

(1) at risk of placement or in placement as defined in section 257.071, subdivision 1;

(2) at risk of maltreatment or experiencing maltreatment as defined in section 626.556, subdivision 10e; or

(3) in need of protection or services as defined in section 260.015, subdivision 2a.

Sec. 28. **CORRECTION 25; MINNESOTACARE.** Minnesota Statutes 1992, section 124C.62, subdivision 1, as amended by 1993 H.F. No. 1178, article 11, section 1, if enacted, is amended to read:

Subdivision 1. **SUMMER INTERNSHIPS.** The commissioner of ~~education~~ health, through a contract with a nonprofit organization as required by subdivision 4, shall award grants to hospitals and clinics to establish a summer health care intern program. The purpose of the program is to expose interested high school pupils to various careers within the health care profession.

Sec. 29. **CORRECTION 25; REVISOR INSTRUCTION.** The revisor shall recodify Minnesota Statutes 1992, section 124C.62, as corrected by correction 25, into Minnesota Statutes, chapter 144.

Sec. 30. **CORRECTION 26; LOCAL APPROVAL.** Section 17 of S.F. 429 is effective on approval by the Hibbing city council and compliance with Minnesota Statutes, section 645.021.

Sec. 31. **EFFECTIVE DATE.**

If not otherwise provided, the sections of this act that amend provisions of law passed during the 1993 session of the legislature take effect at the same time that the provisions that they amend take effect.

Presented to the governor May 20, 1993

Signed by the governor May 24, 1993, 5:46 p.m.

CHAPTER 367—H.F.No. 1225

An act relating to agriculture; providing for the continued use of unregistered pesticides; modifying procedures for the return of empty pesticide containers and unused portions of pesticides; changing the amounts of the ACCRA surcharges; authorizing use of money in the agricultural chemical response and reimbursement account for administrative costs; making changes in the laws on pesticides and agricultural chemicals; changing provisions regarding the pricing of certain dairy products; repealing the hazardous substance labeling act; requiring studies; maintaining an agriculture education specialist; transferring certain funds; appropriating money; amending Minnesota Statutes 1992, sections 18B.01, by adding subdi-

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visions; 18B.065, by adding a subdivision; 18B.135, subdivision 1; 18B.14, subdivision 2; 18B.26, subdivisions 1 and 3; 18B.31, subdivision 1; 18B.36, subdivision 2; 18B.37, subdivision 2; 18C.005, subdivisions 13 and 35; 18C.115, subdivision 2; 18C.211, subdivision 1; 18C.215, subdivision 2; 18C.305, subdivision 2; 18D.103, by adding a subdivision; 18D.105, by adding a subdivision; 18E.03, subdivisions 2, 3, 4, 6, and 7; 18E.04, by adding a subdivision; 21.85, subdivision 10; 32.11; 32.25, subdivision 1; and 325F.19, subdivision 7; Laws 1993, chapter 65, sections 6, subdivision 2; 8, subdivision 1; and 9, subdivisions 4 and 7; repealing Minnesota Statutes 1992, sections 18C.211, subdivision 3; 18C.215, subdivision 3; 18E.03, subdivision 5; 24.32; 24.33; 24.34; 24.35; 24.36; 24.37; 24.38; 24.39; 24.40; 24.41; and 24.42.

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

Section 1. Minnesota Statutes 1992, section 18B.01, is amended by adding a subdivision to read:

Subd. 9a. FIXED LOCATION. "Fixed location" means all stationary restricted and bulk pesticide facility operations owned or operated by a person located in the same plant location or locality.

Sec. 2. Minnesota Statutes 1992, section 18B.01, is amended by adding a subdivision to read:

Subd. 30a. SUBSTANTIALLY ALTERING; SUBSTANTIALLY ALTER; SUBSTANTIAL ALTERATION. "Substantially altering," "substantially alter," or "substantial alteration" means modifying a bulk agricultural chemical storage facility by:

(1) changing the capacity of a safeguard;

(2) adding storage containers in excess of the capacity of a safeguard as required by rule; or

(3) increasing the size of the single largest storage container in a safeguard as approved or permitted by the department of agriculture. This does not include routine maintenance of safeguards, storage containers, appurtenances, piping, mixing, blending, weighing, or handling equipment.

Sec. 3. Minnesota Statutes 1992, section 18B.065, is amended by adding a subdivision to read:

Subd. 2a. DISPOSAL SITE REQUIREMENT. The commissioner must designate a place that is available at least every other year for the residents of each county in the state to dispose of unused portions of pesticides.

Sec. 4. Minnesota Statutes 1992, section 18B.135, subdivision 1, is amended to read:

Subdivision 1. **ACCEPTANCE OF RETURNABLE PESTICIDE CONTAINERS.** (a) A person distributing, offering for sale, or selling a pesticide must accept empty pesticide containers ~~and the unused portion of pesticide that remains in the original container~~ from a pesticide end user if:

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(1) the pesticide was purchased after July 1, 1994; ~~and~~

(2) the empty container is prepared for disposal in accordance with label instructions and is returned to the place of purchase within the state; and

~~(2) (3) a place is collection site that is seasonably accessible on multiple days has not been designated in either by the county board or by agreement with other counties for the public to return empty pesticide containers and the unused portion of pesticide for the purpose of reuse or recycling or following other approved management practices for pesticide containers in the order of preference established in section 115A.02, paragraph (b), and the county or counties have notified the commissioner of their intentions annually by February 1, in writing, to manage the empty pesticide containers.~~

(b) This subdivision does not prohibit the use of refillable and reusable pesticide containers.

