group's activities and recommendations.~~

Sec. 3. Minnesota Statutes 2022, section 17.055, is amended by adding a subdivision to read:

Subd. 2a. **Emerging Farmers Office.** The Emerging Farmers Office exists to support emerging farmers. For purposes of this subdivision, "emerging farmer" has the meaning given in subdivision 1. At a minimum, the office must coordinate the emerging farmer working group under subdivision 1 and the beginning farmer equipment and infrastructure grant program under subdivision 3.

Sec. 4. Minnesota Statutes 2022, section 17.055, is amended by adding a subdivision to read:

Subd. 3. **Beginning farmer equipment and infrastructure grants.** (a) The commissioner may award and administer equipment and infrastructure grants to beginning farmers. The commissioner shall give preference to applicants who are emerging farmers as defined in subdivision 1. Grant money may be used for equipment and infrastructure development.

(b) The commissioner shall develop competitive eligibility criteria and may allocate grants on a needs basis.

(c) Grant projects may continue for up to two years.

Sec. 5. Minnesota Statutes 2022, section 17.055, is amended by adding a subdivision to read:

Subd. 4. **Report.** No later than February 1 each year, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture regarding the emerging farmer working group's activities, recommendations, and any grants awarded under this section.

Sec. 6. Minnesota Statutes 2022, section 17.1016, subdivision 2, is amended to read:

Subd. 2. **Grant program.** (a) The commissioner may establish and implement a grant program to help farmers finance new cooperatives that organize for purposes of operating an agricultural product processing facility or marketing an agricultural product or agricultural service.

(b) To be eligible for this program, a grantee must:

(1) be a cooperative organized under chapter 308A or 308B;

(2) certify that all control ~~and equity in~~ of the cooperative is from farmers, family farm partnerships, family farm limited liability companies, or family farm corporations as defined in section 500.24, subdivision 2, who are actively engaged in agricultural commodity production;

(3) be operated primarily to process agricultural commodities or market agricultural products or services produced in Minnesota; ~~and~~

(4) receive agricultural commodities produced primarily by shareholders or members of the cooperative; and

(5) not allow nonpatron voting rights.

(c) The commissioner may receive applications and make grants up to $50,000 to eligible grantees for feasibility, marketing analysis, assistance with organizational development, financing and managing new cooperatives, product development, development of business and marketing plans, and predesign of facilities, including site analysis, the development of bid specifications, preliminary blueprints and schematics, and the completion of purchase agreements and other necessary legal documents.

(d) Grants must be matched dollar-for-dollar with other money or in-kind contributions.

Sec. 7. Minnesota Statutes 2022, section 17.116, subdivision 3, is amended to read:

Subd. 3. **Awarding of grants.** (a) Applications for grants must be made to the commissioner on forms prescribed by the commissioner.

(b) The applications must be reviewed, ranked, and recommended by a technical review panel appointed by the commissioner. The technical review panel shall consist of a soil scientist, an agronomist, a representative from a postsecondary educational institution, an agricultural marketing specialist, two resident farmers of the state using sustainable agriculture methods, two resident farmers of the state using organic agriculture methods, and a chair from the department.

(c) The technical review panel shall rank applications according to the following criteria:

(1) direct or indirect energy savings or production;

(2) environmental benefit;

(3) farm profitability;

(4) the number of farms able to apply the techniques or the technology proposed;

(5) the effectiveness of the project as a demonstration;

(6) the immediate transferability of the project to farms; and

(7) the ability of the project to accomplish its goals.

(d) The commissioner shall consider the recommendations of the technical review panel and may award grants for eligible projects. Priority must be given to applicants who are farmers or groups of farmers.

(e) Grants for eligible projects may not exceed $25,000 unless the portion above $25,000 is matched on an equal basis by the applicant's cash ~~or in-kind land use contribution.~~ contribution or the value of the applicant's in-kind land use, equipment use, or personal labor. Grant recipients who are not required to provide a match and grant recipients whose in-kind contributions exceed the amount needed to meet matching requirements may submit the value of the grant recipients' labor or equipment use as an expense eligible for payment from grant money. Grant funding of projects may not exceed $50,000 under this section, but applicants may utilize other funding sources. A portion of each grant must be targeted for public information activities of the project.

(f) A project may continue for up to three years. Multiyear projects must be reevaluated by the technical review panel and the commissioner before second or third year funding is approved. A project is limited to one grant for its funding.

Sec. 8. Minnesota Statutes 2022, section 17.133, subdivision 2, is amended to read:

Subd. 2. **Grants.** The commissioner ~~must~~ may award farm down payment assistance grants of up to $15,000 per eligible farmer. ~~An eligible farmer must match the grant with at least an equivalent amount~~ Each award must be matched with at least $8,000 of other funding. Grants under this subdivision may be awarded by a randomized selection process after applications are collected over a period of no less than 30 calendar days. An eligible farmer must commit to own and farm the land purchased with assistance provided under this section for at least five years. For each year that a grant recipient does not own and farm the land during the five-year period, the grant recipient must pay a penalty to the commissioner equal to 20 percent of the grant amount.

Sec. 9. Minnesota Statutes 2022, section 17.133, subdivision 3, is amended to read:

Subd. 3. **Report to legislature.** No later than December 1, 2023, and annually thereafter, the commissioner must provide a report to the chairs and ranking minority members of the legislative committees having jurisdiction over agriculture and rural development, in compliance with sections 3.195 and 3.197, on the farm down payment assistance grants under this section. The report must include:

(1) background information on beginning farmers in Minnesota and any other information that the commissioner and authority find relevant to evaluating the effect of the grants on increasing opportunities for and the number of beginning farmers;

(2) the number and amount of grants;

(3) the geographic distribution of grants by county;

(4) the number of grant recipients who are emerging farmers;

(5) disaggregated data regarding the gender, race, and ethnicity of grant recipients;

~~(5)~~ (6) the number of farmers who cease to own land and are subject to payment of a penalty, along with the reasons for the land ownership cessation; and

~~(6)~~ (7) the number and amount of grant applications that exceeded the allocation available in each year.

Sec. 10. **[17.134] SOIL HEALTH FINANCIAL ASSISTANCE PROGRAM.**

Subdivision 1. **Establishment.** The commissioner must establish and administer a program to support healthy soil management practices in accordance with this section.

Subd. 2. **Eligible projects.** The commissioner may award a grant under this section for any project on agricultural land in Minnesota that will:

(1) increase the quantity of organic carbon in soil through practices, including but not limited to reduced tillage, cover cropping, manure management, precision agriculture, crop rotations, and changes in grazing management;

(2) integrate perennial vegetation into the management of agricultural lands;

(3) reduce nitrous oxide and methane emissions through changes to livestock, soil management, or nutrient optimization;

(4) increase the usage of precision agricultural practices;

(5) enable the development of site-specific management plans; or

(6) enable the purchase of equipment, parts and materials, technology, subscriptions, technical assistance, seeds, seedlings, or amendments that will further any of the purposes in clauses (1) to (5).

Subd. 3. **Grant eligibility.** Any owner or lessee of farmland may apply for a grant under this section. The commissioner must give preference to owners and lessees that have not previously implemented an eligible project. Local government units, including cities; towns; counties; soil and water conservation districts; Minnesota Tribal governments as defined in section 10.65; and joint powers boards, are also eligible for a grant. A local government unit that receives a grant for equipment or technology must make those purchases available for use by the public.

Subd. 4. **Report.** By January 15 each year, the commissioner must submit a report on the grants awarded under this section to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture policy and finance. The report must include the number of grants awarded by county and the combined value of those grants.

Sec. 11. Minnesota Statutes 2022, section 17.457, is amended to read:

17.457 RESTRICTED SPECIES.

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Commissioner" means the commissioner of agriculture or the commissioner's designee.

(c) "Restricted species" means Eurasian wild pigs and their hybrids (*Sus scrofa* subspecies and *Sus scrofa* hybrids), excluding domestic hogs (*S. scrofa domesticus*).

(d) "Release" means an intentional introduction or accidental escape of a species from the control of the owner or responsible party.

Subd. 2. **Importation; possession; release of restricted species.** It is unlawful for a person to import, possess, propagate, transport, or release restricted species, ~~except as provided~~ unless the person has a permit as described in subdivision 3.

Subd. 3. **Permits.** ~~(a)~~ The commissioner may issue permits for the transportation, possession, purchase, or importation of restricted species for scientific, research, educational, or commercial purposes. A permit issued under this subdivision may be revoked by the commissioner if the conditions of the permit are not met by the permittee or for any unlawful act or omission, including accidental escapes.

~~(b) The commissioner may issue permits for a person to possess and raise a restricted species for commercial purposes if the person was in possession of the restricted species on March 1, 1993. Under the permit, the number of breeding stock of the restricted species in the possession of the person may not increase by more than 25 percent and the person must comply with the certification requirements in subdivision 7.~~

~~(c) A person may possess a restricted species without a permit for a period not to exceed two days for the purpose of slaughtering the restricted species for human consumption.~~

Subd. 4. **Notice of ~~escape~~ release of restricted species.** In the event of ~~an escape~~ a release of a restricted species, the owner must notify within 24 hours a conservation officer and the Board of Animal Health and is responsible for the recovery of the species. The commissioner may capture or destroy the ~~escaped~~ released animal at the owner's expense.

Subd. 5. **Enforcement.** This section may be enforced by an enforcement officer under sections 97A.205 and 97A.211 and by the commissioner under sections 17.982 to 17.984.

Subd. 6. **Penalty.** A person who violates subdivision 2, 4, or 7 is guilty of a misdemeanor.

Subd. 7. **~~Certification and~~ Identification requirements.** ~~(a) A person who possesses restricted species on July 1, 1993, must submit certified numbers of restricted species in the person's possession to the Board of Animal Health by June 1, 1993.~~

~~(b)~~ A restricted species in the possession of a person must be marked in a permanent fashion to identify ownership. The restricted species must be marked as soon as practicable after birth or purchase.

Subd. 8. **Containment.** The commissioner, in consultation with the commissioner of natural resources, shall develop criteria for approved containment measures for restricted species ~~with the assistance of producers of restricted species~~.

Subd. 9. **Bond; security.** A person who possesses restricted species must ~~file a bond or deposit~~ provide proof of insurance or file a security bond with the commissioner ~~security in the form and~~ in ~~the~~ an amount determined by the commissioner to pay for the potential costs and damages that would be caused by ~~an escape~~ the release of a restricted species.

Subd. 10. **Fee.** The commissioner ~~shall~~ may impose a fee for permits in an amount sufficient to cover the costs of issuing the permits and for facility inspections. The fee may not exceed $50. Fee receipts must be deposited in the general fund.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 12. Minnesota Statutes 2022, section 17.710, is amended to read:

17.710 AGRICULTURAL ~~PRODUCTION~~ CONTRACTS.

(a) A production contract entered into, renewed, or amended on or after July 1, 1999, between an agricultural producer and a processor of agricultural products must not contain provisions that prohibit the producer from disclosing terms, conditions, and prices contained in the contract. Any provision prohibiting disclosure by the producer is void.

(b) A contract entered into, renewed, or amended on or after July 1, 2023, between an agricultural producer and an entity buying, selling, certifying, or otherwise participating in a market for stored carbon must not contain provisions that prohibit the producer from disclosing terms, conditions, and prices contained in the contract. Any provision prohibiting disclosure by the producer is void.

EFFECTIVE DATE. This section is effective July 1, 2023.

Sec. 13. Minnesota Statutes 2022, section 17.983, subdivision 1, is amended to read:

Subdivision 1. **Administrative penalties; citation.** If a person has violated a provision of chapter 25~~,~~ or 31B, ~~or 32D,~~ the commissioner may issue a written citation to the person by personal service or by certified mail. The citation must describe the nature of the violation and the statute or rule alleged to have been violated; state the time for correction, if

applicable; and the amount of any proposed fine. The citation must advise the person to notify the commissioner in writing within 30 days if the person wishes to appeal the citation. If the person fails to appeal the citation, the citation is the final order and not subject to further review.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 14. Minnesota Statutes 2022, section 18.78, subdivision 2, is amended to read:

Subd. 2. **Control of purple loosestrife and nonnative Phragmites.** An owner of nonfederal lands underlying public waters or wetlands designated under section 103G.201 is not required to control or eradicate purple loosestrife or nonnative Phragmites below the ordinary high water level of the public water or wetland. The commissioner of natural resources is responsible for control and eradication of purple loosestrife and nonnative Phragmites on public waters and wetlands designated under section 103G.201, except those located upon lands owned in fee title or managed by the United States. The officers, employees, agents, and contractors of the commissioner of natural resources may enter upon public waters and wetlands designated under section 103G.201 and, after providing notification to the occupant or owner of the land, may cross adjacent lands as necessary for the purpose of investigating purple loosestrife or nonnative Phragmites infestations, formulating methods of eradication, and implementing control and eradication of purple loosestrife or nonnative Phragmites. The commissioner of natural resources shall, by June 1 of each year, compile a priority list of purple loosestrife and nonnative Phragmites infestations to be controlled with herbicides in designated public waters. The commissioner of natural resources must distribute the list to county agricultural inspectors, local weed inspectors, and their appointed agents. The commissioner of natural resources shall control listed purple loosestrife and nonnative Phragmites infestations in priority order within the limits of funding allocated for that purpose. This procedure shall supersede the other provisions for control of noxious weeds set forth elsewhere in this chapter. The responsibility of the commissioner of natural resources to control and eradicate purple loosestrife and nonnative Phragmites on public waters and wetlands located on private lands and the authority to enter upon private lands ends ten days after receipt by the commissioner of a written statement from the landowner that the landowner assumes all responsibility for control and eradication of purple loosestrife and nonnative Phragmites under sections 18.78 to 18.88. State officers, employees, agents, and contractors of the commissioner of natural resources are not liable in a civil action for trespass committed in the discharge of their duties under this section and are not liable to anyone for damages, except for damages arising from gross negligence.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 15. Minnesota Statutes 2022, section 18B.01, subdivision 2b, is amended to read:

Subd. 2b. **Bee owner.** "Bee owner" means a person who owns ~~an apiary~~ a bee colony or colonies.

Sec. 16. Minnesota Statutes 2022, section 18B.01, is amended by adding a subdivision to read:

Subd. 2c. **Bee kill incident.** "Bee kill incident" means an acute pesticide poisoning of a bee colony or colonies located within one-half mile of each other at a single time point.

Sec. 17. Minnesota Statutes 2022, section 18B.01, is amended by adding a subdivision to read:

Subd. 4d. **Cleaning product.** "Cleaning product" means a pesticide used primarily for domestic, commercial, or institutional cleaning purposes, including but not limited to an air care product, an automotive maintenance product, a general cleaning product, or a polish or floor maintenance product.

Sec. 18. Minnesota Statutes 2022, section 18B.01, is amended by adding a subdivision to read:

Subd. 6c. **Currently unavoidable use.** "Currently unavoidable use" means a use of PFAS that is essential for health, safety, or the functioning of society and for which alternatives are not reasonably available. Currently unavoidable use may include consideration of the need to prevent or minimize potential pest resistance, and the potential human health and environmental impacts of alternative products.

Sec. 19. Minnesota Statutes 2022, section 18B.01, is amended by adding a subdivision to read:

Subd. 12a. **Intentionally added.** "Intentionally added" means PFAS deliberately added during the manufacture of a product where the continued presence of PFAS is desired in the final product or one of the product's components to perform a specific function.

Sec. 20. Minnesota Statutes 2022, section 18B.01, is amended by adding a subdivision to read:

Subd. 14c. **Minimum risk pesticide.** "Minimum risk pesticide" means a pesticide or class of pesticides that is exempt from the United States Environmental Protection Agency's registration requirements under section 25(b) of the federal Insecticide, Fungicide, and Rodenticide Act in Code of Federal Regulations, title 40, section 152.25(f).

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 21. Minnesota Statutes 2022, section 18B.01, is amended by adding a subdivision to read:

Subd. 15c. **Perfluoroalkyl and polyfluoroalkyl substances.** "Perfluoroalkyl and polyfluoroalkyl substances" or "PFAS" means a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

Sec. 22. Minnesota Statutes 2022, section 18B.03, subdivision 3, is amended to read:

Subd. 3. **Delegation and data sharing to approved agencies.** The commissioner may, by written agreements, delegate specific inspection, enforcement, and other regulatory duties of this chapter to officials of approved agencies. The commissioner may enter into data sharing agreements with other state agencies to help assess the potential for unreasonable adverse effects to human health and the environment from the use of a pesticide.

Sec. 23. Minnesota Statutes 2022, section 18B.03, is amended by adding a subdivision to read:

Subd. 5. **Perfluoroalkyl and polyfluoroalkyl substances.** The commissioner has the sole regulatory authority over the terrestrial application of pesticides containing PFAS, including but not limited to the application of pesticides to agricultural crops, structures, and other nonaquatic environments. In order to reduce duplication, a registrant is not required to provide technical data to another state agency if the registrant previously submitted the data to the commissioner and the data is available to the other state agencies.

Sec. 24. Minnesota Statutes 2022, section 18B.051, is amended to read:

18B.051 POLLINATOR RESEARCH ACCOUNT.

Subdivision 1. **Account established.** A pollinator research account is established in the agricultural fund. Money in the account, including interest, is appropriated to the Board of

Regents of the University of Minnesota for pollinator research and outreach, including~~,~~ but not limited to~~, science-based best practices and the identification and establishment of habitat beneficial to pollinators.~~:

(1) the identification and establishment of habitat beneficial to pollinators;

(2) the development and promotion of science-based best management practices;

(3) the development and promotion of practices that can reduce the effects of pesticides on pollinators;

(4) the effects of seed treatments on pollinators; and

(5) the development and promotion of integrated pest management, including pest economic thresholds.

The University of Minnesota must select projects in consultation with the Minnesota Department of Agriculture.

Subd. 2. **Expiration.** This section expires July 1, ~~2025~~ 2027.

Sec. 25. Minnesota Statutes 2022, section 18B.055, is amended to read:

18B.055 COMPENSATION FOR BEES KILLED BY PESTICIDE; APPROPRIATION.

Subdivision 1. **Compensation required.** (a) The commissioner must compensate a ~~person~~ bee owner for an acute pesticide poisoning resulting in the death of bees or loss of bee colonies owned by the ~~person, provided:~~ bee owner.

~~(1) the person who applied the pesticide cannot be determined;~~

~~(2) the person who applied the pesticide did so in a manner consistent with the pesticide product's label or labeling; or~~

~~(3) the person who applied the pesticide did so in a manner inconsistent with the pesticide product's label or labeling.~~

(b) Except as provided in this section, the bee owner is entitled to the fair market value of the dead bees and bee colonies losses as determined by the commissioner upon recommendation by academic experts and bee keepers. ~~In any fiscal year,~~ A bee owner must not be compensated for a claim that is less than $100 or compensated more than ~~$20,000 for all eligible claims.~~ $10,000 for a bee kill incident. A bee owner may only make one claim for a single bee kill incident.

(c) A bee owner must not be compensated more than $20,000 in a fiscal year for bee kill incidents.