~~(c) The legislative water commission must prepare a report and make a recommendation to the legislature on the handling of waste pesticide containers and waste pesticides. If a county or counties designate a collection site as provided in paragraph (a), clause (3), a person who has been notified by the county or counties of the designated collection site and who sells pesticides to a pesticide end user must notify purchasers of pesticides at the time of sale of the date and location designated for disposal of empty containers.~~

(d) For purposes of this section, pesticide containers do not include containers that have held sanitizers and disinfectants, pesticides labeled primarily for use on humans or pets, or pesticides not requiring dilution or mixing.

Sec. 5. Minnesota Statutes 1992, section 18B.14, subdivision 2, is amended to read:

Subd. 2. **BULK PESTICIDE STORAGE.** (a) A person storing pesticides in containers of a rated capacity of 500 gallons or more for more than ten consecutive days at a bulk pesticide storage facility must obtain a pesticide storage permit from the commissioner as required by rule.

(b) Applications must be on forms provided by the commissioner containing information established by rule. The initial application for a permit must be accompanied by a nonrefundable application fee of \$100 for each location where the pesticides are stored. An application for a facility that includes both fertilizers as regulated under chapter 18C and bulk pesticides as regulated under this chapter shall pay only one application fee of \$100.

(c) The commissioner shall by rule develop and implement a program to regulate bulk pesticides. The rules must include installation of secondary containment devices, storage site security, safeguards, notification of storage site locations, criteria for permit approval, a schedule for compliance, and other appropriate requirements necessary to minimize potential adverse effects on the

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environment. The rules must conform with existing rules of the pollution control agency.

(d) A person must obtain a permit from the commissioner on forms provided by the commissioner before the person constructs or substantially alters a bulk pesticide storage facility. If an application is incomplete, the commissioner must notify the applicant as soon as possible. The permit must be acted upon within 30 days after receiving a completed application.

(e) An application to substantially alter a facility must be accompanied by a \$50 fee. An application for a facility that includes both fertilizers regulated under chapter 18C and bulk pesticides regulated under this chapter shall pay only one application fee of \$50.

(f) An additional ~~application~~ fee of \$250 must be paid by ~~an applicant a~~ person who begins construction of, or substantially alters, a bulk pesticide agricultural chemical storage facility before a permit is issued by the commissioner. ~~The fee under this paragraph may not be charged if the permit is not acted upon within 30 days after receiving a completed application, except that the \$250 additional fee may not be assessed if the person submits a permit application with the required fee to the commissioner before completing the construction or substantial alteration.~~

Sec. 6. Minnesota Statutes 1992, section 18B.26, subdivision 1, is amended to read:

Subdivision 1. **REQUIREMENT.** (a) A person may not use or distribute a pesticide in this state unless it is registered with the commissioner. Aquaculture therapeutics shall be registered and labeled in the same manner as pesticides. Pesticide registrations expire on December 31 of each year and may be renewed on or before that date for the following calendar year.

(b) Registration is not required if a pesticide is shipped from one plant or warehouse to another plant or warehouse operated by the same person and used solely at the plant or warehouse as an ingredient in the formulation of a pesticide that is registered under this chapter.

(c) An unregistered pesticide that was previously registered with the commissioner may be used ~~only for a period of two years following the cancellation of the registration of the pesticide, unless the commissioner determines that the continued use of the pesticide would cause unreasonable adverse effects on the environment, or~~ with the written permission of the commissioner. To use the unregistered pesticide at any time after the two-year period, the pesticide end user must demonstrate to the satisfaction of the commissioner, if requested, that the pesticide has been continuously registered under a different brand name or by a different manufacturer and has similar composition, or, the pesticide end user obtains the written permission of the commissioner.

(d) Each pesticide with a unique United States Environmental Protection

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Agency pesticide registration number or a unique brand name must be registered with the commissioner.

Sec. 7. Minnesota Statutes 1992, section 18B.26, subdivision 3, is amended to read:

Subd. 3. **APPLICATION FEE.** (a) A registrant shall pay an annual application fee for each pesticide to be registered, and this fee is set at one-tenth of one percent for calendar year 1990, at one-fifth of one percent for calendar year 1991, and at two-fifths of one percent for calendar year 1992 and thereafter of annual gross sales within the state and annual gross sales of pesticides used in the state, with a minimum nonrefundable fee of \$250 plus an additional one-tenth of one percent for each pesticide for which the United States Environmental Protection Agency, Office of Water, has published a Health Advisory Summary by December 1 of the previous year. The registrant shall determine when and which pesticides are sold or used in this state. The registrant shall secure sufficient sales information of pesticides distributed into this state from distributors and dealers, regardless of distributor location, to make a determination. Sales of pesticides in this state and sales of pesticides for use in this state by out-of-state distributors are not exempt and must be included in the registrant's annual report, as required under paragraph (c), and fees shall be paid by the registrant based upon those reported sales. Sales of pesticides in the state for use outside of the state are exempt from the application fee in this paragraph if the registrant properly documents the sale location and distributors. A registrant paying more than the minimum fee shall pay the balance due by March 1 based on the gross sales of the pesticide by the registrant for the preceding calendar year. The fee for disinfectants and sanitizers shall be the minimum. The minimum fee is due by December 31 preceding the year for which the application for registration is made. Of the amount collected after calendar year 1990, at least \$600,000 per fiscal year must be credited to the waste pesticide account under section 18B.065, subdivision 5; and the additional amount collected for pesticides with Health Advisory Summaries shall be credited to the agricultural project utilization account under section 116O.13 to be used for pesticide use reduction grants by the agricultural utilization research institute.

(b) An additional fee of \$100 must be paid by the applicant for each pesticide to be registered if the application is a renewal application that is submitted after December 31.

(c) A registrant must annually report to the commissioner the amount and type of each registered pesticide sold, offered for sale, or otherwise distributed in the state. The report shall be filed by March 1 for the previous year's registration. The commissioner shall specify the form of the report and require additional information deemed necessary to determine the amount and type of pesticides annually distributed in the state. The information required shall include the brand name, amount, and formulation of each pesticide sold, offered for sale, or otherwise distributed in the state, but the information collected, if made public, shall be reported in a manner which does not identify a specific brand name in the report.

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Sec. 8. Minnesota Statutes 1992, section 18B.31, subdivision 1, is amended to read:

Subdivision 1. **REQUIREMENT.** (a) Except as provided in paragraph (b), ~~a person no individual may not distribute at wholesale or retail or possess offer for sale or sell~~ a restricted use pesticides or bulk pesticides with an intent to distribute them to an ultimate pesticide to a pesticide end user from any fixed location without a pesticide dealer license.

(b) ~~The A pesticide dealer license requirement does not apply to~~ is not required for:

(1) a licensed commercial applicator, noncommercial applicator, or structural pest control applicator who uses restricted use pesticides only as an integral part of a pesticide application service;

(2) a federal, state, county, or municipal agency using restricted use pesticides for its own programs; ~~or~~

(3) a licensed pharmacist, physician, dentist, or veterinarian when administering or dispensing a restricted use pesticide for use in the pharmacist's, physician's, dentist's, or veterinarian's practice; or

(4) a person at a fixed location that is not used to offer for sale or sell restricted use or bulk pesticides including, but not limited to, warehouses or other storage sites.

(c) A licensed pesticide dealer may sell restricted use pesticides only to an applicator licensed or certified by the commissioner, unless a sale is allowed by rule.

(d) A pesticide dealer license is required for an individual not located in Minnesota who offers for sale or sells a restricted use or bulk pesticide to a pesticide end user located in Minnesota.

(e) Only one pesticide dealer license is required per fixed location from which an individual offers for sale or sells a restricted use or bulk pesticide to an end user.

Sec. 9. Minnesota Statutes 1992, section 18B.36, subdivision 2, is amended to read:

Subd. 2. **CERTIFICATION.** (a) The commissioner shall prescribe certification requirements and provide training that meets or exceeds United States Environmental Protection Agency standards to certify private applicators and provide information relating to changing technology to help ensure a continuing level of competency and ability to use pesticides properly and safely. The training may be done through cooperation with other government agencies and must be a minimum of three hours in duration.

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(b) A person must apply to the commissioner for certification as a private applicator. After completing the certification requirements, which must include an examination as determined by the commissioner, an applicant must be certified as a private applicator to use restricted use pesticides. The certification is for a period of three calendar years from the applicant's nearest birthday including the first year of certification, and expires December 31 of the third year.

(c) The commissioner shall issue a private applicator card to a private applicator.

Sec. 10. Minnesota Statutes 1992, section 18B.37, subdivision 2, is amended to read:

Subd. 2. **COMMERCIAL AND NONCOMMERCIAL APPLICATORS.**

(a) A commercial or noncommercial applicator, or the applicator's authorized agent, must maintain a record of pesticides used on each site. Noncommercial applicators must keep records of restricted use pesticides. The record must include the:

- (1) date of the pesticide use;
- (2) time the pesticide application was completed;
- (3) brand name of the pesticide, the United States Environmental Protection Agency registration number, and dosage used;
- (4) number of units treated;
- (5) temperature, wind speed, and wind direction;
- (6) location of the site where the pesticide was applied;
- (7) name and address of the customer;
- (8) name and signature of applicator, name of company, license number of applicator, and address of applicator company; and
- (9) any other information required by the commissioner.

(b) Portions of records not relevant to a specific type of application may be omitted upon approval from the commissioner.

(c) All information for this record requirement must be contained in a single page document for each pesticide application, except a map may be attached to identify treated areas. For the rights-of-way and wood preservative categories, the required record may not exceed five pages. An invoice containing the required information may constitute the required record. The commissioner shall make sample forms available to meet the requirements of this paragraph.

(d) A commercial applicator must give a copy of the record to the customer when the application is completed.