~~(c)~~ (d) To be eligible for compensation under this section, the bee owner and the affected apiary must be registered prior to the bee kill incident with a commonly utilized pesticide registry program, as designated by the commissioner.

~~Subd. 2. **Applicator responsible.** In the event a person applies a pesticide in a manner inconsistent with the pesticide product's label or labeling requirements as approved by the commissioner and is determined to have caused the acute pesticide poisoning of bees, resulting in death or loss of a bee colony kept for commercial purposes, then the person so identified must bear the responsibility of restitution for the value of the bees to the owner. In these cases the commissioner must not provide compensation as provided in this section.~~

Subd. 3. **Claim form.** Within three months of the commissioner making a determination of whether the death of bees or loss of bee colonies was caused by acute pesticide poisoning, the bee owner must file a claim on forms provided by the commissioner and available on the Department of Agriculture's website.

Subd. 4. **Determination.** The commissioner must determine whether the death of the bees or loss of bee colonies was caused by an acute pesticide poisoning, whether the pesticide applicator can be determined, and whether the pesticide applicator applied the pesticide product in a manner consistent with the pesticide product's label or labeling.

Subd. 5. **Payments; denial of compensation.** ~~(a) If the commissioner determines the bee death or loss of bee colony was caused by an acute pesticide poisoning and either the pesticide applicator cannot be determined or the pesticide applicator applied the pesticide product in a manner consistent with the pesticide product's label or labeling, the commissioner may award compensation from the pesticide regulatory account. If the pesticide applicator can be determined and the applicator applied the pesticide product in a manner inconsistent with the product's label or labeling, the commissioner may collect a penalty from the pesticide applicator sufficient to compensate the bee owner for the fair market value of the dead bees and bee colonies losses, and must award the money to the bee owner.~~

~~(b)~~ (a) If the commissioner denies compensation claimed by a bee owner under this section, the commissioner must issue a written decision based upon the available evidence. The decision must include specification of the facts upon which the decision is based and the conclusions on the material issues of the claim. The commissioner must mail a copy of the decision to the bee owner.

~~(c)~~ (b) A decision to deny compensation claimed under this section is not subject to the contested case review procedures of chapter 14, but may be reviewed upon a trial de novo in a court in the county where the loss occurred. The decision of the court may be appealed as in other civil cases. Review in court may be obtained by filing a petition for review with the administrator of the court within 60 days following receipt of a decision under this section. Upon the filing of a petition, the administrator must mail a copy to the commissioner and set a time for hearing within 90 days of the filing.

Subd. 6. **Deduction from payment.** The commissioner must reduce payments made under this section by any compensation received by the bee owner for dead bees and bee colonies losses as proceeds from an insurance policy or from another source.

Subd. 6a. **Enhanced penalty factor.** If the commissioner determines that a bee death or loss of bee colony was caused by acute pesticide poisoning, is able to determine the pesticide applicator that was responsible, and determines that the applicator applied the pesticide in a manner inconsistent with the product's label or labeling, the commissioner may add the amount that the bee owner received from the bee owner's claim to any penalty amount assessed by the commissioner under any penalty actions against the pesticide applicator under section 18D.315 or 18D.325.

Subd. 7. **Appropriation.** The amount necessary to pay claims under this section, not to exceed $150,000 per fiscal year, is appropriated from the pesticide regulatory account in section 18B.05.

Sec. 26. Minnesota Statutes 2022, section 18B.065, subdivision 8, is amended to read:

Subd. 8. **Waste pesticide program surcharge.** (a) Except as provided in paragraph (b), the commissioner shall annually collect a waste pesticide program surcharge of $50 on each agricultural waste pesticide product and $125 on each nonagricultural waste pesticide product registered in the state as part of a pesticide product registration application under section 18B.26, subdivision 3.

(b) Pesticide products classified as minimum risk by the United States Environmental Protection Agency are exempt from the waste pesticide program surcharge.

Sec. 27. **[18B.091] PESTICIDES ON MEDICAL CANNABIS.**

A person working on behalf of an approved medical cannabis manufacturer may apply minimum risk pesticide for growing medical cannabis as defined in section 152.22, subdivision 6, unless:

(1) the commissioner determines that the product label prohibits the use of minimum risk pesticide on medical cannabis;

(2) the commissioner, in consultation with the commissioner of health, determines that the continued use of minimum risk pesticide would cause unreasonable adverse effects on human health; or

(3) the commissioner determines that the continued use of minimum risk pesticide would cause unreasonable adverse effects on the environment.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 28. Minnesota Statutes 2022, section 18B.26, is amended by adding a subdivision to read:

Subd. 7. **Notification required; waivers and extensions.** (a) Beginning January 1, 2026, a pesticide registrant must annually provide a statement that a product contains no intentionally added PFAS or, for products that contain intentionally added PFAS, a pesticide registrant must submit to the commissioner the following information:

(1) the name and purpose for which PFAS are used in the pesticide, including in any product components;

(2) the amount of each PFAS in the product, identified by its name, chemical structure, analytical methods, chemical abstracts service registry number, or other unique method approved by the commissioner; and

(3) any additional information required by the commissioner.

(b) The commissioner may waive all or part of the notification requirement under paragraph (a) if the commissioner determines that substantially equivalent information is available. The commissioner may extend the deadline for the submission of the information required under paragraph (a) if the commissioner determines that more time is needed by the registrant to comply with the submission requirement.

Sec. 29. Minnesota Statutes 2022, section 18B.26, is amended by adding a subdivision to read:

Subd. 8. **PFAS prohibitions.** (a) Beginning January 1, 2026, the commissioner may not register a cleaning product if the product contains intentionally added PFAS unless the commissioner determines that the use of PFAS is a currently unavoidable use.

(b) Beginning January 1, 2032, the commissioner may not register a pesticide product that contains intentionally added PFAS unless the commissioner determines that the use of PFAS is a currently unavoidable use.

Sec. 30. Minnesota Statutes 2022, section 18B.28, subdivision 3, is amended to read:

Subd. 3. **Application.** A person must file an application for experimental use pesticide product registration with the commissioner. An application to register an experimental use pesticide product must include:

(1) the name and address of the applicant;

(2) a copy of the United States Environmental Protection Agency permit;

(3) a description of the purpose or objectives of the experimental use;

(4) a copy of the experimental use pesticide labeling accepted by the United States Environmental Protection Agency;

(5) the name, address, and telephone number of cooperators or participants in this state;

(6) the amount of material to be shipped or used in this state; ~~and~~

(7) information about any intentionally added PFAS in the product, including PFAS ingredients, amount, chemical structure, analytical methods, and purposes for which PFAS are used in the product, including in any product components; and

~~(7)~~ (8) other information requested by the commissioner.

Sec. 31. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision to read:

Subd. 6b. **Currently unavoidable use.** "Currently unavoidable use" means a use of PFAS that is essential for health, safety, or the functioning of society and for which alternatives are not reasonably available.

Sec. 32. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision to read:

Subd. 15a. **Intentionally added.** "Intentionally added" has the meaning given in section 18B.01, subdivision 12a.

Sec. 33. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision to read:

Subd. 19a. **Manufacturer.** "Manufacturer" means a guarantor, registrant, distributor, producer, or other person that creates or produces a product or whose brand name is affixed to the product. In the case of a product imported into the United States, manufacturer includes the importer or first domestic distributor of the product if the person that manufactured or assembled the product or whose brand name is affixed to the product does not have a presence in the United States.

Sec. 34. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision to read:

Subd. 23a. **Perfluoroalkyl and polyfluoroalkyl substances.** "Perfluoroalkyl and polyfluoroalkyl substances" or "PFAS" has the meaning given in section 18B.01, subdivision 15c.

Sec. 35. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision to read:

Subd. 26a. **Product.** "Product" means a fertilizer, specialty fertilizer, soil amendment, plant amendment, agricultural liming material, or other material that is manufactured, assembled, packaged, or otherwise prepared for sale to consumers, including its product components, sold or distributed for agricultural, personal, residential, commercial, or industrial use, including for use in making other products, and that is regulated under this chapter.

Sec. 36. Minnesota Statutes 2022, section 18C.111, subdivision 3, is amended to read:

Subd. 3. **Delegation and data sharing to approved agencies.** The commissioner may, by written agreements, delegate specific inspection, enforcement, and other regulatory duties of this chapter to officials of other agencies. The delegation may only be made to a state agency, a political subdivision, or a political subdivision's agency that has signed a joint powers agreement with the commissioner as provided in section 471.59. The commissioner may also enter into data sharing agreements with other state agencies to help assess the potential for unreasonable adverse effects to human health and the environment from the use of a fertilizer.

Sec. 37. Minnesota Statutes 2022, section 18C.111, is amended by adding a subdivision to read:

Subd. 5. **Perfluoroalkyl and polyfluoroalkyl substances.** The Department of Agriculture is the lead state agency for the regulation of fertilizer containing PFAS, including the storage, handling, distribution, use, and disposal of fertilizer containing PFAS. In order to reduce duplication, a distributor, registrant, or guarantor is not required to provide technical data to another state agency if the distributor, registrant, or guarantor has previously submitted the data to the commissioner and the data is available to the other state agencies.

Sec. 38. **[18C.202] PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCES.**

Subdivision 1. **Notification required.** Beginning January 1, 2026, a product manufacturer must annually provide a statement that a product contains no intentionally added PFAS or, for products that contain intentionally added PFAS, must submit to the commissioner the following information:

(1) the name and purpose for which PFAS are used in the product, including in any product components;

(2) the amount of each PFAS chemical, identified by its name, chemical structure, analytical methods, chemical abstracts service registry number, or other method approved by the commissioner, in the product; and

(3) any additional information required by the commissioner.

Subd. 2. **Notification requirement waivers; extensions.** The commissioner may waive all or part of the notification requirement under subdivision 1 if the commissioner determines that substantially equivalent information is available. The commissioner may extend the deadline for the submission of the information required under subdivision 1 if the commissioner determines that more time is needed by the manufacturer to comply with the submission requirement. With the approval of the commissioner, a manufacturer may supply the information for a category or type of product rather than for each individual product. This may include raw materials used to produce blended fertilizers.

Subd. 3. **Prohibition.** Beginning January 1, 2032, the commissioner must not register or approve a product for use under this chapter if the product contains intentionally added PFAS unless the commissioner determines that the use of PFAS is a currently unavoidable use.

Sec. 39. Minnesota Statutes 2022, section 18C.421, subdivision 1, is amended to read:

Subdivision 1. **Annual tonnage report.** (a) Each registrant under section 18C.411 and licensee under section 18C.415 shall file an annual tonnage report for the previous year ending June 30 with the commissioner, on forms provided or approved by the commissioner, stating the number of net tons of each brand or grade of fertilizer, soil amendment, or plant amendment distributed in this state or the number of net tons and grade of each raw fertilizer material distributed in this state during the reporting period.

(b) A tonnage report is not required to be submitted and an inspection fee under section 18C.425, subdivision 6, is not required to be paid to the commissioner by a licensee who distributes fertilizer solely by custom application.

(c) The annual tonnage report must be submitted to the commissioner on or before July 31 of each year.

(d) The inspection fee ~~at the rate stated in~~ under section 18C.425, subdivision 6, must accompany the statement.

Sec. 40. Minnesota Statutes 2022, section 18C.425, subdivision 6, is amended to read:

Subd. 6. **Payment of inspection fee.** (a) The person who registers and distributes in the state a specialty fertilizer, soil amendment, or plant amendment under section 18C.411 shall pay the inspection fee to the commissioner.

(b) The person licensed under section 18C.415 who distributes a fertilizer to a person not required to be so licensed shall pay the inspection fee to the commissioner, except as exempted under section 18C.421, subdivision 1, paragraph (b).

(c) The person responsible for payment of the inspection fees for fertilizers, soil amendments, or plant amendments sold and used in this state must pay ~~an~~ the inspection fee ~~of 39 cents per ton~~ set under paragraph (e), and until June 30, 2024, an additional 40 cents per ton, of fertilizer, soil amendment, and plant amendment sold or distributed in this state, with a minimum of $10 on all tonnage reports. Notwithstanding section 18C.131, the commissioner must deposit all revenue from the additional 40 cents per ton fee in the agricultural fertilizer research and education account in section 18C.80. Products sold or distributed to manufacturers or exchanged between them are exempt from the inspection fee imposed by this subdivision if the products are used exclusively for manufacturing purposes.

(d) A registrant or licensee must retain invoices showing proof of fertilizer, plant amendment, or soil amendment distribution amounts and inspection fees paid for a period of three years.

(e) By commissioner's order, the commissioner must set the inspection fee at no less than 39 cents per ton and no more than 70 cents per ton. The commissioner must hold a public meeting before increasing the fee by more than five cents per ton.

Sec. 41. Minnesota Statutes 2022, section 18D.321, subdivision 1, is amended to read:

Subdivision 1. **Notice of appeal.** (a) After service of an order, a person has ~~45~~ 20 days from receipt of the order to notify the commissioner in writing that the person intends to contest the order.

(b) If the person fails to notify the commissioner that the person intends to contest the order, the order is a final order of the commissioner and not subject to further judicial or administrative review.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 42. Minnesota Statutes 2022, section 18F.01, is amended to read:

18F.01 PURPOSE.

The purpose of sections 18F.01 to 18F.13 is to establish ~~permits~~ conditions for the release of certain genetically engineered agriculturally related organisms to protect humans and the environment from the potential for significant adverse effects of those releases.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 43. Minnesota Statutes 2022, section 18F.02, is amended by adding a subdivision to read:

Subd. 3a. **Coordinated Framework.** "Coordinated Framework" means the federal Coordinated Framework for the Regulation of Biotechnology set forth in Federal Register, volume 51, pages 23,302 to 23,350 (June 26, 1986), as amended.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 44. Minnesota Statutes 2022, section 18F.02, is amended by adding a subdivision to read:

Subd. 7a. **Regulated organism.** "Regulated organism" means a genetically engineered organism that is not exempt from federal regulations or that is not yet authorized for commercial use by the appropriate federal agency in the Coordinated Framework.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 45. Minnesota Statutes 2022, section 18F.07, is amended to read:

18F.07 GENETICALLY ENGINEERED AGRICULTURALLY RELATED ORGANISM PERMIT.

Subdivision 1. **Requirement.** A person may not conduct a release of a genetically engineered agriculturally related organism until a permit for the release has been obtained from the ~~commissioner~~ United States Department of Agriculture (USDA) or Environmental Protection Agency (EPA) unless the organism is exempt from regulation by the applicable agency under the Coordinated Framework. The commissioner may accept a USDA or EPA permit or may review a USDA or EPA permit and add additional requirements to ensure that the proposed release of a genetically engineered agriculturally related organism would not create a hazard to the agricultural, forest, or horticultural interests of this state or the state's general environmental quality. ~~Each release of a genetically engineered agriculturally related organism requires a new permit until the commissioner determines by rule that the proposed use of the agriculturally related organism is no longer subject to regulation under this chapter.~~

Subd. 2. **Permit ~~application and~~ review.** (a) ~~After reviewing a completed application, the commissioner may issue a genetically engineered agriculturally related organism permit if the commissioner determines that the applicant has adequately demonstrated that the proposed release does not have the potential for unreasonable adverse effects on the environment.~~ If the commissioner reviews a USDA or EPA permit, the commissioner may ~~prescribe~~ recommend terms and conditions, including~~,~~ but not limited to~~,~~ the period for the genetically engineered agriculturally related organism permit, the amount or number of genetically engineered agriculturally related organisms to be used, monitoring activities, department inspection schedules, reporting of experiment results, and experiment termination procedures. ~~A person may not violate terms or conditions of a permit issued under this section.~~ After a genetically engineered agriculturally related organism permit is issued, the commissioner ~~may revoke or change the permit at any time~~ must inform the permitting

agency if the ~~commissioner finds that its~~ permit terms or conditions are being violated or are inadequate to avoid unreasonable adverse effects on the environment.

(b) The commissioner may ~~deny issuance of a genetically engineered agriculturally related organism permit if the commissioner determines that the use to be made of the agriculturally related organisms under the proposed terms and conditions may cause unreasonable adverse effects on the environment~~ request that the USDA or EPA not issue a permit if the commissioner determines that the release of the genetically engineered agriculturally related organism would create a hazard to the agricultural, forest, or horticultural interests of this state or the state's general environmental quality.

(c) The commissioner shall publish a notice of the proposed release at the earliest opportunity in the EQB Monitor and shall notify the chair of the county board and, if applicable, the Tribal council of any reservation where the organism will be released.

Subd. 3. **Application.** A person shall file an application for a genetically engineered agriculturally related organism permit with the ~~commissioner. The application must include:~~ appropriate federal agency in the Coordinated Framework, unless exempted as set forth in section 18F.13.

~~(1) the name and address of the applicant;~~

~~(2) any United States Environmental Protection Agency, United States Department of Agriculture, or other federal agency regulatory application or approval document, if required under federal law or rule;~~

~~(3) the purpose or objectives of the agriculturally related organism;~~

~~(4) the name, address, and telephone number of cooperators or participants in this state;~~

~~(5) the amount or number of organisms, materials, cultures, or seeds to be shipped or used in this state; and~~

~~(6) other information requested by the commissioner.~~

~~Subd. 4. **Application fee.** An application for a permit for a genetically engineered agriculturally related organism must be accompanied by a nonrefundable application fee of $125.~~

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 46. Minnesota Statutes 2022, section 18F.13, is amended to read:

18F.13 EXEMPTIONS.

~~(a)~~ The commissioner ~~may provide exemptions to the requirements to prepare an environmental assessment worksheet and obtain a permit for release of genetically engineered agriculturally related organisms for which substantial evidence, including past releases, has shown that the organism can be released without adverse effects on humans and the environment~~ must recognize federal exemptions for the regulation of genetically engineered organisms.