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(e) Records must be retained by the applicator, company, or authorized agent for five years after the date of treatment.

Sec. 11. Minnesota Statutes 1992, section 18C.005, subdivision 13, is amended to read:

Subd. 13. **GRADE.** "Grade" means the percentage of total nitrogen (N), available phosphorus (P) or phosphoric acid (P_2O_5) phosphate (P_2O_4), and soluble potassium (K) or soluble potash (K_2O) (K_2O) stated in whole numbers in the same terms, order, and percentages as in the guaranteed analysis except the grade of bone meals, manures, and similar raw materials may be stated in fractional units, and specialty fertilizers may be stated in fractional units of less than one percent of total nitrogen, available phosphorus or phosphoric acid phosphate, and soluble potassium or soluble potash.

Sec. 12. Minnesota Statutes 1992, section 18C.005, subdivision 35, is amended to read:

Subd. 35. **SUBSTANTIALLY ALTERING; SUBSTANTIALLY ALTER; SUBSTANTIAL ALTERATION.** "Substantially altering," "substantially alter," or "substantial alteration" means modifying a bulk agricultural chemical storage facility by:

- (1) changing the capacity of a safeguard;
- (2) adding additional safeguards or storage containers; or changing existing storage containers, safeguards, appurtenances, or piping, in excess of the capacity of a safeguard as required by rule;
- (3) increasing the size of the largest storage container in a safeguard as approved or permitted by the commissioner of agriculture; or
- (4) adding or changing anhydrous ammonia storage containers or adding ammonia loading or unloading stations. This does not include routine maintenance of existing safeguards, storage containers, appurtenances, and piping, or of existing mixing, blending, weighing, and or handling equipment. For dry bulk fertilizer, a person may decrease storage capacity without a substantial alteration permit and may increase storage capacity up to 150 tons per location annually without a substantial alteration permit.

Sec. 13. Minnesota Statutes 1992, section 18C.115, subdivision 2, is amended to read:

Subd. 2. **ADOPTION OF NATIONAL STANDARDS.** Applicable national standards contained in the ~~1989~~ 1993 official publication, number 42 ~~46~~, of the association of American plant food control officials including the rules and regulations, statements of uniform interpretation and policy, and the official fertilizer terms and definitions, and not otherwise adopted by the commissioner, may be adopted as fertilizer rules of this state.

New language is indicated by underline, deletions by ~~strikeout~~.

Sec. 14. Minnesota Statutes 1992, section 18C.211, subdivision 1, is amended to read:

Subdivision 1. **N, P, AND K NUTRIENT CONTENT STATED.** (a) Until the commissioner prescribes the alternative form of guaranteed analysis, it must be stated as provided in this subdivision.

(b) A guaranteed analysis must state the percentage of plant nutrient content, if claimed, in the following form:

"Total Nitrogen (N)	... percent
Available Phosphoric Acid (P₂O₅)	
<u>Phosphate (P₂O₅)</u>	... percent
Soluble Potash (K₂O) (<u>K₂O</u>)	... percent"

(c) For unacidulated mineral phosphatic materials and basic slag, bone, tankage, and other organic phosphate materials, the total ~~phosphoric acid phosphate~~ or degree of fineness may also be stated.

Sec. 15. Minnesota Statutes 1992, section 18C.215, subdivision 2, is amended to read:

Subd. 2. **BLENDED, BULK, AND MIXED FERTILIZER.** (a) A distributor who blends or mixes fertilizer to a customer's order without a guaranteed analysis of the final mixture or distributes fertilizer in bulk, must furnish each purchaser with an invoice or delivery ticket in written or printed form showing the net weight, name and address of the guarantor, and guaranteed analysis of each of the materials used in the mixture.

(b) ~~The invoice or delivery ticket must accompany the delivery.~~

(e) Records of invoices or delivery tickets must be kept for five years after the delivery or application.

Sec. 16. Minnesota Statutes 1992, section 18C.305, subdivision 2, is amended to read:

Subd. 2. **PERMIT FEES.** (a) An application for a new facility must be accompanied by a nonrefundable application fee of \$100 for each location where fertilizer is stored.

(b) An application to substantially alter a facility must be accompanied by a nonrefundable \$50 fee.

(c) ~~In addition to the fees under paragraphs (a) and (b), a~~ An additional fee of \$250 must be paid by an applicant a person who begins construction of, or substantial alteration substantially alters a bulk agricultural chemical storage facility before a permit is issued by the commissioner, except that the \$250 additional fee may not be assessed if the person submits a permit application with the required fee to the commissioner before completing the construction or substantial alteration.

New language is indicated by underline, deletions by ~~strikeout~~.

(d) An application for a facility that includes both fertilizers, as regulated under this chapter, and pesticides as regulated under chapter 18B shall pay only one application fee of \$100.

Sec. 17. Minnesota Statutes 1992, section 18D.103, is amended by adding a subdivision to read:

Subd. 3. EXCEPTION. A responsible party or an owner of real property who is a licensed or certified private or commercial pesticide applicator is not required to report an incident to the commissioner under this section if the amount of pesticide involved in the release plus any other releases which have occurred at the site during the preceding year is less than the maximum amount of the pesticide that, consistent with its label, can be applied to one acre of agricultural crop land unless the release occurred into or near public water or groundwater.

Sec. 18. Minnesota Statutes 1992, section 18D.105, is amended by adding a subdivision to read:

Subd. 3a. PASSIVE BIOREMEDIATION. Passive bioremediation must be considered for pesticide cleanups whenever an assessment of the site determines that there is a low potential risk to public health and the environment. The assessment may include the soil types involved, leaching potential, underlying geology, proximity to ground and surface water, and the soil half-life of the pesticides.

Sec. 19. Minnesota Statutes 1992, section 18E.03, subdivision 2, is amended to read:

Subd. 2. **EXPENDITURES.** (a) Money in the agricultural chemical response and reimbursement account may only be used:

(1) to pay for the commissioner's responses to incidents under chapters 18B, 18C, and 18D that are not eligible for payment under section 115B.20, subdivision 2;

(2) to pay for emergency responses that are otherwise unable to be funded;
~~and~~

(3) to reimburse and pay corrective action costs under section 18E.04; ~~and~~

(4) by the board to reimburse the commissioner for board staff and other administrative costs up to \$175,000 per fiscal year.

(b) Money in the agricultural chemical response and reimbursement account is appropriated to the commissioner to make payments as provided in this subdivision.

Sec. 20. Minnesota Statutes 1992, section 18E.03, subdivision 3, is amended to read:

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Subd. 3. **DETERMINATION OF RESPONSE AND REIMBURSEMENT FEE.** (a) The commissioner shall determine the amount of the response and reimbursement fee under subdivision 5 4 after a public hearing, but notwithstanding section 16A.128, based on:

(1) the amount needed to maintain an unencumbered balance in the account of \$1,000,000;

(2) the amount estimated to be needed for responses to incidents as provided in subdivision 2, clauses (1) and (2); and

(3) the amount needed for payment and reimbursement under section 18E.04.

(b) The commissioner shall determine the response and reimbursement fee so that the total balance in the account does not exceed \$5,000,000.

(c) Money from the response and reimbursement fee shall be deposited in the treasury and credited to the agricultural chemical response and reimbursement account.

Sec. 21. Minnesota Statutes 1992, section 18E.03, subdivision 4, is amended to read:

Subd. 4. **FEE THROUGH 1990.** (a) The response and reimbursement fee consists of the ~~surcharge fees~~ surcharges and any adjustments made by the commissioner in this subdivision and shall be collected until March 1, 1994 by the commissioner. The amount of the response and reimbursement fee shall be determined and imposed annually by the commissioner as required to satisfy the requirements in subdivision 3. The commissioner shall adjust the amount of the surcharges imposed in proportion to the amount of the surcharges listed in this subdivision.

(b) The commissioner shall impose a surcharge on pesticides registered under chapter 18B to be collected as a surcharge on the registration application fee under section 18B.26, subdivision 3, that is equal to 0.1 percent of sales of the pesticide in the state and sales of pesticides for use in the state during the ~~period April 1, 1990, through December 31, 1990~~ previous calendar year, except the surcharge may not be imposed on pesticides that are sanitizers or disinfectants as determined by the commissioner. The registrant shall determine when and which pesticides are sold or used in this state. The registrant shall secure sufficient sales information of pesticides distributed into this state from distributors and dealers, regardless of distributor location, to make a determination. Sales of pesticides in this state and sales of pesticides for use in this state by out-of-state distributors are not exempt and must be included in the registrant's annual report, as required under section 18B.26, subdivision 3, paragraph (c), and fees shall be paid by the registrant based upon those reported sales. Sales of pesticides in the state for use outside of the state are exempt from the surcharge in this paragraph if the registrant properly documents the sale location and the distributors.

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(c) The commissioner shall impose a ten cents per ton surcharge on the inspection fee under section 18C.425, subdivision 6, for fertilizers, soil amendments, and plant amendments.

(d) The commissioner shall impose a surcharge on the license application of persons licensed under chapters 18B and 18C consisting of:

(1) a ~~\$150~~ \$75 surcharge for each site where pesticides are stored or distributed, to be imposed as a surcharge on pesticide dealer application fees under section 18B.31, subdivision 5;

(2) a ~~\$150~~ \$75 surcharge for each site where a fertilizer, plant amendment, or soil amendment is distributed, to be imposed on persons licensed under sections 18C.415 and 18C.425;

(3) a \$50 surcharge to be imposed on a structural pest control applicator license application under section 18B.32, subdivision 6, for business license applications only;

(4) a \$20 surcharge to be imposed on commercial applicator license application fees under section 18B.33, subdivision 7; and

(5) a \$20 surcharge to be imposed on noncommercial applicator license application fees under section 18B.34, subdivision 5, except a surcharge may not be imposed on a noncommercial applicator that is a state agency, political subdivision of the state, the federal government, or an agency of the federal government; and

~~(6) a \$25 surcharge for licensed lawn service applicators under chapter 18B or 18C, to be imposed on license application fees.~~

~~(e) If a person has more than one license for a site, only one surcharge may be imposed to cover all the licenses for the site.~~

~~(f) (e)~~ A \$1,000 fee shall be imposed on each site where pesticides are stored and sold for use outside of the state unless:

(1) the distributor properly documents that it has less than \$2,000,000 per year in wholesale value of pesticides stored and transferred through the site; or

(2) the registrant pays the surcharge under paragraph (b) and the registration fee under section 18B.26, subdivision 3, for all of the pesticides stored at the site and sold for use outside of the state.