~~(b)~~ The commissioner ~~may provide exemptions from the requirements to prepare an environmental assessment worksheet and obtain a permit for release of genetically engineered agriculturally related organisms for which substantial evidence, including past releases, has shown that the organism can be released under alternative oversight without adverse effects to humans and the environment~~ must allow the commercial use of agriculturally related genetically engineered organisms, pesticides, fertilizers, soil amendments, or plant amendments that have been deregulated by any federal agency.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 47. Minnesota Statutes 2022, section 18G.02, subdivision 2, is amended to read:

Subd. 2. **Biological control agent.** "Biological control agent" means a ~~parasite~~ parasitoid, predator, pathogen, or competitive organism intentionally released by humans for the purpose of biological control with the intent of causing a reduction of a host or prey population.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 48. Minnesota Statutes 2022, section 18G.02, subdivision 6, is amended to read:

Subd. 6. **Compliance agreement.** "Compliance agreement" means a written agreement between ~~a person~~ an entity and a regulatory agency to achieve compliance with regulatory requirements.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 49. Minnesota Statutes 2022, section 18G.02, is amended by adding a subdivision to read:

Subd. 12a. **Individual.** "Individual" means a single human being who is not the sole proprietor of a registered business related to plant protection or export certification.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 50. Minnesota Statutes 2022, section 18G.02, subdivision 14, is amended to read:

Subd. 14. **Infested.** "Infested" means a plant ~~has been overrun by~~ that contains an unacceptable level of plant pests, including weeds, or contains or harbors plant pests in a quantity that may threaten other plants.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 51. Minnesota Statutes 2022, section 18G.02, subdivision 15, is amended to read:

Subd. 15. **Invasive species.** "Invasive species" means an exotic ~~or nonnative~~ species whose introduction and establishment causes, or may cause, economic or environmental harm or harm to human health.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 52. Minnesota Statutes 2022, section 18G.02, subdivision 16, is amended to read:

Subd. 16. **Mark.** "Mark" means an official indicator affixed by the commissioner for purposes of identification or separation, to, on, around, or near, plants or plant material known or suspected to be infested or infected with a plant pest or that otherwise needs to be distinguished from other plants or materials. This includes, but is not limited to, paint, markers, tags, seals, stickers, tape, ribbons, signs, or placards.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 53. Minnesota Statutes 2022, section 18G.02, subdivision 20, is amended to read:

Subd. 20. ~~**Person**~~ **Entity.** "~~Person~~ Entity" means ~~an individual,~~ a registered business such as a firm, corporation, partnership, association, trust, joint stock company, ~~or~~ unincorporated organization, or sole proprietorship; the state; a state agency; or a political subdivision.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 54. Minnesota Statutes 2022, section 18G.02, subdivision 22, is amended to read:

Subd. 22. **Phytosanitary certificate or export certificate.** "Phytosanitary certificate" or "export certificate" means a document authorized or prepared by a duly authorized federal or state official that affirms, declares, or verifies that an article, ~~nursery stock,~~ plant, plant

product, shipment, or any other officially regulated article meets applicable, legally established, plant pest regulations, including this chapter.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 55. Minnesota Statutes 2022, section 18G.02, subdivision 24, is amended to read:

Subd. 24. **Plant pest.** "Plant pest" ~~includes, but is not limited to, an invasive species or any pest of plants, agricultural commodities, horticultural products, nursery stock, or noncultivated plants by organisms such as~~ means any organism determined by the commissioner to be capable of causing harm to terrestrial plants, including but not limited to insects, snails, nematodes, fungi, viruses, bacterium, microorganisms, mycoplasma-like organisms, weeds, ~~plants,~~ and parasitic plants.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 56. Minnesota Statutes 2022, section 18G.02, subdivision 30, is amended to read:

Subd. 30. **Significant damage or harm.** "Significant damage" or "harm" means a level of adverse impact that results in unacceptable economic damage, injury, or loss ~~that exceeds the cost of control~~ for a particular ~~crop~~ plant.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 57. Minnesota Statutes 2022, section 18G.03, subdivision 1, is amended to read:

Subdivision 1. **Entry and inspection.** (a) The commissioner may enter and inspect a public or private place that might harbor plant pests and may require that the owner destroy or treat plant pests, plants, or other material.

(b) If the owner fails to properly comply with a directive of the commissioner, the commissioner may have any necessary work done at the owner's expense. The commissioner shall notify the owner of the deadline for paying those expenses. If the owner does not reimburse the commissioner for an expense within a time specified by the commissioner, the expense is a charge upon the county as provided in subdivision 4.

(c) If a ~~harmful~~ plant pest infestation or infection threatens plants of an area in the state, the commissioner may take any measures necessary to eliminate or alleviate the potential significant damage or harm.

(d) The commissioner may collect fees required by this chapter.

(e) The commissioner may issue and enforce written or printed "stop-sale" orders, compliance agreements, and other directives and requests to the owner or custodian of any plants or articles infested or infected with a ~~harmful~~ plant pest.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 58. Minnesota Statutes 2022, section 18G.04, subdivision 2, is amended to read:

Subd. 2. **Control order.** In order to prevent the introduction or spread of ~~harmful or dangerous~~ plant pests, the commissioner may issue orders for necessary control measures. These orders may indicate the type of specific control to be used, the compound or material, the manner or the time of application, and who is responsible for carrying out the control order. Control orders may include directions to control or abate the plant pest to an acceptable level; eradicate the plant pest; restrict the movement of the plant pest or any material, article, appliance, plant, or means of conveyance suspected to be carrying the plant pest; or destroy plants or plant products infested or infected with a plant pest. Material suspected of being infested or infected with a plant pest may be confiscated by the commissioner.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 59. Minnesota Statutes 2022, section 18G.05, is amended to read:

18G.05 DISCOVERY OF PLANT PESTS; OFFICIAL MARKING OF INFESTED OR INFECTED ARTICLES.

Upon knowledge of the existence of a ~~dangerous or injurious~~ plant pest ~~or invasive species~~ within the state, the commissioner may conspicuously mark all plants, infested areas, materials, and articles known or suspected to be infected or infested with the plant pest ~~or invasive species~~. ~~Persons, owners, or tenants~~ An entity or individual in possession of the premises or area in which the existence of the plant pest ~~or invasive species~~ is suspected must be notified by the commissioner with prescribed control measures. ~~A person~~ An entity or individual must comply with the commissioner's control order within the prescribed time. If the commissioner determines that satisfactory control or mitigation of the pest has been achieved, the order must be released.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 60. Minnesota Statutes 2022, section 18G.06, subdivision 2, is amended to read:

Subd. 2. **Quarantine notice.** (a) The commissioner may issue orders to take prompt regulatory action in plant pest emergencies on regulated articles. If continuing quarantine

action is required, a formal quarantine may be imposed. Orders may be issued to retain necessary quarantine action on a few properties if eradication treatments have been applied and continuing quarantine action is no longer necessary for the majority of the regulated area.

(b) The commissioner may place an emergency regulation or quarantine in effect without prior public notice in order to take immediate regulatory action to prevent the introduction or establishment of a plant pest.

(c) The commissioner may enter into cooperative agreements with the United States Department of Agriculture and other federal, state, city, or county agencies to assist in the enforcement of federal quarantines. The commissioner may adopt a quarantine or regulation against a plant pest or an area not covered by a federal quarantine. The commissioner may seize, destroy, or require treatment of products moved from a federally regulated area if they were not moved in accordance with the federal quarantine regulations or, if certified, they were found to be infested with the pest organism.

(d) The commissioner may impose a quarantine against a plant pest that is not quarantined in other states to prevent the spread of the plant pest within this state. The commissioner may enact a quarantine against a plant pest of regional or national significance even when no federal domestic quarantine has been adopted. These quarantines regulate intrastate movement between quarantined and nonquarantined areas of this state. The commissioner may enact a parallel state quarantine if there is a federal quarantine applied to a portion of the state.

(e) The commissioner may impose a state exterior quarantine if the plant pest is not established in this state but is established in other states. State exterior quarantines may be enacted even if no federal domestic quarantine has been adopted. The commissioner may issue control orders at destinations necessary to prevent the introduction or spread of plant pests.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 61. Minnesota Statutes 2022, section 18G.06, subdivision 5, is amended to read:

Subd. 5. **Public notification of a state quarantine or emergency regulation.** (a) For plant pest threats of imminent concern, the commissioner may declare an emergency quarantine or enact emergency orders.

(b) If circumstances permit, public notice and a public hearing must be held to solicit comments regarding the proposed state quarantine. If a plant pest threat is of imminent

concern and there is insufficient time to allow full public comment on the proposed quarantine, the commissioner may impose an emergency quarantine until a state quarantine can be implemented.

(c) Upon establishment of a state quarantine, and upon institution of modifications or repeal, notices must be sent to the principal parties of interest, including federal and state authorities, and to organizations representing the public involved in the restrictive measures.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 62. Minnesota Statutes 2022, section 18G.10, subdivision 4, is amended to read:

Subd. 4. **Phytosanitary and export certificates.** An exporter of plants or plant products desiring to originate shipments from Minnesota to a foreign country requiring a phytosanitary certificate or export certificate must submit an application to the commissioner. Application for phytosanitary certificates or export certificates must be made on forms provided or approved by the commissioner or the USDA. The commissioner may conduct inspections of plants, plant products, or facilities for persons that have applied for or intend to apply for a phytosanitary certificate or export certificate from the commissioner.

The commissioner may issue a phytosanitary certificate or export certificate if the plants or plant products satisfactorily meet the requirements of the importing state or foreign country and the United States Department of Agriculture requirements. The requirements of the destination states or countries must be met by the applicant.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 63. Minnesota Statutes 2022, section 18G.10, subdivision 5, is amended to read:

Subd. 5. **Certificate fees.** (a) The commissioner shall assess fees sufficient to recover all costs for the inspection, service, and work performed in carrying out the issuance of a phytosanitary certificate or export certificate.

(b) If laboratory analysis or other technical analysis is required to issue a certificate, the commissioner must set and collect the fee to recover this additional cost.

(c) The certificate fee is $75 or a fee amount, not to exceed $300, that is sufficient to recover all processing costs for each phytosanitary or export certificate issued. The certificate fee is in addition to any mileage or inspection time charges that are assessed.

(d) For services provided for in subdivision 7 that are goods and services provided for the direct and primary use of a private individual, business, or other entity, the commissioner must set and collect the fees to cover the cost of the services provided.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 64. Minnesota Statutes 2022, section 18G.10, subdivision 6, is amended to read:

Subd. 6. **Certificate denial or cancellation.** The commissioner may deny or cancel the issuance of a phytosanitary or export certificate for any of the following reasons:

(1) failure of the plants or plant products to meet quarantine, regulations, and requirements imposed by the country, state, or other jurisdiction for which the phytosanitary or export certificate is being requested;

(2) failure to completely or accurately provide the information requested on the application form;

(3) failure to ship the exact plants or plant products which were inspected and approved; or

(4) failure to pay any fees or costs due the commissioner.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 65. Minnesota Statutes 2022, section 18G.11, subdivision 1, is amended to read:

Subdivision 1. **Detection and control agreements.** The commissioner may enter into cooperative agreements with organizations, ~~persons~~ entities, civic groups, governmental agencies, or other organizations to adopt and execute plans to detect and control areas infested or infected with ~~harmful~~ plant pests. The cooperative agreements may include provisions of joint funding of any control treatment.

If a ~~harmful~~ plant pest infestation or infection occurs and cannot be adequately controlled by ~~individual persons~~ individuals, entities, owners, tenants, or local units of government, the commissioner may conduct the necessary control measures independently or on a cooperative basis with federal or other units of government.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 66. Minnesota Statutes 2022, section 18G.12, subdivision 1, is amended to read:

Subdivision 1. **Plant pest and invasive species research.** The commissioner shall conduct research to prevent the introduction or spread of ~~invasive species and~~ plant pests

that are also terrestrial invasive species into the state and to investigate the feasibility of their control or eradication.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 67. Minnesota Statutes 2022, section 18G.12, subdivision 2, is amended to read:

Subd. 2. **Statewide program.** The commissioner shall establish a statewide program to prevent the introduction and the spread of ~~harmful~~ plant ~~pest and~~ pests that are also terrestrial invasive species. To the extent possible, the program must provide coordination of efforts among governmental entities and private organizations.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 68. Minnesota Statutes 2022, section 18H.02, subdivision 2, is amended to read:

Subd. 2. **Agent.** "Agent" means ~~a person~~ an entity who, on behalf of another ~~person~~ entity, receives on consignment, contracts for, or solicits for sale on commission, a plant product from a producer or supplier of the product or negotiates the consignment or purchase of a plant product on behalf of another ~~person~~ entity.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 69. Minnesota Statutes 2022, section 18H.02, subdivision 3, is amended to read:

Subd. 3. **Annual.** "Annual" means a plant ~~growing in Minnesota~~ with a life cycle of less than one year when grown in Minnesota.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 70. Minnesota Statutes 2022, section 18H.02, subdivision 8, is amended to read:

Subd. 8. **Consignee.** "Consignee" means ~~a person~~ an entity to whom a plant, nursery stock, horticultural product, or plant product is shipped for handling, planting, sale, resale, or any other purpose.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 71. Minnesota Statutes 2022, section 18H.02, subdivision 9, is amended to read:

Subd. 9. **Consignor.** "Consignor" means ~~a person~~ an entity who ships or delivers to a consignee a plant, nursery stock, horticultural product, or plant product for handling, planting, sale, resale, or any other purpose.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 72. Minnesota Statutes 2022, section 18H.02, subdivision 12, is amended to read:

Subd. 12. **Distribute.** "Distribute" means offer for sale, sell, barter, give away, ship, deliver for shipment, receive and deliver, offer to deliver, receive on consignment, contract for, solicit for sale on commission, or negotiate the consignment or purchase in this state.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 73. Minnesota Statutes 2022, section 18H.02, subdivision 12b, is amended to read:

Subd. 12b. **Etiolated growth.** "Etiolated growth" means ~~bleached and unnatural growth resulting from the exclusion of sunlight~~ plant growth with reduced or no chlorophyll production due to a lack of sunlight. Etiolated growth is evidenced by pale, yellowish or white plants and weak, spindly stems.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 74. Minnesota Statutes 2022, section 18H.02, subdivision 12c, is amended to read:

Subd. 12c. **Individual.** "Individual" means a human being who is not the sole proprietor of a registered business selling plants for planting.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 75. Minnesota Statutes 2022, section 18H.02, subdivision 14, is amended to read:

Subd. 14. **Infested.** "Infested" means a plant ~~has been overrun by~~ that contains an unacceptable level of plant pests, including weeds, or contains or harbors plant pests in a quantity that may threaten other plants.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 76. Minnesota Statutes 2022, section 18H.02, is amended by adding a subdivision to read:

Subd. 15a. **Label.** "Label" means a legible tag or other signage attached to a specific plant or plant container that provides the identity of the plant and any other required or relevant information regarding the plant.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 77. Minnesota Statutes 2022, section 18H.02, is amended by adding a subdivision to read:

Subd. 15b. **Live plant dealer.** "Live plant dealer" means an entity who:

(1) raises, grows, or propagates nursery stock for sale, outdoors or indoors;

(2) acquires and further distributes nursery stock, including through landscaping or distribution with a tree spade; or

(3) operates a business in Minnesota selling nursery stock with or without taking ownership or handling the nursery stock.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 78. Minnesota Statutes 2022, section 18H.02, subdivision 16, is amended to read:

Subd. 16. **Mark.** "Mark" means an official indicator affixed by the commissioner for purposes of identification or separation to, on, around, or near plants or plant material known or suspected to be infested or infected with a plant pest or to otherwise distinguish the plants or plant material from other plants or materials. This includes, but is not limited to, paint, markers, tags, seals, stickers, tape, ribbons, signs, or placards.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 79. Minnesota Statutes 2022, section 18H.02, subdivision 18, is amended to read:

Subd. 18. **Nursery certificate.** "Nursery certificate" means a document issued by the commissioner recognizing that ~~a person~~ an entity is eligible to sell, offer for sale, or distribute certified nursery stock at a particular location under a specified business name.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 80. Minnesota Statutes 2022, section 18H.02, subdivision 20, is amended to read:

Subd. 20. **Nursery stock.** "Nursery stock" means a plant intended for planting or propagation, including, but not limited to, trees, shrubs, vines, perennials, biennials, grafts, cuttings, and buds that may be sold for propagation, whether cultivated or wild, and all viable parts of these plants. Nursery stock does not include:

(1) field and forage crops or sod;

(2) seeds;

(3) vegetable plants, bulbs, or tubers;

(4) cut material such as flowers or other herbaceous or woody plants, unless stems or other portions are intended for propagation;

(5) tropical plants;

~~(5)~~ (6) annuals; or

~~(6)~~ (7) Christmas trees.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 81. Minnesota Statutes 2022, section 18H.02, subdivision 24, is amended to read:

Subd. 24. **Owner.** "Owner" includes, but is not limited to, the ~~person~~ entity with the legal right of possession, proprietorship of, or responsibility for the property or place where any of the articles regulated in this chapter are found, or the ~~person~~ entity who is in possession of, proprietorship of, or has responsibility for the regulated articles.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 82. Minnesota Statutes 2022, section 18H.02, subdivision 24a, is amended to read:

Subd. 24a. **Packaged nursery stock.** "Packaged nursery stock" means bare root nursery stock packed with the roots in moisture-retaining material encased in plastic film or other material designed to hold the moisture-retaining material in place.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 83. Minnesota Statutes 2022, section 18H.02, subdivision 25, is amended to read:

Subd. 25. **~~Person~~ Entity.** ~~"Person"~~ "Entity" means ~~an individual,~~ a registered business such as a firm, a corporation, a partnership, an association, a trust, a joint stock company, an unincorporated organization, or a sole proprietorship; the state~~,~~; a state agency~~,~~; or a political subdivision.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 84. Minnesota Statutes 2022, section 18H.02, subdivision 26, is amended to read:

Subd. 26. **Place of origin.** "Place of origin" means the county and state where nursery stock was most recently certified or grown for at least one ~~full~~ growing season.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 85. Minnesota Statutes 2022, section 18H.02, subdivision 28, is amended to read:

Subd. 28. **Plant pest.** "Plant pest" means ~~a biotic agent that causes or may cause harm to~~ any organism that the commissioner determines is capable of causing harm to terrestrial plants, including but not limited to insects, snails, nematodes, fungi, viruses, bacteria, microorganisms, mycoplasma-like organisms, weeds, and parasitic plants.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 86. Minnesota Statutes 2022, section 18H.02, subdivision 32, is amended to read:

Subd. 32. **Sales location.** "Sales location" means a fixed location from which certified nursery stock is ~~displayed or~~ distributed or displayed with the intent to sell.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 87. Minnesota Statutes 2022, section 18H.02, subdivision 33, is amended to read:

Subd. 33. **Tree spade.** "Tree spade" means a mechanical device or machinery capable of removing nursery stock, root system, and soil from ~~the~~ a planting ~~in one operation~~.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 88. Minnesota Statutes 2022, section 18H.03, subdivision 6, is amended to read:

Subd. 6. **Dissemination of information.** The commissioner may disseminate information among ~~growers~~ live plant dealers relative to treatment of nursery stock in both prevention and elimination of attack by plant pests and diseases.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 89. Minnesota Statutes 2022, section 18H.03, subdivision 6, is amended to read:

Subd. 6. **Dissemination of information.** The commissioner may disseminate information among growers ~~relative to~~ regarding the treatment of nursery stock ~~in both prevention and elimination of~~ to prevent or eliminate the attack ~~by~~ of plant pests and diseases.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 90. Minnesota Statutes 2022, section 18H.04, is amended to read:

18H.04 ADOPTION OF RULES.

The commissioner may adopt rules to carry out the purposes of this chapter. The rules may include, but are not limited to, rules in regard to labeling and the maintenance of

viability and vigor of nursery stock. ~~Rules of the commissioner that are in effect on July 1, 2003, relating to plant protection, nursery inspection, or the Plant Pest Act remain in effect until they are superseded by new rules.~~

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 91. Minnesota Statutes 2022, section 18H.05, is amended to read:

18H.05 NURSERY CERTIFICATE REQUIREMENTS.