~~(g) (f)~~ Paragraphs (c) to ~~(f) (e)~~ apply to sales, licenses issued, applications received for licenses, and inspection fees imposed on or after July 1, 1990.

Sec. 22. Minnesota Statutes 1992, section 18E.03, subdivision 6, is amended to read:

Subd. 6. **REVENUE SOURCES.** Revenue from the following sources must

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be deposited in the state treasury and credited to the agricultural chemical response and reimbursement account:

- (1) the proceeds of the fees imposed by subdivisions 3 and ~~5~~ 4;
- (2) money recovered by the state for expenses paid with money from the account;
- (3) interest attributable to investment of money in the account; and
- (4) money received by the commissioner in the form of gifts, grants other than federal grants, reimbursements, and appropriations from any source intended to be used for the purposes of the account.

Sec. 23. Minnesota Statutes 1992, section 18E.03, subdivision 7, is amended to read:

Subd. 7. **APPROPRIATION AND REIMBURSEMENT.** The amount of the response and reimbursement fee imposed under subdivisions 3 ~~to 5~~ and 4 is appropriated from the general fund to the agricultural chemical response and reimbursement account to be reimbursed when the fee is collected.

Sec. 24. Minnesota Statutes 1992, section 18E.04, is amended by adding a subdivision to read:

Subd. 2a. INELIGIBILITY FOR REIMBURSEMENT OR PAYMENT. Pesticides that are sanitizers and disinfectants and are exempt from surcharges are ineligible for reimbursement or payment under this section.

Sec. 25. Minnesota Statutes 1992, section 21.85, subdivision 10, is amended to read:

Subd. 10. **COMMISSIONER MAY ALTER REQUIREMENTS IN EMERGENCIES.** In the event of acute shortages of any seed or seeds, or the occurrence of other conditions which in the opinion of the commissioner create an emergency which would make impractical the enforcement of any requirement of sections 21.80 to 21.92 relating to the percentage of purity ~~and~~, weed seed content, and the variety name of any seed or seeds, the commissioner may temporarily change and alter any requirement relating to percentage of purity ~~and~~, weed seed content, and the variety name for the duration of the emergency.

Sec. 26. Minnesota Statutes 1992, section 32.11, is amended to read:

32.11 DISCRIMINATION IN BUYING AND SELLING; SCHEDULE OF PRICES.

(a) Any person, firm, copartnership, or corporation engaged in the business of buying milk, cream or butterfat for manufacture or for sale of such milk, cream, or butterfat, who shall discriminate between different sections, localities,

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communities, or cities of this state, or who shall discriminate between persons in the same section, locality, community or city of this state, by purchasing such commodity at a higher price or rate from one person or in one locality than is paid for the same commodity by such person, firm, copartnership, or corporation in the same locality or in another locality, after making due allowance for the difference, if any, in the reasonable cost of transportation from the locality of purchase to the locality of manufacture or locality of sale of such milk, cream, or butterfat, shall be deemed guilty of unfair discrimination, which is a misdemeanor.

(b) A processor or wholesaler who sells selected class I or class II dairy products as defined in section 32.70 in Minnesota shall maintain a current schedule of prices showing rebates, discounts, refunds, and price differentials for the selected dairy products offered for sale at wholesale to retailers or to another wholesaler.

Sec. 27. Minnesota Statutes 1992, section 32.25, subdivision 1, is amended to read:

Subdivision 1. **MILK FAT, PROTEIN, AND SOLIDS NOT FAT BASES OF PAYMENT; TESTS.** All Milk and cream must be purchased from producers shall be purchased by weight and using a formula based on one or more of the following methods:

(1) payment of a standard rate with uniform differentials for milk testing above or below 3.5 percent milk fat;

~~(1) (2) payment of a standard rate with uniform differentials for milk testing above or below 3.5 percent milk fat for the pounds of milk fat contained in the milk;~~

~~(2) (3) payment of a standard rate with uniform differentials for milk testing above or below 3.5 percent milk fat and above or below a base percent for the pounds of protein contained in the milk;~~

~~(3) (4) payment of a standard rate with uniform differentials for milk testing above or below 3.5 percent milk fat and above or below a base percent for the pounds of solids not fat contained in the milk; or~~

(5) payment of standard rates based on other attributes of value in the milk.

In addition, an adjustment to the milk price may be made on the basis of milk quality; and the component price payment may be subject to the milk quality and other premiums.

Testing procedures for determining the percentages of milk fat, protein, and milk solids not fat shall be must comply with the Association of Analytical Chemists approved methods or be as adopted by rule.

Sec. 28. Minnesota Statutes 1992, section 325F.19, subdivision 7, is amended to read:

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 7. "Presenting a clear and present danger" means known to cause physical damage to structure or health hazards to occupants through continuing direct contact or release of a hazardous ~~substances~~ substance as defined in section ~~24.33~~ 115B.02.