(a) No person may offer for sale or distribute certified nursery stock as a ~~nursery stock grower or~~ live plant dealer without first obtaining the appropriate nursery stock certificate from the commissioner. The commissioner may not issue a certificate to a person who does not sell certified nursery stock. Certificates are issued solely for these purposes and may not be used for other purposes.

(b) A certificate issued by the commissioner expires on December 31 of the year it is issued.

(c) A person required to be certified by this section must apply for a certificate or for renewal on a form furnished by the commissioner which must contain:

(1) the name and address of the applicant, the number of locations to be operated by the applicant and their addresses, and the assumed business name of the applicant;

(2) if other than an individual, a statement whether a person is a partnership, corporation, or other organization;

(3) the type of business to be operated and, if the applicant is an agent, the principals the applicant represents; and

(4) source or sources of purchased nursery stock.

(d) No person may:

(1) falsely claim to be a certified live plant dealer~~, grower, broker, or agent~~;

(2) make willful false statements when applying for a certificate; or

(3) sell or distribute certified nursery stock to an uncertified ~~nursery stock~~ live plant dealer who is required to be certified ~~or nursery stock grower~~.

(e) Each application for a certificate must be accompanied by the appropriate certificate fee under section 18H.07.

(f) Certificates issued by the commissioner must be prominently displayed to the public in the place of business where certified nursery stock is sold or distributed.

(g) The commissioner may refuse to issue a certificate for cause.

(h) Each ~~grower or~~ live plant dealer is entitled to one sales location under the certificate ~~of the grower or dealer~~. Each additional sales location maintained by the person requires the payment of the full certificate fee for each additional sales outlet.

~~(i) A grower who is also a dealer is certified only as a grower for that specific site.~~

~~(j)~~ (i) A certificate is personal to the applicant and may not be transferred. A new certificate is necessary if the business entity is changed or if the membership of a partnership is changed, whether or not the business name is changed.

~~(k)~~ (j) The certificate issued to a live plant dealer ~~or grower~~ applies to the particular premises named in the certificate. However, if prior approval is obtained from the commissioner, the place of business may be moved to the other premises or location without an additional certificate fee.

~~(l)~~ (k) A collector of nursery stock from the wild is required to obtain a ~~dealer's~~ live plant dealer certificate from the commissioner and is subject to all the requirements that apply to the inspection of nursery stock. All collected nursery stock must be labeled as "collected from the wild."

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 92. Minnesota Statutes 2022, section 18H.05, is amended to read:

18H.05 NURSERY CERTIFICATE REQUIREMENTS.

(a) No person may offer for sale or distribute certified nursery stock as a nursery stock grower or dealer without first obtaining the appropriate ~~nursery stock~~ certificate from the commissioner. The commissioner may not issue a certificate to ~~a person~~ an entity who does not sell certified nursery stock. Certificates are issued solely for these purposes and may not be used for other purposes.

(b) A certificate issued by the commissioner expires on December 31 of the year it is issued.

(c) ~~A person~~ An entity required to be certified by this section must apply for a certificate or for renewal on a form ~~furnished~~ established by the commissioner ~~which~~ that must contain:

(1) the name ~~and~~, address, and contact information of the applicant~~, the number of locations to be operated by the applicant and their addresses, and~~ ;

(2) the assumed business name of the applicant;

~~(2) if other than an individual, a statement whether a person is a partnership, corporation, or other organization;~~

~~(3) the type of business to be operated and, if the applicant is an agent, the principals the applicant represents; and~~

(3) the address of the sales location;

(4) the address or geographical description of any additional location where nursery stock will be handled, if applicable; and

~~(4)~~ (5) the source or sources of purchased nursery stock.

(d) No ~~person~~ entity may:

(1) falsely claim to be a certified dealer, grower, broker, or agent;

(2) make willful false statements when applying for a certificate; or

(3) sell or distribute certified nursery stock to an uncertified nursery stock dealer who is required to be certified or nursery stock grower.

(e) Each application for a certificate must be accompanied by the appropriate certificate fee under section 18H.07.

(f) Certificates issued by the commissioner ~~must~~ should be prominently displayed to the public in the place of business where certified nursery stock is sold or distributed.

(g) The commissioner may refuse to issue a certificate for cause.

(h) Each grower or dealer is entitled to one sales location under the certificate of the grower or dealer. Each additional sales location maintained by the ~~person~~ entity requires the payment of the full certificate fee ~~for each additional sales outlet~~.

(i) A grower who is also a dealer is certified only as a grower for that specific site.

(j) A certificate is personal to the applicant and may not be transferred. A new certificate is necessary if the business entity is changed or if the membership of a partnership is changed, whether or not the business name is changed.

(k) The certificate issued to a dealer or grower applies to the particular premises named in the certificate. However, if prior approval is obtained from the commissioner, the place

of business may be moved to the other premises or location without an additional certificate fee.

(l) A collector of nursery stock from the wild is required to obtain a dealer's certificate from the commissioner and is subject to all the requirements that apply to the inspection of nursery stock. All collected nursery stock must be labeled as "collected from the wild."

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 93. Minnesota Statutes 2022, section 18H.06, subdivision 2, is amended to read:

Subd. 2. **Occasional sales.** (a) An individual may offer nursery stock for sale and be exempt from the requirement to obtain a nursery stock certificate if:

(1) the gross sales of all nursery stock in a calendar year do not exceed ~~$2,000~~ $1,000;

(2) all nursery stock sold or distributed by the individual is intended for planting in Minnesota;

(3) all nursery stock ~~purchased or procured for resale or distribution was grown in Minnesota and has been certified by the commissioner~~ sold or distributed was grown by the individual in Minnesota; and

(4) the individual conducts sales or distributions of nursery stock on ten or fewer days in a calendar year.

~~(b) A municipality may offer certified nursery stock for sale and be exempt from the requirement to obtain a nursery stock certificate if:~~

~~(1) all nursery stock offered for sale or distributed is intended for planting by residents of the municipality on public property or public easements within the municipal boundary;~~

~~(2) all nursery stock purchased or procured for resale or distribution is grown in Minnesota and has been certified by the commissioner; and~~

~~(3) the municipality submits to the commissioner before any sale or distribution of nursery stock a list of all suppliers who provide the municipality with nursery stock.~~

~~(c)~~ (b) The commissioner may prescribe the conditions of the exempt nursery sales under this subdivision and may conduct routine inspections of the nursery stock offered for sale.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 94. Minnesota Statutes 2022, section 18H.07, is amended by adding a subdivision to read:

Subd. 3a. **Waiver of fees.** (a) A nonprofit organization or an individual may offer for sale certified nursery stock and be exempt from the requirement to pay certificate fees if the nonprofit organization or individual:

(1) sells or distributes certified nursery stock on ten or fewer days in a calendar year;

(2) uses the proceeds from certified nursery stock sales or distributions for nonprofit purposes; and

(3) obtains a nursery stock certificate.

(b) A municipality may offer for sale certified nursery stock and be exempt from the requirement to pay certificate fees if:

(1) all nursery stock offered for sale or distributed is intended for planting by residents of the municipality on public property or public easements in the municipality;

(2) all nursery stock purchased or procured for resale or distribution is grown in Minnesota and has been certified by the commissioner; and

(3) the municipality obtains a live plant dealer certificate.

(c) The commissioner may prescribe the conditions of nursery fee waivers and may conduct routine inspections of nursery stock offered for sale.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 95. Minnesota Statutes 2022, section 18H.07, is amended by adding a subdivision to read:

Subd. 3b. **New live plant dealer certificate.** An entity that was not distributing certified nursery stock for the past two full calendar years is considered a new applicant for the basis of fee determination. A new live plant dealer must pay the following fees:

(1) $50 fee for a live plant dealer certificate that allows for one retail sales location. A $50 certificate is required for each additional retail sales location; and

(2) a live plant dealer growing nursery stock requires an inspection for certification of that nursery stock prior to sale of the nursery stock and must be assessed an additional charge of $100 plus $10 per acre up to 200 acres. Acreage to be certified should be rounded to the nearest one acre. For the basis of fee determination, "growing nursery stock" means the purchase of seeds, seedlings, or small plants and the cultivation of the plants in fields

or containers in Minnesota for eventual sale, including cutting, splitting, and propagating plants.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 96. Minnesota Statutes 2022, section 18H.07, is amended by adding a subdivision to read:

Subd. 3c. **Live plant dealer renewal certificate.** (a) A renewal certificate is for a live plant dealer that has had a certificate in at least one of the past two full calendar years. A live plant dealer must pay an annual fee based on the following criteria:

(1) a $50 fee for a live plant dealer certificate that allows for one retail sales location. A $50 certificate is required for each additional retail sales location;

(2) a fee of gross annual purchases of certified nursery stock as noted in the table below with the intent to resell in the same year. These are plants that are watered and maintained only for the purposes of keeping the plants alive. Gross annual purchases are calculated for nursery stock purchases from January 1 through December 31 of the most recent certificate year according to the following table;

	Purchases	**Fee**
$0	to $3,000	$0
$3,001	to $10,000	$50
$10,001	to $20,000	$100
$20,001	to $50,000	$225
$50,001	to $100,000	$425
$100,001	to $150,000	$600
$150,001	to $200,000	$750
$200,001	to $300,000	$975
$300,001	to $400,000	$1,200
$400,001	to $500,000	$1,250
$500,001	to $600,000	$1,350
$600,001	to $700,000	$1,400
$700,001	to $800,000	$1,500
$800,001	to $900,000	$1,600
$900,001	to $1,000,000	$1,700
$1,000,001	to $2,000,000	$1,800
$2,000,001	to $3,000,000	$1,900
$3,000,001 or more		.0005 x annual purchases; and

(3) a live plant dealer growing nursery stock requires an inspection for certification of that nursery stock prior to sale and must be assessed an additional charge of $100 plus $10 per acre up to 200 acres. Acreage to be certified should be rounded to the nearest one acre. For the basis of fee determination, "growing nursery stock" is the purchase of seeds, seedlings, or small plants and the cultivation of plants in fields or containers in Minnesota for eventual sale, including cutting, splitting, and propagating plants.

(b) In addition to the fees in paragraph (a), a penalty of 25 percent of the fee due may be charged or a portion thereof, if the fee is delinquent or any application for renewal is not postmarked or electronically date stamped by December 31 of the current year.

(c) A live plant dealer operating without a valid certificate must not offer nursery stock for sale or sell nursery stock until a certificate is issued to the live plant dealer by the commissioner and the live plant dealer has paid any applicable fees and penalties in full.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 97. Minnesota Statutes 2022, section 18H.07, subdivision 4, is amended to read:

Subd. 4. **Reinspection; additional or optional inspection fees.** If ~~a reinspection~~ an irregular inspection is required or an additional inspection is needed or requested, a fee ~~must~~ may be assessed based on mileage and inspection time as follows:

(1) mileage must be charged at the current United States Internal Revenue Service reimbursement rate; and

(2) inspection time must be charged at a rate sufficient to recover all inspection costs, including the driving time to and from the location in addition to the time spent conducting the inspection.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 98. Minnesota Statutes 2022, section 18H.08, subdivision 1, is amended to read:

Subdivision 1. **Services and fees.** The commissioner may make small lot inspections or perform other necessary services for which another charge is not specified. For these services, the commissioner ~~shall~~ may set a fee plus expenses that will recover the cost of performing this service. The commissioner may set an additional acreage fee for inspection of seed production fields for exporters in order to meet domestic and foreign plant quarantine requirements.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 99. Minnesota Statutes 2022, section 18H.08, subdivision 2, is amended to read:

Subd. 2. **Virus disease-free certification.** The commissioner may provide special services such as virus disease-free certification and other similar programs. Participation by ~~nursery stock growers~~ live plant dealers is voluntary. Plants offered for sale as certified virus-free must be grown according to certain procedures in a manner defined by the commissioner for the purpose of eliminating viruses and other injurious disease or insect pests. The commissioner shall collect reasonable fees from participating ~~nursery stock growers~~ live plant dealers for services and materials that are necessary to conduct this type of work.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 100. Minnesota Statutes 2022, section 18H.09, is amended to read:

18H.09 NURSERY STOCK CERTIFICATION REQUIREMENTS.

(a) All nursery stock growing at sites identified by ~~nursery stock dealers or nursery stock growers~~ live plant dealers and submitted for inspection must be inspected by the commissioner within the previous 12 months prior to sale and found apparently free from quarantine and regulated nonquarantine pests as well as significantly dangerous or potentially damaging plant pests. The commissioner may waive a site inspection under the following conditions:

(1) the nursery stock is not going to be sold within 12 months;

(2) the nursery stock will not be moved out of Minnesota; and

(3) the nursery site or stock is not subject to certification requirements associated with a state or federally regulated or quarantined plant pest.

All nursery stock originating from out of state and offered for sale in Minnesota must have been inspected by the appropriate state or federal agency during the previous 12 months and found free from quarantine and regulated nonquarantine pests as well as significantly dangerous or potentially damaging plant pests. A nursery stock certificate is valid from January 1 to December 31.

(b) Nursery stock must be accessible to the commissioner for inspection during regular business hours. Weeds or other growth that hinder a proper inspection are grounds to suspend or withhold a certificate or require a reinspection.

(c) Inspection reports issued to ~~growers~~ live plant dealers must contain a list of the plant pests found at the time of inspection. Withdrawal-from-distribution orders are considered

part of the inspection reports. A withdrawal-from-distribution order must contain a list of plants withdrawn from distribution and the location of the plants.

(d) The commissioner may post signs to delineate sections withdrawn from distribution. These signs must remain in place until the commissioner removes them or grants written permission to the grower to remove the signs.

(e) Inspection reports issued to live plant dealers must outline the violations involved and corrective actions to be taken including withdrawal-from-distribution orders which would specify nursery stock that could not be distributed from a certain area.

(f) Optional inspections of plants may be conducted by the commissioner upon request by any persons desiring an inspection. A fee as provided in section 18H.07 must be charged for such an inspection.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 101. Minnesota Statutes 2022, section 18H.09, is amended to read:

18H.09 NURSERY STOCK CERTIFICATION REQUIREMENTS.

(a) All nursery stock growing at sites identified by nursery stock dealers or nursery stock growers and submitted for inspection must be inspected by the commissioner within the previous 12 months prior to sale and found apparently free from ~~quarantine and regulated nonquarantine pests as well as significantly dangerous or potentially damaging~~ plant pests. The commissioner may waive a site inspection under the following conditions:

(1) the nursery stock is not going to be sold within 12 months;

(2) the nursery stock will not be moved out of Minnesota; and

(3) the nursery site or stock is not subject to certification requirements associated with a state or federally regulated or quarantined plant pest.

All nursery stock originating from out of state and offered for sale in Minnesota must have been inspected by the appropriate state or federal agency during the previous 12 months and found free from ~~quarantine and regulated nonquarantine pests as well as~~ significantly dangerous or potentially damaging plant pests. A nursery stock certificate is valid from January 1 to December 31.

(b) Nursery stock must be accessible to the commissioner for inspection during regular business hours. Weeds or other growth that hinder a proper inspection are grounds to suspend or withhold a certificate or require a reinspection for which a fee may be charged.

(c) Inspection reports issued to growers must contain a list of the plant pests found at the time of inspection. Withdrawal-from-distribution or other orders are considered part of the inspection reports. A withdrawal-from-distribution or other order must contain a list of plants withdrawn from distribution and the location of the plants.

(d) The commissioner may ~~post signs to delineate~~ mark sections withdrawn from distribution or subject to other special circumstances. These ~~signs~~ marks must remain in place until the commissioner removes ~~them~~ the marks or grants written permission to the grower to remove the ~~signs~~ marks.

(e) Inspection reports issued to dealers must outline the violations involved and corrective actions to be taken including withdrawal-from-distribution orders which would specify nursery stock that could not be distributed from a certain area.

(f) Optional inspections of plants may be conducted by the commissioner upon request by any ~~persons~~ entity desiring an inspection. A fee as provided in section 18H.07 must be charged for such an inspection.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 102. Minnesota Statutes 2022, section 18H.10, is amended to read:

18H.10 STORAGE OF NURSERY STOCK.

(a) All nursery stock must be kept and displayed under conditions of temperature, light, and moisture sufficient to maintain the viability and vigor of the nursery stock.

(b) Packaged ~~dormant~~ nursery stock must be stored under conditions that retard growth, prevent etiolated growth, and protect its viability.

(c) Balled and burlapped nursery stock being held for sale ~~to the public~~ must be kept in a moisture-holding material approved by the commissioner and not toxic to plants. The moisture-holding material must adequately cover and protect the ball of earth and must be kept moist at all times. The commissioner may approve alternative nursery stock management practices to maintain the viability of balled and burlapped stock.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 103. Minnesota Statutes 2022, section 18H.12, is amended to read:

18H.12 DAMAGED, DISEASED, INFESTED, OR MISREPRESENTED STOCK.

(a) No ~~person~~ entity may knowingly offer to distribute, advertise, or display nursery stock that is infested or infected with ~~quarantine or regulated nonquarantine pests or~~

~~significant dangerous or potentially damaging~~ plant pests~~, including noxious weeds~~ or nursery stock that is in a dying condition, desiccated, frozen or damaged by freezing, or materially damaged in any way.

(b) No ~~person~~ entity may knowingly offer to distribute, advertise, or display nursery stock that may result in the capacity and tendency or effect of deceiving any purchaser or prospective purchaser as to the quantity, size, grade, kind, species name, age, variety, maturity, condition, vigor, hardiness, number of times transplanted, growth ability, growth characteristics, rate of growth, time required before flowering or fruiting, price, origin, place where grown, or any other material respect.

(c) Upon discovery or notification of damaged, diseased, infested, or misrepresented stock, the commissioner may place a ~~stop-sale~~ stop sale and a withdrawal from distribution order on the material. The order makes it an illegal action to distribute, give away, destroy, alter, or tamper with the plants.

(d) The commissioner may conspicuously mark all plants, materials, and articles known or suspected to be infected or infested with ~~quarantine or regulated nonquarantine pests or significant dangerous or potentially damaging~~ plant pests. The commissioner shall notify the persons, owners, or the tenants in possession of the premises or area in question of the existence of the plant pests.

(e) If the commissioner determines that this chapter has been violated, the commissioner may order that the nuisance, infestation, infection, or plant pest be abated by whatever means necessary, including, but not limited to, destruction, confiscation, treatment, return shipment, or quarantine.

(f) The plant owner is liable for all costs associated with a stop order or a quarantine, treatment, or destruction of plants. The commissioner is not liable for any actual or incidental costs incurred by ~~a person~~ an entity due to authorized actions of the commissioner. The commissioner must be reimbursed by the owner of plants for actual expenses incurred by the commissioner in carrying out a stop order.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 104. Minnesota Statutes 2022, section 18H.13, is amended to read:

18H.13 SHIPMENT OF NURSERY STOCK INTO MINNESOTA.

Subdivision 1. **Identification of origin.** Proof of valid nursery certification and origin of all nursery stock must accompany ~~the~~ any shipment. It is the shared responsibility of both the consignee and consignor to examine all shipments for the presence of current and

applicable nursery stock certifications for all plant material from all sources of stock in each shipment.

Subd. 2. **Reciprocity.** ~~A person~~ An entity residing outside the state may distribute nursery stock in Minnesota if:

(1) the ~~person~~ entity is duly certified under the nursery laws of the state where the nursery stock originates and the laws of that state are essentially equivalent to the laws of Minnesota as determined by the commissioner; and

(2) the ~~person~~ entity complies with this chapter and the rules governing nursery stock distributed in Minnesota.

Subd. 3. **Reciprocal agreements.** The commissioner may cooperate with and enter into reciprocal agreements with other states regarding licensing and movement of nursery stock. Reciprocal agreements with other states do not prevent the commissioner from prohibiting the distribution in Minnesota of any nursery stock that fails to meet minimum criteria for nursery stock of Minnesota certified growers, dealers, or both. An official directory of certified nurseries and related nursery industry businesses from other states is acceptable in lieu of individual nursery certificates.

Subd. 4. **Foreign nursery stock.** ~~A person~~ An entity receiving a shipment of nursery stock from a foreign country that has not been inspected and released by the United States Department of Agriculture at the port of entry must notify the commissioner of the arrival of the shipment, its contents, and the name of the consignor. The ~~person~~ entity must hold the shipment unopened until inspected or released by the commissioner.

Subd. 5. **Transportation companies.** ~~A person~~ An entity who acts as the representative of a transportation company, private carrier, commercial shipper, common carrier, express parcel carrier, or other transportation entity, and receives, ships, or otherwise distributes a carload, box, container, or any package of plants, plant materials, or nursery stock, that does not have all required certificates attached as required or fails to immediately notify the commissioner is in violation of this chapter.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 105. Minnesota Statutes 2022, section 18H.13, subdivision 3, is amended to read:

Subd. 3. **Reciprocal agreements.** The commissioner may cooperate with and enter into reciprocal agreements with other states regarding licensing and movement of nursery stock. Reciprocal agreements with other states do not prevent the commissioner from prohibiting the distribution in Minnesota of any nursery stock that fails to meet minimum criteria for

nursery stock of Minnesota certified ~~growers, dealers, or both~~ live plant dealers. An official directory of certified nurseries and related nursery industry businesses from other states is acceptable in lieu of individual nursery certificates.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 106. Minnesota Statutes 2022, section 18H.14, is amended to read:

18H.14 LABELING AND ADVERTISING OF NURSERY STOCK.

(a) Plants, plant materials, or nursery stock must not be labeled or advertised with false or misleading information including, but not limited to, the scientific name, variety, place of origin, and hardiness zone as defined by the United States Department of Agriculture~~,~~ ~~and growth habit~~.

(b) All nonhardy nursery stock as designated by the commissioner must be labeled correctly for hardiness or be labeled "nonhardy" in Minnesota.

(c) ~~A person~~ An entity may not offer for distribution plants, plant materials, or nursery stock, represented by some specific or special form of notation, including, but not limited to, "free from" or "grown free of," unless the plants are produced under a specific program approved by the commissioner to address the specific plant properties addressed in the special notation claim.

(d) Nursery stock collected from the wild state must be inspected and certified prior to sale and at the time of sale must be labeled "Collected from the Wild." The label must remain on each plant or clump of plants while it is offered for sale and during the distribution process. The collected stock may be grown in nursery rows at least two years, after which the plants may be sold without the labeling required by this paragraph.

(e) ~~A person selling at retail or providing to an end user~~ An entity may not label or advertise an annual plant, bedding plant, or other plant, plant material, or nursery stock as beneficial to pollinators if the annual plant, bedding plant, plant material, or nursery stock has:

(1) been treated with a systemic insecticide that:

(i) has a pollinator protection box on the label; or

(ii) has a pollinator, bee, or honey bee precautionary statement in the environmental hazards section of the insecticide product label; and

(2) a concentration in its flowers or leaves greater than the ~~no observed adverse effect level of a systemic insecticide~~ reference value.

The commissioner shall enforce this paragraph as provided in chapter 18J.

(f) For the purposes of paragraph (e):

(1) "systemic insecticide" means an insecticide that is both absorbed by the plant and translocated through the plant's vascular system; and

(2) ~~"no observed adverse effect level" means the level established by the United States Environmental Protection Agency for acute oral toxicity for adult honeybees~~ "reference value" means the most appropriate value determined by the commissioner of agriculture based on the commissioner's review of pollinator protective reference values published or approved by the United States Environmental Protection Agency. If a United States Environmental Protection Agency reference value is not available for a specific systemic insecticide or is not appropriate for use in Minnesota or for a specific type of plant, plant material, or nursery stock, the commissioner may consider reference values from other states, peer-reviewed literature, or other appropriate sources.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 107. Minnesota Statutes 2022, section 18H.15, is amended to read:

18H.15 VIOLATIONS.

(a) A person who offers to distribute nursery stock that is uncertified, uninspected, or falsely labeled or advertised possesses an illegal regulated commodity that is considered infested or infected with harmful plant pests and subject to regulatory action and control. If the commissioner determines that the provisions of this section have been violated, the commissioner may order the destruction of all of the plants unless the person:

(1) provides proper phytosanitary preclearance, phytosanitary certification, or nursery stock certification;

(2) agrees to have the plants, plant materials, or nursery stock returned to the consignor; and

(3) provides proper documentation, certification, or compliance to support advertising claims.

(b) The plant owner is liable for all costs associated with a withdrawal-from-distribution order or the quarantine, treatment, or destruction of plants. The commissioner is not liable for actual or incidental costs incurred by a person due to the commissioner's actions. The commissioner must be reimbursed by the owner of the plants for the actual expenses incurred

in carrying out a withdrawal-from-distribution order or the quarantine, treatment, or destruction of any plants.

(c) It is unlawful for a person to:

(1) misrepresent, falsify, or knowingly distribute, sell, advertise, or display damaged, mislabeled, misrepresented, infested, or infected nursery stock;

(2) fail to obtain a nursery certificate as required by the commissioner;

(3) fail to renew a nursery certificate, but continue business operations;

(4) fail to display a nursery certificate;

(5) misrepresent or falsify a nursery certificate;

(6) refuse to submit to a nursery inspection;

(7) fail to provide the cooperation necessary to conduct a successful nursery inspection;

(8) offer for sale uncertified plants, plant materials, or nursery stock;

(9) possess an illegal regulated commodity;

(10) violate or disobey a commissioner's order;

(11) violate a quarantine issued by the commissioner;

(12) fail to obtain phytosanitary certification for plant material or nursery stock brought into Minnesota;

(13) deface, mutilate, or destroy a nursery stock certificate, phytosanitary certificate, or phytosanitary preclearance certificate, or other commissioner mark, permit, or certificate;

(14) fail to notify the commissioner of an uncertified shipment of plants, plant materials, or nursery stock;

(15) transport uncertified plants, plant materials, or nursery stock in Minnesota; or

(16) sell nursery stock to an uncertified ~~nursery stock~~ live plant dealer who is required to be certified.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 108. Minnesota Statutes 2022, section 18H.15, is amended to read:

18H.15 VIOLATIONS.

(a) ~~A person~~ An entity who offers to distribute nursery stock that is uncertified, uninspected, or falsely labeled or advertised possesses an illegal regulated commodity that

is considered infested or infected with ~~harmful~~ plant pests and subject to regulatory action and control. If the commissioner determines that the provisions of this section have been violated, the commissioner may order the destruction of all of the plants unless the ~~person~~ entity:

(1) provides proper phytosanitary preclearance, phytosanitary certification, or nursery stock certification;

(2) agrees to have the plants, plant materials, or nursery stock returned to the consignor; and

(3) provides proper documentation, certification, or compliance to support advertising claims.

(b) The plant owner is liable for all costs associated with a withdrawal-from-distribution order or the quarantine, treatment, or destruction of plants. The commissioner is not liable for actual or incidental costs incurred by ~~a person~~ an entity due to the commissioner's actions. The commissioner must be reimbursed by the owner of the plants for the actual expenses incurred in carrying out a withdrawal-from-distribution order or the quarantine, treatment, or destruction of any plants.

(c) It is unlawful for ~~a person~~ an entity to:

(1) misrepresent, falsify, or knowingly distribute, sell, advertise, or display damaged, mislabeled, misrepresented, infested, or infected nursery stock;

(2) fail to obtain a nursery certificate as required by the commissioner;

(3) fail to renew a nursery certificate, but continue business operations;

~~(4) fail to display a nursery certificate;~~

~~(5)~~ (4) misrepresent or falsify a nursery certificate;

~~(6)~~ (5) refuse to submit to a nursery inspection;

~~(7)~~ (6) fail to provide the cooperation necessary to conduct a successful nursery inspection;

~~(8)~~ (7) offer for sale uncertified ~~plants, plant materials, or~~ nursery stock;

~~(9)~~ (8) possess an illegal regulated commodity;

~~(10)~~ (9) violate or disobey a commissioner's order;

~~(11)~~ (10) violate a quarantine issued by the commissioner;

~~(12)~~ (11) fail to obtain phytosanitary certification for plant material or nursery stock brought into Minnesota;

~~(13)~~ (12) deface, mutilate, or destroy a nursery stock certificate, phytosanitary certificate, or phytosanitary preclearance certificate, or other commissioner mark, permit, or certificate;

~~(14)~~ (13) fail to notify the commissioner of an uncertified shipment of ~~plants, plant materials, or~~ nursery stock;

~~(15)~~ (14) transport uncertified ~~plants, plant materials, or~~ nursery stock in Minnesota; or

~~(16)~~ (15) sell nursery stock to an uncertified nursery stock dealer who is required to be certified.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 109. Minnesota Statutes 2022, section 18H.18, is amended to read:

18H.18 CONSERVATION OF CERTAIN WILDFLOWERS.

Subdivision 1. **Restrictions on collecting.** No ~~person~~ entity shall distribute any species of orchids (*Orchidaceae*), any gentian (*Gentiana*), arbutus (*Epigaea repens*), lilies (*Lilium* species), coneflowers (*Echinacea* species), bloodroot (*Sanguinaria canadensis*), mayapple (*Podophyllum peltatutum*), any species of trillium (*Trillium* species), or lotus (*Nelumbo lutea*), ~~which~~ that have been collected in any manner from any public or private property without the written permission of the property owner ~~and~~. Plants listed in this subdivision that are intended to be offered for sale must have written authorization from the commissioner.

Subd. 2. **Collection without sale.** Wildflower collection from public or private land for the purpose of transplanting the plants to ~~a person's~~ an entity's private property and not offering for immediate sale, requires the written permission from the property owner of the land on which the wildflowers are growing.

Subd. 3. **Collection with intent to sell or distribute wildflowers.** (a) The wildflowers listed in this section may be offered for immediate sale only if the plants are to be used for scientific or herbarium purposes.

(b) The wildflowers listed in this section must not be collected and sold commercially unless the plants are:

(1) growing naturally, collected, and cultivated on the collector's property; or

(2) collected through the process described in subdivision 2 and transplanted and cultivated on the collector's property for at least one growing season before the sale.

(c) The collector must obtain a written permit from the commissioner before the plants may be offered for commercial sale.

(d) A wildflower listed under this section that is sold commercially must be individually labeled with a department permit number.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 110. Minnesota Statutes 2022, section 18J.08, subdivision 1, is amended to read:

Subdivision 1. **Notice of appeal.** (a) After service of an order, a person has ~~45~~ 20 days from receipt of the order to notify the commissioner in writing that the person intends to contest the order.

(b) If the person fails to notify the commissioner that the person intends to contest the order, the order is a final order of the commissioner and not subject to further judicial or administrative review.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 111. Minnesota Statutes 2022, section 18K.04, subdivision 1, is amended to read:

Subdivision 1. **Requirement; issuance; presumption.** (a) A person must obtain a license from the commissioner before (1) growing industrial hemp ~~for commercial or research purposes~~, ~~and~~ (2) ~~before~~ processing industrial hemp ~~for commercial purposes~~, or (3) researching industrial hemp.

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

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

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

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

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

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

Sec. 112. Minnesota Statutes 2022, section 18K.04, subdivision 2, is amended to read:

Subd. 2. **Background check; data classification.** The commissioner must require each first-time applicant for a license to submit to a background investigation conducted by the Bureau of Criminal Apprehension as a condition of licensure. Any first-time authorized representatives designated by the applicant must also submit to a background investigation. As part of the background investigation, the Bureau of Criminal Apprehension must conduct criminal history checks of Minnesota records and is authorized to exchange fingerprints with the United States Department of Justice, Federal Bureau of Investigation for the purpose of a criminal background check of the national files. The cost of the investigation must be paid by the applicant. Criminal history records provided to the commissioner under this section must be treated as private data on individuals, as defined in section 13.02, subdivision 12.

Sec. 113. Minnesota Statutes 2022, section 18K.06, is amended to read:

18K.06 RULEMAKING.

(a) The commissioner shall adopt rules governing the production, testing, processing, and licensing of industrial hemp. ~~Notwithstanding section 14.125, the commissioner's authority to adopt these rules expires June 30, 2022.~~ Notwithstanding the two-year limitation for exempt rules under section 14.388, subdivision 1, Minnesota Rules, chapter 1565, published in the State Register on August 16, 2021, is effective until August 16, 2025, or until permanent rules implementing chapter 18K are adopted, whichever occurs first.

(b) Rules adopted under paragraph (a) must include~~,~~ but not be limited to~~,~~ provisions governing:

(1) the supervision and inspection of industrial hemp during its growth and harvest;

(2) the testing of industrial hemp to determine delta-9 tetrahydrocannabinol levels;

(3) the use of background check results required under section 18K.04 to approve or deny a license application; and

(4) any other provision or procedure necessary to carry out the purposes of this chapter.

(c) Rules issued under this section must be consistent with federal law regarding the production, distribution, and sale of industrial hemp.

Sec. 114. Minnesota Statutes 2022, section 25.39, subdivision 1, is amended to read:

Subdivision 1. **Amount of fee.** (a) An inspection fee at the rate of 16 cents per ton must be paid to the commissioner on commercial feeds distributed in this state by the person who first distributes the commercial feed, except that:

(1) no fee need be paid on any feed ingredient in a customer formula feed that has been directly furnished by the customer; or

(2) no fee need be paid on a first distribution if made to a qualified buyer who, with approval from the commissioner, is responsible for the fee. Such license-specific tonnage-fee-exemption permits shall be issued on a calendar year basis to commercial feed licensees who distribute feed or feed ingredients outside the state, and who submit a $100 nonrefundable application fee and comply with rules adopted by the commissioner relative to record keeping, tonnage of commercial feed distributed in Minnesota, total of all commercial feed tonnage distributed, and all other information which the commissioner may require so as to ensure that proper inspection fee payment has been made.

(b) In the case of pet food or specialty pet food distributed in the state only in packages of ten pounds or less, a distributor must register each product ~~and submit a current label for each product~~ annually on forms provided by the commissioner, accompanied by an annual application fee of $100 for each product in lieu of the inspection fee, and within five business days, submit a current label for each product upon the request of the commissioner. This annual fee must be received by the commissioner on or before June 30 or postmarked on or before June 30. The inspection fee required by paragraph (a) applies to pet food or specialty pet food distributed in packages exceeding ten pounds.

(c) The minimum inspection fee is $75 per annual reporting period.

Sec. 115. Minnesota Statutes 2022, section 25.391, subdivision 2, is amended to read:

Subd. 2. **Direct sales to consumers.** An individual qualifying for the exemption under subdivision 1 may sell the exempt pet treats to consumers in accordance with section 28A.152, except that pet treats may also be delivered by mail or commercial delivery.

Sec. 116. Minnesota Statutes 2022, section 28A.08, is amended by adding a subdivision to read:

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

Sec. 117. Minnesota Statutes 2022, section 28A.082, subdivision 1, is amended to read:

Subdivision 1. **Fees; application.** (a) The fees for review of food handler facility floor plans under the Minnesota Food Code are based upon the square footage of the structure being newly constructed, remodeled, or converted. The fees for the review shall be:

square footage	review fee
0 - ~~4,999~~ 999.....	$ 200.00
1,000 - 4,999.....	$ 400.00
	~~275.00~~
5,000 - 24,999.....	$ 800.00
	~~425.00~~
25,000 plus.....	$ 1,000.00

(b) The applicant must submit the required fee, review application, plans, equipment specifications, materials lists, and other required information on forms supplied by the department at least 30 days prior to commencement of construction, remodeling, or conversion. The commissioner may waive this fee after determining that the facility's principal mode of business is not the sale of food and that the facility sells only prepackaged foods.

(c) The fee for a remodel of a licensed food establishment by the license holder is based on the total square footage in paragraph (a) of the remodeled food preparation, service, display, and storage areas only. This paragraph does not apply to a retail food handler who is applying for a new license that includes the conversion of an existing building or structure that was previously licensed as a food establishment.

Sec. 118. Minnesota Statutes 2022, section 28A.09, is amended by adding a subdivision to read:

Subd. 3. **Vending machine inspection account; appropriation.** A vending machine inspection account is established in the agricultural fund. Fees paid under subdivision 1

must be deposited in this account. Money in the account, including interest, is appropriated to the commissioner for expenses relating to identifying and inspecting food vending machines under chapters 28 to 34A or rules adopted under one of those chapters.

Sec. 119. Minnesota Statutes 2022, section 32D.02, subdivision 2, is amended to read:

Subd. 2. **Power and authority.** For the purpose of enforcing this chapter, the commissioner and the commissioner's assistants, agents, and employees have the power and authority granted under chapter 34A and sections 31.02 to 31.171.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 120. Minnesota Statutes 2022, section 32D.09, subdivision 2, is amended to read:

Subd. 2. **Permitting.** No person shall operate a dairy plant in this state unless the dairy plant, equipment, and water supply and plumbing system have been first approved by the commissioner and a permit issued to operate the same. ~~A permit may be revoked by the commissioner for due cause pursuant to section 34A.06.~~

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 121. Minnesota Statutes 2022, section 34A.04, subdivision 1, is amended to read:

Subdivision 1. **Enforcement required.** (a) The commissioner shall enforce this chapter and chapters 28, 28A, 29, 30, 31, 31A, 32D, and 34. To carry out the enforcement duties under these chapters, the commissioner may, upon presenting appropriate credentials, during regular working hours and at other reasonable times, inspect premises subject to the commissioner's enforcement and licensing authority; require information from persons with information relevant to an inspection; and inspect and copy relevant papers and records, including business records.

(b) The commissioner may administer oaths, take and cause to be taken depositions of witnesses, and issue subpoenas, and may petition the district court in the county in which the premises is located to compel compliance with subpoenas or to permit an inspection.

(c) Violations of chapters 28, 28A, 29, 30, 31, 31A, 32D, and 34, or rules adopted under chapters 28, 28A, 29, 30, 31, 31A, 32D, and 34, are a violation of this chapter.