Sec. 29. Laws 1993, chapter 65, section 6, subdivision 2, is amended to read:

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. Basic cost for a wholesaler does not include any part of an over-order premium assessment under section 32.73.

(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. Basic cost for a retailer does not include any part of an over-order premium assessment under section 32.73.

Sec. 30. Laws 1993, chapter 65, section 8, subdivision 1, is amended to read:

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 upon 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 ~~407.5~~ (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.

Sec. 31. Laws 1993, chapter 65, section 9, subdivision 4, is amended to read:

Subd. 4. **EXEMPTIONS.** Selected class I dairy products sold as home delivery retail sales, sales involving the women, infants, and children nutrition program (WIC), and sales to public or nonpublic schools are exempt from assessment under this section.

Sec. 32. Laws 1993, chapter 65, section 9, subdivision 7, is amended to read:

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 7. **ANNUAL REPORT.** Not later than February 1 of ~~1994~~ 1995 and each year thereafter, the commissioner, after consultation with representatives of the dairy production, processing, and marketing industries, shall report to the chairs of the agriculture committees of the senate and the house of representatives on the impacts and benefits to dairy farmers of the over-order premium and dairy marketing partial deregulation provisions of this act and the level of over-order premiums provided by common marketing agencies in the upper midwest during the previous calendar year. In addition, the February 1, ~~1994~~ 1995 report must provide recommendations concerning the desirability of exempting from the over-market premium assessment selected class I dairy products sold to certain not-for-profit customers, including hospitals, nursing homes, licensed day care providers, and residential care facilities and institutions. The report provided by the commissioner on February 1, 1995, must include an assessment of the impact of the removal of retail price controls during the month of June, 1994.

Sec. 33. COMMISSIONER'S NOTICE TO RETAILERS.

The commissioner of agriculture shall provide written notice to persons who sell selected class I or class II dairy products at retail, as those terms are defined in Laws 1993, chapter 65, of the provisions of Laws 1993, chapter 65, and this act relating to the requirements for pricing at the retail level. The commissioner shall make every effort to provide such notice as soon as is reasonably possible.

Sec. 34. TASK FORCE; DAIRY PRICE DEREGULATION.

Subdivision 1. ESTABLISHMENT; MEMBERSHIP. There is established a task force on dairy price deregulation consisting of:

(1) the chairs of the commerce and consumer protection and agriculture and rural development committees of the senate or members designated by the chairs;

(2) the chairs of the agriculture and commerce and economic development committees of the house of representatives or members designated by the chairs;

(3) one minority party member of the senate appointed by the minority leader of the senate;

(4) one minority party member of the house of representatives appointed by the minority leader of the house; and

(5) six members appointed by the governor.

Members appointed by the governor must represent consumers and processors, wholesalers, and the retail segment of the dairy industry. The governor shall make all appointments to the task force not later than July 1, 1993.

Members appointed by the governor shall be compensated as provided under Minnesota Statutes, section 15.059, subdivision 6.

New language is indicated by underline, deletions by ~~strikeout~~.

The governor shall select a chair from among the members of the task force.

Subd. 2. DUTIES; STAFF SUPPORT. The task force shall conduct a study of the dairy processing and marketing industry, including:

(1) the impacts and benefits to processors, wholesalers, retailers, and consumers of dairy marketing partial deregulation;

(2) the impacts that would occur under various levels of deregulation at the processor, wholesale, and retail segments of the dairy industry; and

(3) the feasibility of requiring uniform wholesale prices to all retailers of class I and class II dairy products.

Upon request of the task force, the commissioner of agriculture shall provide technical and staff assistance to the task force.

Subd. 3. REPORT. Not later than February 1, 1994, the task force shall report to the legislature on its findings and recommendations.

Subd. 4. EXPIRATION. The task force expires May 1, 1994.

Subd. 5. APPROPRIATION. There is appropriated to the commissioner of agriculture in fiscal year 1994, from the dairy services account, amounts necessary for the costs incurred for expenses of task force members under Minnesota Statutes, section 15.059, subdivision 6, and costs for preparation and production of the report.

Sec. 35. EDUCATION SPECIALIST; AGRICULTURE.

The department of education shall maintain the current functions and responsibilities related to agriculture, secondary agriculture education, and the Future Farmers of America (FFA) that were performed by an education specialist II on June 1, 1992. A person qualified with a background in agriculture education must be assigned to fulfill these responsibilities.

Sec. 36. APPROPRIATION; EDUCATION SPECIALIST AGRICULTURE.

\$35,000 in fiscal year 1994 and \$35,000 in fiscal year 1995 are appropriated from the general fund to the commissioner of education to maintain the current functions and responsibilities as described in section 35.

Sec. 37. OILSEED PROCESSING; FEASIBILITY.

The commissioner of agriculture shall conduct a study of the feasibility of developing a producer-controlled oilseed production facility to process canola, crambe, and other grains. Consideration shall be given to grants, loans, tax incentives, and bonding. The commissioner shall work with agricultural utilization research institute, the University of Minnesota, and other interested parties. The commissioner shall report the findings of the study to the house committee on agriculture and the senate committee on agriculture and rural development by January 15, 1994.