(d) Upon the request of the commissioner, county attorneys, sheriffs, and other officers having authority in the enforcement of the general criminal laws shall take action to the extent of their authority necessary or proper for the enforcement of this chapter or standards, stipulations, and agreements of the commissioner.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 122. Minnesota Statutes 2022, section 35.02, subdivision 1, is amended to read:

Subdivision 1. **Members; officers.** The board has ~~six~~ seven members appointed by the governor with the advice and consent of the senate, ~~four~~ three of whom are producers of livestock in the state ~~and at least one of the four livestock producers~~; one of whom is ~~also~~ a member of a federally recognized Tribe located in Minnesota~~,~~ who is experienced in animal husbandry; and ~~two~~ three of whom are practicing veterinarians licensed in Minnesota, one of whom specializes in companion animals. To the extent practicable, the governor's appointments must achieve gender and geographic balance among the board membership. The commissioners of agriculture, natural resources, and health, the dean of the College of Veterinary Medicine, and the director of the Veterinary Diagnostic Laboratory of the University of Minnesota may serve as consultants to the board without vote. Appointments to fill unexpired terms must be made from the classes to which the retiring members belong. The board shall elect a president and a vice-president from among its members and a veterinarian licensed in Minnesota who is not a member to be its executive director for a term of one year and until a successor qualifies. The board shall set the duties of the director.

EFFECTIVE DATE. This section is effective July 1, 2023, and applies to appointments that occur on or after that date.

Sec. 123. Minnesota Statutes 2022, section 35.05, is amended to read:

35.05 AUTHORITY OF STATE BOARD.

(a) The state board may quarantine or kill any domestic animal infected with, or which has been exposed to, a contagious or infectious dangerous disease if it is necessary to protect the health of the domestic animals of the state.

(b) The board may regulate or prohibit the arrival in and departure from the state of infected or exposed animals and, in case of violation of any rule or prohibition, may detain any animal at its owner's expense. The board may regulate or prohibit the importation of domestic animals which, in its opinion, may injure the health of Minnesota livestock.

(c) When the governor declares an emergency under section 35.0661, the board, through its executive director, may assume control of such resources within the University of Minnesota's Veterinary Diagnostic Laboratory as necessary to effectively address the disease outbreak. The director of the laboratory and other laboratory personnel must cooperate fully in performing necessary functions related to the outbreak or threatened outbreak.

(d) The board may test or require tests of any bovine or cervidae in the state when the board deems it necessary to achieve or maintain bovine tuberculosis accredited free state or zone status under the regulations and laws administered by the United States Department of Agriculture.

(e) Notwithstanding section 3.3005, subdivision 2, the board may apply for, receive, and disburse federal money made available to the state for animal disease response. All federal money received by the board for this purpose must be deposited in the state treasury and~~, except as provided in section 35.156, subdivision 2,~~ is appropriated to the board for the purposes for which it was received. By January 15 each year, the board must report to the senate Committee on Finance, the house of representatives Committee on Ways and Means, and the legislative committees with jurisdiction over the board's operating budget regarding the amount of federal money received and spent in the previous fiscal year under this paragraph and the board's use of these funds.

Sec. 124. Minnesota Statutes 2022, section 41A.14, subdivision 2, is amended to read:

Subd. 2. **Advisory panel.** (a) In awarding grants under this section, the commissioner and a representative of the College of Food, Agricultural and Natural Resource Sciences at the University of Minnesota must consult with an advisory panel consisting of the following stakeholders:

(1) a representative of the Minnesota State Colleges and Universities system;

(2) a representative of the Minnesota Farm Bureau;

(3) a representative of the Minnesota Farmers Union;

(4) a person representing agriculture industry statewide;

(5) a representative of each of the state commodity councils organized under section 17.54 and the Minnesota Pork Board;

(6) a person representing an association of primary manufacturers of forest products;

(7) a person representing organic or sustainable agriculture; ~~and~~

(8) a person representing statewide environment and natural resource conservation organizations; and

(9) a person representing the interests of Minnesota Tribal governments as defined in section 10.65, subdivision 2, paragraph (a), clause (4).

(b) Members under paragraph (a), clauses (1) to (3) and (5), shall be chosen by their respective organizations. The member under paragraph (a), clause (9), may be appointed by the Minnesota Indian Affairs Council at the council's discretion.

Sec. 125. Minnesota Statutes 2022, section 41A.19, is amended to read:

41A.19 REPORT; INCENTIVE PROGRAMS.

By January 15 each year, the commissioner shall report on the incentive programs under sections 41A.16, 41A.17, 41A.18, and 41A.20~~, and 41A.21~~ to the legislative committees with jurisdiction over environment and agriculture policy and finance. The report shall include information on production and incentive expenditures under the programs.

Sec. 126. Minnesota Statutes 2022, section 223.16, is amended by adding a subdivision to read:

Subd. 3c. **Failure.** "Failure" means a determination by the commissioner that a grain buyer or grain warehouse has failed to pay for delivered grain, breached a contract, breached more than one contract, or failed to redeliver stored grain to a producer.

Sec. 127. Minnesota Statutes 2022, section 223.17, subdivision 7, is amended to read:

Subd. 7. ~~**Action on a bond**~~ **Breach of contract.** A producer claiming to be damaged by a breach of a contract for the purchase of grain by a ~~licensed~~ grain buyer may file a written claim with the commissioner. The claim must state the facts constituting the claim. ~~The claim must be filed with the commissioner within 180 days of the breach of the contract.~~ If a claim is valid, the commissioner may immediately suspend the license, in which case the licensee shall surrender the license to the commissioner. Within 15 days the licensee may request an administrative hearing subject to chapter 14 to determine whether the license should be revoked. If no request is made within 15 days, the commissioner shall revoke the license.

Sec. 128. Minnesota Statutes 2022, section 223.17, subdivision 7a, is amended to read:

Subd. 7a. **Bond requirements~~; claims~~.** For entities licensed under this chapter and chapter 232, the bond requirements and ~~claims~~ actions against the bond are governed under section ~~232.22, subdivision 6a~~ 223.28.

Sec. 129. Minnesota Statutes 2022, section 223.175, is amended to read:

223.175 WRITTEN VOLUNTARY EXTENSION OF CREDIT CONTRACTS; FORM.

A written confirmation required under section 223.177, subdivision 2, and a written voluntary extension of credit contract must include those items prescribed by the commissioner by rule. A contract shall include a statement of the legal and financial responsibilities of grain buyers and sellers established in this chapter. A contract shall also include the following statement in not less than ten point, all capital type, framed in a box with space provided for the seller's signature: "THIS CONTRACT CONSTITUTES A VOLUNTARY EXTENSION OF CREDIT. THIS CONTRACT ~~IS NOT COVERED BY ANY GRAIN BUYER'S BOND~~ MAY NOT BE COVERED COMPLETELY BY THE GRAIN INDEMNITY ACCOUNT." If a written contract is provided at the time the grain is delivered to the grain buyer, the seller shall sign the contract in the space provided beneath the statement. A transaction that does not meet the provisions of a voluntary extension of credit, including the issuance and signing of a voluntary extension of credit contract, is a cash sale.

Sec. 130. Minnesota Statutes 2022, section 223.19, is amended to read:

223.19 RULES.

The commissioner may make rules pursuant to chapter 14 to carry out the provisions of sections 223.15 to ~~223.23~~ 223.28.

Sec. 131. **[223.24] GRAIN INDEMNITY ACCOUNT.**

Subdivision 1. **Establishment.** The grain indemnity account is established in the agricultural fund. The grain indemnity account shall consist of grain indemnity premiums, money from any other source, and interest.

Subd. 2. **Account; appropriation.** (a) Money in the grain indemnity account, including interest, is appropriated to the commissioner to pay valid claims and to administer this section.

(b) The commissioner shall direct payments from the grain indemnity account only for the following purposes:

(1) the payment of valid claims;

(2) the payment of grain indemnity premium refunds;

(3) the payment of administrative expenses under paragraph (c);

(4) the payment of legal fees and legal expenses under subdivision 7; or

(5) the payment of a trustee appointed under subdivision 6.

(c) The commissioner shall allocate money from the grain indemnity account to a separate administrative expenses account to pay or reimburse the agency for grain indemnity account expenses. Administrative expenses under this paragraph include the actual cost of processing payments and refunds, enforcement, record keeping, ordinary management and investment fees connected with the operation of the grain indemnity account, and legal expenses.

Subd. 3. **Eligibility.** A producer is eligible to receive a grain indemnity payment from the commissioner if the producer sold grain to a grain buyer as defined in this chapter or stored grain with a public grain warehouse operator under chapter 232 and the producer is damaged by the grain buyer's or public grain warehouse operator's failure to pay for or redeliver grain.

Subd. 4. **Application.** (a) A producer asserting eligibility under subdivision 3 must file a completed claim with the commissioner. The producer must state the facts constituting the claim and all other information required by the commissioner.

(b) Upon receiving a claim, the commissioner must promptly determine the validity of the claim and notify the claimant of the commissioner's determination.

(c) An aggrieved party may appeal the commissioner's determination by requesting, within 15 days, that the commissioner initiate a contested case proceeding under chapter 14.

Subd. 5. **Payment limitation.** (a) For each failure as defined by section 223.16, subdivision 3c, the commissioner must pay the eligible producer:

(1) the amount equal to the value of the grain sold on cash sale, grain assigned to warehouse receipt, or grain assigned to open storage less than 180 days from the deposit;

(2) the amount equal to the value of grain sold up to $300,000, or the lesser of $750,000 or 75 percent of the amount owed to the seller for a contract in excess of $300,000 for a deferred or delayed payment contract for which a price has been established when the contract originated within 120 days of the breach of contract;

(3) the lesser of $750,000 or 75 percent of the amount owed to the seller for a voluntary extension of credit contract for which no price has been established when the contract originated within 180 days of the breach of contract;

(4) the lesser of $500,000 or 50 percent for an open storage assignment or a voluntary extension of credit contract when the open storage assignment or contract originated between 181 days and 18 months from the failure; or

(5) the lesser of $250,000 or 25 percent for an open storage assignment or a voluntary extension of credit contract when the open storage assignment or contract originated between 19 months and 36 months from the failure.

(b) Claims filed more than 36 months from the failure are not eligible for payment.

(c) For the purposes of this subdivision, multiple breaches of contract with a single entity constitute one failure.

(d) If a grain buyer holds both a Minnesota grain buyer license, as defined in chapter 223, and a license with the United States Department of Agriculture (USDA) under the United States Warehouse Act, a seller may only file a claim with the grain indemnity account if the seller sold grain as a cash sale or under a voluntary extension of credit contract. The commissioner must deny any claims for stored grain from a seller that holds both a Minnesota grain buyer license and a license with the USDA under the United States Warehouse Act.

(e) If valid claims exceed the amount of money available in the grain indemnity account, the commissioner must pay claims to producers in the order that the claims were received. When additional money becomes available, the commissioner must resume issuing grain indemnity payments to each eligible producer until each producer receives the maximum amount payable under paragraph (a).

(f) If the grain indemnity account balance is insufficient to pay refunds under section 223.26 and valid claims exist, once money is deposited into the grain indemnity account, the commissioner must issue pending refunds for grain indemnity premium payments before issuing payments to claimants.

Subd. 6. **Court order.** (a) The commissioner may apply to a district court for an order appointing a trustee or receiver to manage and supervise the operations of a grain buyer or public grain warehouse operator in default. The commissioner may participate in any resulting court proceeding as an interested party.

(b) The commissioner may recover the cost of the appointed trustee using money appropriated under subdivision 2.

Subd. 7. **Debt obligation; subrogated claim.** (a) Money paid by the commissioner to satisfy a valid claim constitutes a debt obligation of the grain buyer or public grain warehouse operator in default. The commissioner may take action against the grain buyer or public

grain warehouse operator to recover the amount of any claim payment plus reasonable costs, attorney fees, and interest computed at the rate provided in section 270C.40. The commissioner must deposit any amount recovered under this subdivision in the grain indemnity account.

(b) As a condition of payment from the commissioner, a producer must subrogate the producer's interest in any claims against the grain buyer or public grain warehouse operator, including any rights to any grain bond claims, to the commissioner in an amount equal to any claim payment or payments that the producer received under this section. The surety for any claims against the grain bond must make payments to the grain indemnity account.

(c) The commissioner may recover any debt to the grain indemnity account from a member of the board or management who acted negligently or fraudulently.

Sec. 132. **[223.25] GRAIN INDEMNITY PREMIUMS.**

Subdivision 1. **Charges.** (a) Except as provided in subdivision 3, producers of grain must be charged a grain indemnity premium as determined and published by the commissioner not to exceed 0.2 percent of the price on all marketed grain that is sold to a grain buyer as defined in chapter 223.

(b) The grain indemnity premiums required under this section are in addition to any other fees or assessments required by law.

Subd. 2. **Collection and submission of grain indemnity premiums.** (a) Each producer must pay to the commissioner a grain indemnity premium of not more than 0.2 percent of the net proceeds from all grain sold by the producer to a grain buyer purchasing grain in Minnesota. When a producer sells grain to a grain buyer, the grain buyer must deduct the grain indemnity premium from the proceeds of the sale and pay the grain indemnity premium to the commissioner on behalf of the producer.

(b) When purchasing grain from a producer, a grain buyer must deduct the grain indemnity premium described in paragraph (a) from the proceeds of the sale and notify the producer of the amount of the deduction in writing. The grain buyer must forward the grain indemnity premium to the commissioner for deposit into the grain indemnity account on behalf of the producer as described in this subdivision.

(c) A grain buyer must clearly indicate the grain indemnity premiums collected under paragraph (b) in the grain buyer's books and records. A grain buyer must retain books and records containing the grain indemnity premiums for at least three years. A grain buyer must make the grain buyer's books and records available for inspection by the commissioner

during regular business hours. The department must take steps reasonably necessary to verify the accuracy of the grain indemnity premiums as recorded in the grain buyer's books and records. Any record or portion thereof seized or copied by the commissioner is private or nonpublic data as provided in section 13.02, except that the commissioner may disclose data to aid in the law enforcement process.

(d) A grain buyer must submit grain indemnity premiums collected under paragraph (a) to the commissioner for the purpose of financing or contributing to the financing of the grain indemnity account by:

(1) January 31 for grain indemnity premiums collected during the months of July, August, September, October, November, and December; and

(2) July 31 for grain indemnity premiums collected during the months of January, February, March, April, May, and June.

Subd. 3. **Amount in grain indemnity account; basis for suspension and reinstatement of grain indemnity premium collection.** (a) Except as provided in paragraph (b), the grain indemnity premiums required under this section must be collected until the grain indemnity account contains more than $15,000,000 as of June 30 of any given year.

(b) The commissioner must not require the collection of additional grain indemnity premiums until the amount in the grain indemnity account drops below $8,000,000. In a year when the commissioner determines that the grain indemnity account is at or below $8,000,000, the commissioner may reinstate the collection described in this section. If the account contains at least $8,000,000, the commissioner may, after holding a public meeting, suspend premium payments for all producers in the event of economic hardship.

(c) The commissioner shall announce the intention to collect the premiums described in this section by May 1 with collection to begin July 1 until the grain indemnity account contains at least $15,000,000. The commissioner must notify the public of the commissioner's intent to reinstate collection of additional grain indemnity premiums through publication in the State Register and by notifying each licensee of the licensee's obligation to collect premiums.

Sec. 133. **[223.26] GRAIN INDEMNITY OPT OUT.**

(a) A producer that has paid a grain indemnity premium under section 223.25 may receive a refund of that premium from the grain indemnity account by submitting a written demand for a refund to the commissioner, delivered personally or by first-class mail within 12 months after the producer paid the grain indemnity premium.

(b) The commissioner must prepare a distributable flyer explaining how a producer can opt out of the grain indemnity program and must post the flyer on the Department of Agriculture website. A licensed business must make the flyers available for anyone visiting the licensed business.

(c) A producer must submit a demand for a refund of a grain indemnity premium under paragraph (a) on a demand for refund form developed by the commissioner. The commissioner must make the form available to a licensee, producer, or member of the public upon request.

(d) If a producer is entitled to a refund of a grain indemnity premium under this section, the commissioner must pay the refund within 90 days of receiving the demand for a refund. If the grain indemnity account balance is insufficient to pay refunds under this subdivision and valid claims exist, the commissioner must issue refunds for grain indemnity premium payments before issuing payments to claimants once money is deposited into the grain indemnity account.

(e) If the commissioner announces grain indemnity premiums as required under section 223.25, subdivision 3, by June 30, the commissioner must send a notice to each producer who requested a refund of a grain indemnity premium during the previous three fiscal years. The notice must inform the producer of the deadline for and method of submitting a demand for a refund to the commissioner under paragraphs (a) and (c) and the method for reentering the grain indemnity program under paragraph (f).

(f) A producer that receives a refund of a grain indemnity premium under paragraph (a) is not entitled to participate in the grain indemnity program or to receive any payment under this section unless the producer reenters the grain indemnity program by meeting all of the following conditions:

(1) the producer must submit a request for reentry into the grain indemnity program to the commissioner. The producer must submit the request on the form required by the commissioner and must deliver the request to the commissioner;

(2) the producer's request must be approved by the commissioner; and

(3) the producer must pay into the grain indemnity account all grain indemnity premiums that were refunded to the producer and interest on the refunds as determined by the commissioner.

(g) A producer that reenters the grain indemnity program under paragraph (f) is eligible to be reimbursed for claims under the grain indemnity program for any breach of contract that occurs at least 120 days after reentry.

(h) A producer is not eligible for a refund of a grain indemnity premium under this section if the producer has received payment from the grain indemnity account for a valid claim within the preceding 36 months.

Sec. 134. **[223.27] PENALTIES; ENFORCEMENT ACTION; COSTS AND EXPENSES.**

(a) In addition to any other penalty or remedy provided by law, a person who knowingly or intentionally commits any of the following is subject to civil penalties under section 18J.10:

(1) refusing or failing to collect any grain indemnity premiums as required under section 223.25;

(2) refusing or failing to pay to the commissioner any grain indemnity premiums collected under section 223.25;

(3) making a false statement, representation, or certification, or knowingly failing to make a required statement, representation, or certification in a record, report, or other document required under this chapter or filed with the commissioner; or

(4) resisting, preventing, impeding, or interfering with the commissioner in the performance of the commissioner's duties under this chapter.

(b) In addition to the civil penalty described in paragraph (a), the commissioner in an enforcement action for a violation described in paragraph (a), clause (1) or (2), must order the grain buyer to pay into the grain indemnity account any grain indemnity premiums collected by the grain buyer that the grain buyer owes to the grain indemnity account and may order the grain buyer to pay interest on the amount that the grain buyer owes to the grain indemnity account.

Sec. 135. **[223.28] GRAIN BONDS; NEW LICENSE HOLDERS.**

(a) Except as provided in paragraph (b), before the commissioner issues a grain buyer or public grain warehouse operator license, a person who has not been licensed to buy grain or operate a public grain warehouse in the previous licensing period must file with the commissioner a grain bond in a penal sum of $100,000. A grain bond must remain in effect for the first three years of the license.

(b) A grain buyer who purchases grain immediately upon delivery solely with cash; a certified check; a cashier's check; or a postal, bank, or express money order is exempt from this subdivision if the grain buyer's gross annual purchases are $1,000,000 or less.

(c) The commissioner may require a supplemental bond in an amount prescribed by the commissioner based on the financial statements required in section 223.17, subdivision 6.

(d) A grain bond must be on a form provided by the commissioner.

(e) A grain bond required under paragraphs (a) and (c) must provide for the payment of any loss caused by the grain buyer's failure to pay upon the owner's demand, including loss caused by the grain buyer's failure to pay within the time required. The grain bond must be conditioned upon the grain buyer being duly licensed.

(f) A grain bond required under paragraphs (a) and (c) that is obtained by a public grain warehouse operator must be conditioned that the public grain warehouse operator issuing a grain warehouse receipt is liable to the depositor for the delivery of the kind, grade, and net quantity of grain called for by the receipt. A grain bond must be conditioned upon the operator being duly licensed.

(g) A grain bond must not be cumulative from one licensing period to the next. The maximum liability of the grain bond must be the grain bond's face value for the licensing period.

(h) A grain bond must be continuous until canceled. To cancel a grain bond, a surety must provide 90 days' written notice of the grain bond's termination date to the licensee and the commissioner.

(i) Upon the commissioner's determination that a claim is valid, the surety for any claims against the grain bond must make payments to the grain indemnity account.

Sec. 136. Minnesota Statutes 2022, section 232.22, subdivision 5, is amended to read:

Subd. 5. **Statement of grain in storage; reports.** ~~(a) All public grain warehouse operators must by February 15 of each year file with the commissioner on a form approved by the commissioner a report showing the annual average liability of all grain outstanding on grain warehouse receipts, open storage, and grain stored for feed processing that occurred during the preceding calendar year. This report shall be used for the purpose of establishing the penal sum of the bond.~~

~~(b) Warehouse operators that are at a maximum bond and want to continue at maximum bond do not need to file this report.~~

~~(c) It is a violation of this chapter for any public grain warehouse operator to fail to file the report required in paragraph (a).~~

~~(d)~~ (a) Every public grain warehouse operator shall keep in a place of safety complete and accurate records and accounts relating to any grain warehouse operated. The records shall reflect each commodity received and shipped daily, the balance remaining in the grain warehouse at the close of each business day, a listing of all unissued grain warehouse receipts in the operator's possession, a record of all grain warehouse receipts issued which remain outstanding and a record of all grain warehouse receipts which have been returned for cancellation. Copies of grain warehouse receipts or other documents evidencing ownership of grain by a depositor, or other liability of the grain warehouse operator, shall be retained as long as the liability exists but must be kept for a minimum of three years.

~~(e)~~ (b) Every public grain warehouse operator must maintain in the grain warehouse at all times grain of proper grade and sufficient quantity to meet delivery obligations on all outstanding grain warehouse receipts.

Sec. 137. Laws 2022, chapter 95, article 2, section 29, subdivision 6, is amended to read:

Subd. 6. **Expiration.** This section expires ~~June 30~~ December 31, 2024.

Sec. 138. **REPORTS REQUIRED; PFAS IN PESTICIDES.**

The commissioner of agriculture must conduct a review of existing published literature and other available information on the presence of PFAS in pesticides used in Minnesota. The review must consider the presence of intentionally added PFAS in pesticide active and inert ingredients; the potential for PFAS that are not intentionally added in pesticides; an assessment of the use and necessity of pesticides containing PFAS in Minnesota; potential alternative products; and other considerations necessary to determine the risks of, and need for, PFAS in pesticide products used in Minnesota. The commissioner must submit an interim report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture no later than February 1, 2024, and a final report no later than February 1, 2025.

Sec. 139. **WOLF-LIVESTOCK CONFLICT-PREVENTION PROGRAM.**

(a) The commissioner of agriculture may award grants to livestock producers to prevent wolf-livestock conflicts. Livestock producers located in Minnesota are eligible to apply for reimbursement for the cost of practices to prevent wolf-livestock conflicts. The commissioner

may establish a cap on the amount of grant money that a recipient is eligible to receive annually.

(b) To be eligible for a grant under this section, a livestock producer must raise livestock within Minnesota's wolf range or on property determined by the commissioner to be affected by wolf-livestock conflicts.

(c) A grant applicant must document a cost-share of 20 percent for activities covered by a grant under this program. A grant applicant's cost-share amount may be reduced up to $2,000 to cover the time and labor costs of wolf-livestock conflict prevention activities.

(d) Eligible wolf-livestock conflict-prevention activities include but are not limited to:

(1) the purchase of guard animals;

(2) payment of veterinary costs for guard animals;

(3) the installation of wolf barriers, which may include pens, fladry, and fencing necessary to protect livestock;

(4) the installation of wolf-deterring lights and alarms; and

(5) the installation of calving or lambing shelters.

(e) Eligible grant recipients must:

(1) make a good faith effort to avoid wolf-livestock conflicts;

(2) make a good faith effort to care for guard animals paid for under this section;

(3) retain proper documentation of expenses;

(4) report annually to the commissioner on the effectiveness of the nonlethal methods employed; and

(5) allow follow-up evaluations and monitoring by the commissioner.

(f) Grant recipients shall continue to be eligible for depredation payments under Minnesota Statutes, section 3.737.

Sec. 140. **WILD RICE RESEARCH REPORT.**

The commissioner of agriculture must convene a group of stakeholders, including representatives of Minnesota Tribal governments as defined in Minnesota Statutes, section 10.65; cultivated wild rice producers; the College of Food, Agricultural and Natural Resource Sciences; and the University of Minnesota, to make recommendations about the future of the wild rice breeding program. The commissioner must submit a report on the

recommendations to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture by January 15, 2024.

Sec. 141. **REPORT REQUIRED; GRAIN ADVISORY GROUP.**

The commissioner of agriculture must convene members of the Grain Advisory Group and develop recommendations regarding financial statement and bonding requirements for licensed grain buyers and public grain warehouse operators to better protect farmers who sell and store grain in this state. No later than February 1, 2024, the commissioner must report recommendations to the legislative committees with jurisdiction over agriculture. Participating stakeholders must be given an opportunity to include written testimony in the commissioner's report.

Sec. 142. **REPEALER.**

Subdivision 1. **Grain buyers and warehouses.** Minnesota Statutes 2022, sections 223.17, subdivisions 4 and 8; and 232.22, subdivisions 4, 6, 6a, and 7, are repealed.

Subd. 2. **Financial assistance programs.** Minnesota Statutes 2022, sections 41A.12, subdivision 4; and 41A.21, are repealed.

Subd. 3. **Plants and nurseries.** Minnesota Statutes 2022, sections 18H.02, subdivisions 21, 22, and 23; and 18H.07, subdivisions 2 and 3, are repealed.

Subd. 4. **Emerging farmers.** Minnesota Statutes 2022, section 17.055, subdivision 2, is repealed.

Subd. 5. **Federal funds.** Minnesota Statutes 2022, section 35.156, subdivision 2, is repealed.

Subd. 6. **Genetically engineered organisms.** Minnesota Statutes 2022, sections 18F.02, subdivisions 2 and 9; and 18F.12, are repealed.

Subd. 7. **Plant protection and nurseries.** Minnesota Statutes 2022, sections 18G.02, subdivisions 12, 17, 21, 25, and 29; 18H.02, subdivisions 10, 12a, 29, 31, 32a, and 34; and 18H.06, subdivision 1, are repealed.

Subd. 8. **Hemp.** Minnesota Statutes 2022, sections 18K.05; and 18K.09, are repealed.

Subd. 9. **Dairy law.** Minnesota Statutes 2022, sections 17.984; 32D.03, subdivision 5; 32D.24; 32D.25; 32D.26; 32D.27; and 32D.28, are repealed.

EFFECTIVE DATE. Subdivision 3 is effective January 1, 2025.

ARTICLE 3
BROADBAND

Section 1. **BROADBAND DEVELOPMENT APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2024" and "2025" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025.

	APPROPRIATIONS Available for the Year Ending June 30	
	2024	**2025**
Sec. 2. **DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT**	**$ 75,350,000**	**$ 50,350,000**

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

(b) $75,000,000 the first year and $50,000,000 the second year are for transfer to the border-to-border broadband fund account established in Minnesota Statutes, section 116J.396. Of the amount transferred each year, $20,000,000 is for lower population density program grants under Minnesota Statutes, section 116J.3952. This is a onetime appropriation.

Sec. 3. Minnesota Statutes 2022, section 116J.395, subdivision 7, is amended to read:

Subd. 7. **Limitation.** (a) No grant awarded under this section may fund more than 50 percent of the total cost of a project.

(b) Grants awarded to a single project under this section must not exceed ~~$5,000,000~~ $10,000,000.

Sec. 4. **[116J.3952] LOWER POPULATION DENSITY GRANT PROGRAM.**

Subdivision 1. **Establishment.** A lower population density grant program is established in the Department of Employment and Economic Development. The purpose of the lower population density grant program is to provide broadband service to unserved and underserved areas of the state where a 50 percent match formula is not adequate to make a business case for the extension of broadband facilities.

Subd. 2. **Grants.** Grants awarded under this section may fund up to 75 percent of the total cost of a project and must otherwise adhere to section 116J.395, subdivisions 1 to 6 and subdivision 7, paragraph (b).

Sec. 5. Minnesota Statutes 2022, section 116J.396, subdivision 2, is amended to read:

Subd. 2. **Expenditures.** Money in the account may be used only:

(1) for grant awards made under sections 116J.395 ~~and~~ to ~~116J.3951~~ 116J.3952, including costs incurred by the Department of Employment and Economic Development to administer that section;

(2) to supplement revenues raised by bonds sold by local units of government for broadband infrastructure development; or

(3) to contract for the collection of broadband deployment data from providers and the creation of maps showing the availability of broadband service.

Sec. 6. Laws 2022, chapter 95, article 4, section 2, is amended to read:

Sec. 2. **LOWER POPULATION DENSITY PILOT PROGRAM.**

(a) The commissioner of employment and economic development must establish a pilot program to provide broadband service to unserved and underserved areas, as defined in Minnesota Statutes, section 116J.394, of the state where a 50 percent match formula is not adequate to make a business case for the extension of broadband facilities. Grants awarded under this section shall adhere to all other requirements of Minnesota Statutes, section 116J.395, subdivisions 1 to 6, and may fund up to 75 percent of the total cost of a project, notwithstanding Minnesota Statutes section 116J.395, subdivision 7. Grants awarded to a single project under this section may not exceed $10,000,000.

(b) The commissioner of employment and economic development may use up to $30,000,000 from the appropriations in sections 3 and 4 for the lower population density pilot program under paragraph (a).

(c) No later than December 31, 2023, the Office of Broadband Development must submit a report to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over broadband policy and finance analyzing the impacts of this section on the number and amounts of grants awarded under Minnesota Statutes, section 116J.395.

(d) This section expires December 31, 2026.

17.055 EMERGING FARMERS.

Subd. 2. **Expiration.** This section expires August 1, 2025.

17.984 INVESTIGATION.

Subdivision 1. **Authority.** To carry out the commissioner's enforcement duties under chapter 32D, the commissioner may, upon presenting appropriate credentials, during regular working hours and at other reasonable times, inspect premises subject to the commissioner's enforcement and licensing authority for reasons related to the commissioner's enforcement and licensing authority; request information from persons with information relevant to an inspection; and inspect relevant papers and records, including business records. The commissioner may issue notices in lieu of citations for minor violations if a notice is in the public interest.

Subd. 2. **Failure to comply.** The commissioner may administer oaths, take and cause to be taken depositions of witnesses, and issue subpoenas, and may petition the district court in the county in which the premises is located to compel compliance with subpoenas or to permit an inspection.

18F.02 DEFINITIONS.

Subd. 2. **Agency.** "Agency" means the Department of Agriculture.

Subd. 9. **Unreasonable adverse effects on the environment.** "Unreasonable adverse effects on the environment" means an unreasonable risk to humans or the environment, taking into account the environmental costs and benefits of the use of a genetically engineered organism.

18F.12 RULES.

The commissioner shall adopt rules governing the issuance of permits for proposed releases of genetically engineered agriculturally related organisms, experimental genetically engineered pesticides, and genetically engineered fertilizers, genetically engineered soil amendments, and genetically engineered plant amendments. The rules must include a requirement for environmental review subject to the provisions of chapter 116D and rules adopted under it. The rules must also include provisions requiring concurrent permit review for proposed releases that would require more than one permit under this chapter, chapter 18B or 18C.

18G.02 DEFINITIONS.

Subd. 12. **Harmful plant pest.** "Harmful plant pest" means a plant pest that constitutes a significant threat to the agricultural, forest, or horticultural interests of Minnesota or the general environmental quality of the state.

Subd. 17. **Nursery stock.** "Nursery stock" means a plant intended for planting or propagation, including, but not limited to, trees, shrubs, vines, perennials, biennials, grafts, cuttings, and buds that may be sold for propagation, whether cultivated or wild, and all viable parts of these plants. Nursery stock does not include:

(1) field and forage crops;

(2) the seeds of grasses, cereal grains, vegetable crops, and flowers;

(3) vegetable plants, bulbs, or tubers;

(4) cut flowers, unless stems or other portions are intended for propagation;

(5) annuals; or

(6) Christmas trees.

Subd. 21. **Pest.** "Pest" means any living agent capable of reproducing itself that causes or may potentially cause harm to plants or other biotic organisms.

Subd. 25. **Preclearance.** "Preclearance" means an agreement between quarantine officials of exporting and importing states to pass plants, plant material, or other items through quarantine by allowing the exporting state to inspect the plants preshipment, rather than the importing state inspecting the shipment upon arrival.

Subd. 29. **Regulated nonquarantine pest.** "Regulated nonquarantine pest" means a plant pest that has not been quarantined by state or federal agencies and whose presence in plants or articles may pose an unacceptable risk to nursery stock, other plants, the environment, or human activities.

18H.02 DEFINITIONS.

Subd. 10. **Container-grown.** "Container-grown" means a plant that was produced from a liner or cutting in a container.

Subd. 12a. **Dormant.** "Dormant" means nursery stock without etiolated growth.

Subd. 21. **Nursery stock broker.** "Nursery stock broker" means a nursery stock dealer engaged in the business of selling or reselling certified nursery stock as a business transaction without taking ownership or handling the nursery stock.

Subd. 22. **Nursery stock dealer.** "Nursery stock dealer" means a person involved in the acquisition and further distribution of certified nursery stock; the utilization of certified nursery stock for landscaping or purchase of certified nursery stock for other persons; or the distribution of certified nursery stock with a mechanical digger, commonly known as a tree spade, or by any other means. A person who purchases more than half of the certified nursery stock offered for sale at a sales location during the current certificate year is considered a nursery stock dealer rather than a nursery stock grower for the purposes of determining a proper fee schedule. Nursery stock brokers, landscapers, and tree spade operators are considered nursery stock dealers for purposes of determining proper certification.

Subd. 23. **Nursery stock grower.** "Nursery stock grower" includes, but is not limited to, a person who raises, grows, or propagates nursery stock, outdoors or indoors. A person who grows more than half of the certified nursery stock offered for sale at a sales location during the current certificate year is considered a nursery stock grower for the purpose of determining a proper fee schedule.

Subd. 29. **Public nuisance.** "Public nuisance" means:

(1) a plant, appliance, conveyance, or article that is infested with plant pests that may cause significant damage or harm; or

(2) premises where a plant pest is found.

Subd. 31. **Regulated nonquarantine pest.** "Regulated nonquarantine pest" means a plant pest that has not been quarantined by state or federal agencies and whose presence in plants or articles may pose an unacceptable risk to nursery stock, other plants, the environment, or human activities.

Subd. 32a. **Sod.** "Sod" means the upper portion of soil that contains the roots of grasses and the living grass plants.

Subd. 34. **Tree spade operator.** "Tree spade operator" means a person who uses a tree spade to dig, sell, offer for sale, distribute, or transport certified nursery stock.

18H.06 EXEMPT NURSERY SALES.

Subdivision 1. **Not-for-profit sales.** An organization or individual may offer for sale certified nursery stock and be exempt from the requirement to obtain a nursery stock dealer certificate if sales are conducted by a nonprofit charitable, educational, or religious organization that:

(1) conducts sales or distributions of certified nursery stock on ten or fewer days in a calendar year; and

(2) uses the proceeds from its certified nursery stock sales or distribution for charitable, educational, or religious purposes.

18H.07 FEE SCHEDULE.

Subd. 2. **Nursery stock grower certificate.** (a) A nursery stock grower must pay an annual fee based on the area of all acreage on which nursery stock is grown as follows:

(1) less than one-half acre, $150;

(2) from one-half acre to two acres, $200;

(3) over two acres up to five acres, $300;

(4) over five acres up to ten acres, $350;

(5) over ten acres up to 20 acres, $500;

(6) over 20 acres up to 40 acres, $650;

(7) over 40 acres up to 50 acres, $800;

(8) over 50 acres up to 200 acres, $1,100;

(9) over 200 acres up to 500 acres, $1,500; and

(10) over 500 acres, $1,500 plus $2 for each additional acre.

(b) In addition to the fees in paragraph (a), a penalty of ten percent of the fee due must be charged for each month, or portion thereof, that the fee is delinquent up to a maximum of 30 percent for any application for renewal not postmarked or electronically date stamped by December 31 of the current year.

(c) A nursery stock grower found operating without a valid nursery stock grower certificate cannot offer for sale or sell nursery stock until: (1) payment is received by the commissioner for (i) the certificate fee due, and (ii) a penalty equal to the certificate fee owed; and (2) a new certificate is issued to the nursery stock grower by the commissioner.

Subd. 3. **Nursery stock dealer certificate.** (a) A nursery stock dealer must pay an annual fee based on the dealer's gross sales of certified nursery stock per location during the most recent certificate year. A certificate applicant operating for the first time must pay the minimum fee. The fees per sales location are:

(1) gross sales up to $5,000, $150;

(2) gross sales over $5,000 up to $20,000, $175;

(3) gross sales over $20,000 up to $50,000, $300;

(4) gross sales over $50,000 up to $75,000, $425;

(5) gross sales over $75,000 up to $100,000, $550;

(6) gross sales over $100,000 up to $200,000, $675; and

(7) gross sales over $200,000, $800.

(b) In addition to the fees in paragraph (a), a penalty of ten percent of the fee due must be charged for each month, or portion thereof, that the fee is delinquent up to a maximum of 30 percent for any application for renewal not postmarked or electronically date stamped by December 31 of the current year.

(c) A nursery stock dealer found operating without a valid nursery stock dealer certificate cannot offer for sale or sell nursery stock until: (1) payment is received by the commissioner for (i) the certificate fee due, and (ii) a penalty equal to the certificate fee owed; and (2) a new certificate is issued to the nursery stock dealer by the commissioner.

18K.05 ANNUAL REPORT; SALES NOTIFICATION.

(a) Annually, a licensee must file with the commissioner:

(1) documentation demonstrating to the commissioner's satisfaction that the seeds planted by the licensee are of a type and variety that contain no more than three-tenths of one percent delta-9 tetrahydrocannabinol; and

(2) a copy of any contract to grow industrial hemp.