New language is indicated by underline, deletions by ~~strikeout~~.

Sec. 38. REPORTS ON PESTICIDE CONTAINERS AND WASTE PESTICIDES.

Subdivision 1. AGRICULTURAL PESTICIDE CONTAINERS. The commissioner shall prepare a report with recommendations to the legislature by January 1, 1995, on the handling of empty agricultural pesticide containers and unused portions of agricultural pesticides used for the production of food, feed, or fiber crop use using the following criteria:

(1) the minimization of the disposal of agricultural pesticide containers and waste agricultural pesticides;

(2) the collection and recycling of agricultural pesticide containers; and

(3) the collection and disposal of waste agricultural pesticides.

Subd. 2. PESTICIDE CONTAINERS. The commissioner shall prepare a report with recommendations to the legislature by January 1, 1997, on the handling of empty pesticide containers and waste pesticides and shall report on the progress made in achieving the following goals:

(1) the minimization of the disposal of pesticide containers and waste pesticides;

(2) the collection and recycling of pesticide containers; and

(3) the collection and proper disposal of waste pesticides.

Subd. 3. RECOMMENDATIONS. Each report required under this section shall also include recommendations for the internalization of the management costs for waste pesticides and pesticide containers amongst pesticide manufacturers, distributors, and retailers.

Sec. 39. APPROPRIATIONS.

\$200,000 in fiscal year 1994 and \$200,000 in fiscal year 1995 are appropriated from the pesticide regulatory account to the agricultural project utilization account to be used for cooperative research including pesticide use reduction, technology transfer of pesticide reduction practices, and the evaluation and demonstration of best management practices as developed by the department of agriculture, with the goals of achieving a reduction in input costs of producers and improving utilization of integrated pest management, biological pest controls, and other pesticide reduction practices. Research may also be conducted regarding agricultural chemical spill site remediation.

Sec. 40. TRANSFER OF FUNDS.

The commissioner of finance shall transfer any remaining balance in the dairy industry unfair trade practices account to the dairy services account.

Sec. 41. REPEALER.

New language is indicated by underline, deletions by ~~strikeout~~.

Minnesota Statutes 1992, sections 18C.211, subdivision 3; 18C.215, subdivision 3; 18E.03, subdivision 5; 24.32; 24.33; 24.34; 24.35; 24.36; 24.37; 24.38; 24.39; 24.40; 24.41; and 24.42, are repealed.

Sec. 42. **EFFECTIVE DATE.**

Section 26 is effective June 1, 1993. Sections 29, 33, 34, and 40 are effective the day following final enactment. Section 27, is effective August 1, 1993, and is not subject to the contingency contained in Laws 1984, chapter 509, section 2. Sections 30 and 31 are effective August 1, 1993. Sections 35 and 36 are effective July 1, 1993.

Presented to the governor May 20, 1993

Signed by the governor May 24, 1993, 5:52 p.m.

CHAPTER 368—H.F.No. 1529

VETOED

CHAPTER 369—H.F.No. 1650

An act relating to the organization and operation of state government; appropriating money for community development and certain agencies of state government, with certain conditions; establishing and modifying certain programs; providing for regulation of certain activities and practices; providing for accounts, assessments, and fees; eliminating or transferring certain agency powers and duties; requiring studies and reports; amending Minnesota Statutes 1992, sections 3.30, subdivision 2, as amended; 15.38, by adding a subdivision; 15.50, subdivision 2; 16A.128, subdivision 2; 16A.28, by adding a subdivision; 16A.72; 16B.06, subdivision 2a; 44A.01, subdivisions 2 and 4; 44A.025; 82.21, by adding a subdivision; 116J.617; 116J.982; 216B.62, subdivisions 3 and 5; 237.295, subdivision 2, and by adding a subdivision; 239.011, subdivision 2; 239.10; 239.791, subdivisions 6 and 8; 239.80, subdivisions 1 and 2; 257.0755; 268.022, subdivisions 1 and 2; 268.361, subdivisions 6 and 7; 268.362; 268.363; 268.364, subdivisions 1, 3, and by adding a subdivision; 268.365, subdivision 2; 268.55; 268.914, subdivision 1; 268.975, subdivisions 3, 4, 6, 7, 8, and by adding subdivisions; 268.976, subdivision 2; 268.978, subdivision 1; 268.98; 298.2211, subdivision 3; 298.2213, subdivision 4; 298.223, subdivision 2; 298.28, subdivision 7; 298.296, subdivision 1; 303.13, subdivision 1; 303.21, subdivision 3; 322A.16; 333.20, subdivision 4; 333.22, subdivision 1; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 336.9-407; 336.9-413; 336A.04, subdivision 3; 336A.09, subdivision 2; 349A.10, subdivision 5; 359.01, subdivision 3; 359.02; 386.65; 386.66; 386.67; 386.68; 386.69; 462A.057, subdivision 1; 462A.21, by adding subdivisions; and 469.011, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 116J; 116M; 129D; 239; 268; 386; 462A; and 504; proposing coding for new law as Minne-

New language is indicated by underline, deletions by ~~strikeout~~.