(b) Within 30 days, a licensee must notify the commissioner of each sale or distribution of industrial hemp grown by the licensee including, but not limited to, the name and address of the person receiving the industrial hemp and the amount of industrial hemp sold or distributed.

18K.09 PILOT PROGRAM; OTHER RESEARCH AUTHORIZED.

Subdivision 1. **Authorized activity.** The commissioner may grow or cultivate industrial hemp pursuant to a pilot program administered by the commissioner to study the growth, cultivation, or marketing of industrial hemp. The commissioner may: (1) authorize institutions of higher education to grow or cultivate industrial hemp as part of the commissioner's pilot program or as is necessary to perform other agricultural, renewable energy, or academic research; and (2) contract with public or private entities for testing or other activities authorized under this subdivision. Authorized activity under this section may include collecting seed from wild hemp sources.

Subd. 2. **Site registration.** Before growing or cultivating industrial hemp pursuant to this section, each site must be registered with and certified by the commissioner. A person must register each

site annually in the form prescribed by the commissioner and must pay the annual registration and certification fee established by the commissioner in accordance with section 16A.1285, subdivision 2.

Subd. 3. **Rulemaking.** The commissioner may adopt rules that govern the pilot program pursuant to this section and Public Law 113-79.

32D.03 BULK MILK HAULER AND SAMPLER LICENSE.

Subd. 5. **Suspension or cancellation.** The commissioner is empowered to conduct enforcement action, suspend, or cancel any bulk milk hauler and sampler license pursuant to section 34A.06.

32D.24 DAIRY TRADE PRACTICES; DEFINITIONS.

Subdivision 1. **Application.** The definitions in this section apply to sections 32D.24 to 32D.28.

Subd. 2. **Basic cost.** (a) "Basic cost," for a processor, means the actual cost of the raw milk plus 75 percent of the actual processing and handling costs for a selected class I or class II dairy product.

(b) Basic cost, for a wholesaler, means the actual cost of the selected class I or class II dairy product purchased from the processor or another wholesaler.

(c) Basic cost, for a retailer, means the actual cost of the selected class I or class II dairy product purchased from a processor or wholesaler.

Subd. 3. **Bona fide charity.** "Bona fide charity" means a corporation, trust, fund, or foundation organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes.

Subd. 4. **Processor.** "Processor" means a person engaged in manufacturing or processing selected class I or class II dairy products in the person's own plant for sale in Minnesota.

Subd. 5. **Producer.** "Producer" means a person who operates a dairy herd or herds in Minnesota producing milk or cream commercially and whose milk or cream is sold to, or received or handled by, a distributor or processor. Producer does not include an incorporated or unincorporated association of producers.

Subd. 6. **Responsible person.** "Responsible person" means the business entity that makes payment to an individual Grade A or Grade B milk producer.

Subd. 7. **Selected class I dairy products.** "Selected class I dairy products" means milk for human consumption in fluid form and all other class I dairy products as defined by the Upper Midwest Milk Marketing Order, Code of Federal Regulations, title 7, part 1030.40, or successor orders.

Subd. 8. **Selected class II dairy products.** "Selected class II dairy products" means milk for human consumption processed into fluid cream, eggnog, yogurt, and all other class II dairy products as defined by the Upper Midwest Milk Marketing Order, Code of Federal Regulations, title 7, part 1030.40, or successor orders.

Subd. 9. **Sell at retail; sale at retail; retail sales.** "Sell at retail," "sale at retail," or "retail sales" means a retail sale or offer for retail sale of a selected class I or class II dairy product for ultimate consumption or use.

Subd. 10. **Sell at wholesale; sale at wholesale; wholesale sales.** "Sell at wholesale," "sale at wholesale," or "wholesale sales" means sale or offer for sale of a selected class I dairy product for purposes of resale or further processing or manufacturing but does not include a producer selling or delivering milk to a processor.

Subd. 11. **Wholesaler.** "Wholesaler" means a person including a distributor in the business of making sales of selected class I or class II dairy products at wholesale in Minnesota. In the case of a person making sales at both retail and wholesale, wholesaler applies only to the sales at wholesale.

32D.25 DUTIES AND POWERS OF COMMISSIONER; DATA PRIVACY.

Subdivision 1. **Duties; rules.** The commissioner shall adopt rules to implement and administer sections 32D.24 to 32D.28.

Subd. 2. **Data privacy.** Financial and production information received by the commissioner on processors, wholesalers, or retailers, including but not limited to financial statements, fee reports, price schedules, cost documentation, books, papers, records, or other documentation for the purpose

of administration and enforcement of this chapter is classified private data or nonpublic data pursuant to chapter 13. The classification shall not limit the use of the information in the preparation, institution, or conduct of a legal proceeding by the commissioner in enforcing this chapter.

32D.26 SALES BELOW COST PROHIBITED; EXCEPTIONS.

Subdivision 1. **Policy; processors; wholesalers; retailers.** (a) It is the intent of the legislature to accomplish partial deregulation of milk marketing with a minimum negative impact on small-volume retailers.

(b) A processor or wholesaler may not sell or offer for sale selected class I or class II dairy products at a price lower than the processor's or wholesaler's basic cost.

(c) A retailer may not sell or offer for sale selected class I or class II dairy products at a retail price lower than (1) 105 percent of the retailer's basic cost until June 30, 1994; and (2) the retailer's basic cost beginning July 1, 1994, and thereafter. A retailer may not use any method or device in the sale or offer for sale of a selected dairy product that results in a violation of this section.

Subd. 2. **Exceptions.** The minimum processor, wholesaler, and retailer prices of subdivision 1 do not apply:

(1) to a sale complying with section 325D.06;

(2) to a retailer giving away selected class I and class II dairy products for free if the customer is not required to make a purchase; or

(3) to a processor, wholesaler, or retailer giving away selected class I and class II dairy products for free or at a reduced cost to a bona fide charity.

32D.27 REDRESS FOR INJURY OR THREATENED INJURY.

A person injured by a violation of sections 32D.24 to 32D.28 may commence a legal action based on the violation in a court of competent jurisdiction and may recover economic damages and the costs of the action, including reasonable attorney fees. A person injured or who is threatened with injury or loss by reason of violation of sections 32D.24 to 32D.28 may commence a legal action based on the violation and obtain injunctive relief in a court of competent jurisdiction against persons involved in a violation or threatened violation of sections 32D.24 to 32D.28 to prevent and restrain violations or threatened violations of sections 32D.24 to 32D.28 without alleging or proving actual damages or that an adequate remedy at law does not exist, so that injunctive relief can be obtained promptly and without awaiting evidence of injury or actual damage. The injunctive relief does not abridge and is not in lieu of any other civil remedy provided in sections 32D.24 to 32D.28.

32D.28 ANNUAL SUSPENSION OF DAIRY TRADE PRACTICES ACT.

The provisions of section 32D.26 are suspended during the month of June each year in honor of "Dairy Month."

35.156 CHRONIC WASTING DISEASE.

Subd. 2. **Federal fund account.** Money granted to the state by the federal government for purposes of chronic wasting disease must be credited to a separate account in the federal fund and is annually appropriated to the commissioner of agriculture for the purposes for which the federal grant was made according to section 17.03.

41A.12 AGRICULTURAL GROWTH, RESEARCH, AND INNOVATION PROGRAM.

Subd. 4. **Sunset.** This section expires on June 30, 2025.

41A.21 ORIENTED STRAND BOARD PRODUCTION INCENTIVE.

Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Commissioner" means the commissioner of agriculture.

(c) "Forest resources" means raw wood logs and material primarily made up of cellulose, hemicellulose, or lignin, or a combination of those ingredients.

(d) "Oriented strand board" or "OSB" means a material manufactured into panels using forest resources.

Subd. 2. **Eligibility.** (a) A facility eligible for payment under this section must source at least 80 percent of its forest resources raw materials from Minnesota. The facility must be located in Minnesota; must begin construction activities by December 31, 2023, for a specific location; must have produced at least one OSB square foot on a 3/8-inch nominal basis at a specific location by June 30, 2026; and must not begin operating before January 1, 2022. Eligible facilities must be new OSB construction sites with total capital investment in excess of $250,000,000. Eligible OSB production facilities must produce at least 50,000,000 OSB square feet on a 3/8-inch nominal basis of OSB each quarter. At least one product produced at the facility should be a wood-based wall or roof structural sheathing panel that has an integrated, cellulose-based paper overlay that serves as a water resistive barrier.

(b) No payments shall be made for OSB production that occurs after June 30, 2036, for those eligible producers under paragraph (a).

(c) An eligible producer of OSB shall not transfer the producer's eligibility for payments under this section to a facility at a different location.

(d) A producer that ceases production for any reason is ineligible to receive payments under this section until the producer resumes production.

Subd. 3. **Payment amounts; limits.** (a) The commissioner shall make payments to eligible producers of OSB. The amount of the payment for each eligible producer's annual production is $7.50 per 1,000 OSB square feet on a 3/8-inch nominal basis of OSB produced at a specific location for ten years starting after the first calendar year in which production begins.

(b) Total payments under this section to an eligible OSB producer in a fiscal year may not exceed the amount necessary for 400,000,000 OSB square feet on a 3/8-inch nominal basis of OSB produced. Total payments under this section to all eligible OSB producers in a fiscal year may not exceed the amount necessary for 400,000,000 OSB square feet on a 3/8-inch nominal basis of OSB produced. If the total amount for which all producers are eligible in a quarter exceeds the amount available for payments, the commissioner shall make the payments on a pro rata basis.

(c) For purposes of this section, an entity that holds a controlling interest in more than one OSB facility is considered a single eligible producer.

Subd. 4. **Forest resources requirements.** Forest resources that are purchased to be used at the facility must be in compliance with one or more of the following: the Sustainable Forestry Initiative Fiber Sourcing Standard, the Forest Stewardship Council Chain of Custody Standard, or the Forest Stewardship Controlled Wood Standard. For forest resources that come from land parcels greater than 160 acres, all efforts must be made to procure from land that is certified by one or more of the following: the Forest Stewardship Council Forest Management Standard, the Sustainable Forestry Initiative Forest Management Standard, or the American Tree Farm System.

Subd. 5. **Claims.** (a) By the last day of October, January, April, and July, each eligible OSB producer shall file a claim for payment for OSB production during the preceding three calendar months. An eligible OSB producer that files a claim under this subdivision shall include a statement of the eligible producer's total board feet of OSB produced during the quarter covered by the claim. For each claim and statement of total board feet of OSB filed under this subdivision, the board feet of OSB produced must be examined by a certified public accounting firm with a valid permit to practice under chapter 326A, in accordance with Statements on Standards for Attestation Engagements established by the American Institute of Certified Public Accountants.

(b) The commissioner must issue payments by November 15, February 15, May 15, and August 15. A separate payment must be made for each claim filed.

Subd. 6. **Appropriation.** (a) In fiscal year 2025, a sum sufficient to make the payments required by this section, not to exceed $1,500,000, is appropriated from the general fund to the commissioner. This is a onetime appropriation.

(b) From fiscal year 2026 through fiscal year 2034, a sum sufficient to make the payments required by this section, not to exceed $3,000,000 in a fiscal year, is annually appropriated from the general fund to the commissioner.

223.17 LICENSES; BONDING; CLAIMS; DISBURSEMENTS.

Subd. 4. **Bond.** (a) Except as provided in paragraphs (c) to (e), before a grain buyer's license is issued, the applicant for the license must file with the commissioner a bond in a penal sum prescribed by the commissioner but not less than the following amounts:

(1) $10,000 for grain buyers whose gross annual purchases are $100,000 or less;

(2) $20,000 for grain buyers whose gross annual purchases are more than $100,000 but not more than $750,000;

(3) $30,000 for grain buyers whose gross annual purchases are more than $750,000 but not more than $1,500,000;

(4) $40,000 for grain buyers whose gross annual purchases are more than $1,500,000 but not more than $3,000,000;

(5) $50,000 for grain buyers whose gross annual purchases are more than $3,000,000 but not more than $6,000,000;

(6) $70,000 for grain buyers whose gross annual purchases are more than $6,000,000 but not more than $12,000,000;

(7) $125,000 for grain buyers whose gross annual purchases are more than $12,000,000 but not more than $24,000,000; and

(8) $150,000 for grain buyers whose gross annual purchases exceed $24,000,000.

(b) The amount of the bond shall be based on the most recent gross annual grain purchase report of the grain buyer.

(c) A first-time applicant for a grain buyer's license shall file a $50,000 bond with the commissioner. This bond shall remain in effect for the first year of the license. Thereafter, the licensee shall comply with the applicable bonding requirements contained in paragraph (a), clauses (1) to (8).

(d) In lieu of the bond required by this subdivision the applicant may deposit with the commissioner of management and budget an irrevocable bank letter of credit as defined in section 336.5-102, in the same amount as would be required for a bond.

(e) A grain buyer who purchases grain immediately upon delivery solely with cash; a certified check; a cashier's check; or a postal, bank, or express money order is exempt from this subdivision if the grain buyer's gross annual purchases are $1,000,000 or less.

(f) Bonds must be continuous until canceled. To cancel a bond, a surety must provide 90 days' written notice of the bond's termination date to the licensee and the commissioner.

Subd. 8. **Bond disbursement.** (a) The bond required under subdivision 4 shall provide for payment of loss caused by the grain buyer's failure to pay, upon the owner's demand, the purchase price of grain sold to the grain buyer in the manner provided by subdivision 5, including loss caused by failure to pay within the time required. The bond shall be conditioned upon the grain buyer being duly licensed as provided herein.

(b) The commissioner shall promptly determine the validity of all claims filed and notify the claimants of the determination. An aggrieved party may appeal the commissioner's determination by requesting, within 15 days, that the commissioner initiate a contested case proceeding. In the absence of such a request, or following the issuance of a final order in a contested case, the surety company shall issue payment promptly to those claimants entitled to payment. The commissioner may apply to the district court for an order appointing a trustee or receiver to manage and supervise the operations of the grain buyer in default. The commissioner may participate in any resulting court proceeding as an interested party.

(c) If a grain buyer has become liable to more than one producer by reason of breaches of the conditions of the bond and the amount of the bond is insufficient to pay the entire liability to all producers entitled to the protection of the bond, the proceeds of the bond shall be apportioned among the bona fide claimants.

(d) The bond shall not be cumulative from one licensing period to the next. The maximum liability of the bond shall be its face value for the licensing period.

(e) The bond disbursement shall occur 200 days from the date the commissioner publishes a public notice of a claim. At the end of this time period, the commissioner shall initiate bond payments on all valid claims received by the commissioner.

232.22 LICENSES, BONDING CLAIMS, DISBURSEMENTS.

Subd. 4. **Bonding.** (a) Before a license is issued, except as provided under paragraph (c), the applicant for a public grain warehouse operator's license shall file with the commissioner a bond in a penal sum prescribed by the commissioner based on the annual average storage liability as stated on the statement of grain in storage report or on the gross annual grain purchase report, whichever is greater, and applying the following amounts:

(1) $10,000 for storages with annual average storage liability of more than $0 but not more than $25,000;

(2) $20,000 for storages with annual average storage liability of more than $25,001 but not more than $50,000;

(3) $30,000 for storages with annual average storage liability of more than $50,001 but not more than $75,000;

(4) $50,000 for storages with annual average storage liability of more than $75,001 but not more than $100,000;

(5) $75,000 for storages with annual average storage liability of more than $100,001 but not more than $200,000;

(6) $125,000 for storages with annual average storage liability of more than $200,001 but not more than $300,000;

(7) $175,000 for storages with annual average storage liability of more than $300,001 but not more than $400,000;

(8) $225,000 for storages with annual average storage liability of more than $400,001 but not more than $500,000;

(9) $275,000 for storages with annual average storage liability of more than $500,001 but not more than $600,000;

(10) $325,000 for storages with annual average storage liability of more than $600,001 but not more than $700,000;

(11) $375,000 for storages with annual average storage liability of more than $700,001 but not more than $800,000;

(12) $425,000 for storages with annual average storage liability of more than $800,001 but not more than $900,000;

(13) $475,000 for storages with annual average storage liability of more than $900,001 but not more than $1,000,000; and

(14) $500,000 for storages with annual average storage liability of more than $1,000,000.

(b) Bonds must be continuous until canceled. To cancel a bond, a surety must provide 90 days' written notice of the bond's termination date to the licensee and the commissioner.

(c) In lieu of the bond required by this subdivision, the applicant may deposit with the commissioner of management and budget an irrevocable bank letter of credit as defined in section 336.5-102, in the same amount as would be required for a bond.

Subd. 6. **Bond claims.** A person claiming to be damaged by a breach of the conditions of a bond of a licensed public grain warehouse operator may file a written claim with the commissioner stating the facts constituting the claim. The claim must be filed with the commissioner within 180 days of the breach of the conditions of the bond. If the commissioner has reason to believe that a claim is valid, the commissioner may immediately suspend the license of the public grain warehouse operator and the licensee must surrender the license to the commissioner. Within 15 days the licensee may request an administrative hearing subject to chapter 14 to determine whether the license should be revoked. If no request is made within 15 days the commissioner shall revoke the license.

Subd. 6a. **Bond determinations.** If a public grain warehouse operator is licensed under both this chapter and chapter 223, the warehouse shall have its bond determined by its gross annual grain purchase amount or its annual average grain storage value, whichever is greater. For those entities licensed under this chapter and chapter 223, the entire bond shall be available to any claims against the bond for claims filed under this chapter and chapter 223.

Subd. 7. **Bond disbursement.** (a) The bond of a public grain warehouse operator must be conditioned that the public grain warehouse operator issuing a grain warehouse receipt is liable to the depositor for the delivery of the kind, grade and net quantity of grain called for by the receipt.

(b) Upon notification of default, the commissioner shall determine the validity of all claims and notify all parties having filed claims. Any aggrieved party may appeal the commissioner's determination by requesting, within 15 days, that the commissioner initiate a contested case proceeding. In the absence of such a request, or following the issuance of a final order in a contested case, the surety company shall issue payment to those claimants entitled to payment. If the commissioner determines it is necessary, the commissioner may apply to the district court for an order appointing a trustee or receiver to manage and supervise the operations of the grain warehouse operator in default. The commissioner may participate in any resulting court proceeding as an interested party.

(c) For the purpose of determining the amount of bond disbursement against all valid claims under a condition one bond, all grain owned or stored in the public grain warehouse shall be sold and the combined proceeds deposited in a special fund. Payment shall be made from the special fund satisfying the valid claims of grain warehouse receipt holders.

(d) If a public grain warehouse operator has become liable to more than one depositor or producer by reason of breaches of the conditions of the bond and the amount of the bond is insufficient to pay, beyond the proceeds of the special fund, the entire liability to all valid claimants, the proceeds of the bond and special fund shall be apportioned among the valid claimants on a pro rata basis.

(e) A bond is not cumulative from one licensing period to the next. The maximum liability of the bond shall be its face value for the licensing period.

(f) The bond disbursement shall occur 200 days from the date the commissioner publishes a public notice of a claim. At the end of this time period, the commissioner shall initiate bond payments on all valid claims received by the department.