

Sections 16 to 22 and 28, paragraph (b), are effective March 1, 1995.

Section 28, paragraph (c), is effective July 1, 1995.

Presented to the governor May 2, 1994

Signed by the governor May 4, 1994, 3:29 p.m.

CHAPTER 562—S.F.No. 2277

An act relating to metropolitan waste control commission; authorizing the commission to enter into agreements to implement total watershed management; proposing coding for new law in Minnesota Statutes, chapter 473.

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

Section 1. [473.505] TOTAL WATERSHED MANAGEMENT.

The commission with the approval of the metropolitan council may enter into agreements with other governmental bodies and agencies and spend funds to implement total watershed management. "Total watershed management" means identifying and quantifying at a watershed level the (1) sources of pollution, both point and nonpoint, (2) causes of conditions that may or may not be a result of pollution, and (3) means of reducing pollution or alleviating adverse conditions. The purpose of total watershed management is to achieve the best water quality for waters of the state receiving the effluent of the metropolitan disposal system for the lowest total costs, without regard to who will incur those costs.

Sec. 2. APPLICATION.

Section 1 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Presented to the governor May 2, 1994

Signed by the governor May 4, 1994, 3:15 p.m.

CHAPTER 563—S.F.No. 2072

An act relating to commerce; agriculture; adding labeling requirements for salvaged food; adding licensing and permit requirements for salvaged food distributors; adding record keeping requirements; requiring salvaged food served for compensation to be identified; providing for labeling of Canadian wild rice; appropriating money; amending Minnesota Stat-

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utes 1992, sections 30.49, subdivision 2; and 31.495, subdivisions 1, 2, and 5, and by adding subdivisions.

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

Section 1. Minnesota Statutes 1992, section 30.49, subdivision 2, is amended to read:

Subd. 2. **NATURAL LAKE OR RIVER WILD RICE.** (a) (i) A package containing only 100 percent natural lake or river wild rice that is offered for sale at wholesale or retail sale in this state must be plainly and conspicuously labeled as "100 percent naturally grown, lake and river wild rice" in letters of a size and form prescribed by the commissioner. A package of wild rice labeled "100 percent naturally grown, lake and river wild rice" must also contain the license number issued under section 84.152 of the last licensed dealer, if any, who handled the wild rice.

(ii) A package containing only 100 percent natural lake or river wild rice that contains a portion of wild rice grown in Canada and offered for wholesale or retail sale in Minnesota must be plainly and conspicuously labeled as "Canadian" wild rice in letters of a size and form prescribed by the commissioner.

(b) A package that does not contain 100 percent natural lake or river wild rice may not contain a label authorized under paragraph (a).

(c) A package containing a portion of 100 percent naturally grown lake and river wild rice that is harvested by use of mechanical harvesting devices and that is offered for sale at wholesale or retail in this state must be plainly and conspicuously labeled as "machine harvested" in letters of a size and form prescribed by the commissioner. In addition, the letters "machine harvested" must be placed near the product's identity on the label. Packages containing 100 percent hand-harvested wild rice may be labeled as "hand harvested."

Sec. 2. Minnesota Statutes 1992, section 31.495, subdivision 1, is amended to read:

Subdivision 1. **APPLICATIONS.** For the purposes of ~~this section~~ sections 31.495 and 31.496, the terms defined in this subdivision have the meanings given them:

(a) "Distressed food" means any food, the label of which has been lost, defaced, or obliterated, or food which has been subjected to possible damage due to accident, fire, flood, adverse weather, or to any other similar cause; or food which is suspected of having been rendered unsafe or unsuitable for food use.

(b) "Reconditionable or salvageable food" is distressed food which it is possible to reclaim for food, feed, or seed use as determined by examination by the commissioner or the commissioner's representatives.

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(c) "Reconditioned or salvaged food" is reconditionable or salvageable food which has been reconditioned or salvaged under supervision of the commissioner so as to comply with the standards established under this section.

(d) "Reconditioning" or "salvaging" is the act of cleaning, culling, sorting, scouring, labeling, relabeling, or in any way treating "distressed food" so that it may be deemed to be "reconditioned" or "salvaged food" and therefore is acceptable for sale or use as human food, animal feed, or seed as provided therefor by the commissioner.

(e) "Salvage food processor" is a person who holds a license under section 28A.04 to operate as a salvage food processor and who receives supervision of the salvaging operations from the commissioner.

(f) "Labeling" means any legend or descriptive matter or design appearing upon an article of food or its container, and includes circulars, pamphlets and the like, which are packed and go with the article to the purchaser, and placards which may be allowed to be used to describe the food.

(g) "Salvage food distributor" means a person who engages in the business of selling, distributing, or otherwise trafficking at wholesale in any distressed or salvaged food.

Sec. 3. Minnesota Statutes 1992, section 31.495, subdivision 2, is amended to read:

Subd. 2. **LICENSING; PERMIT.** (a) It is unlawful for any person either to claim to be a salvage food processor, or to engage in the activities of reconditioning or salvaging distressed food, or both, without a license issued under section 28A.04 authorizing that person to operate as a salvage food processor, which license may not be issued absent compliance with all the provisions of this section and all rules promulgated under this section.

(b) Before issuing a license, the commissioner shall determine that the applicant's salvage establishment meets at least the minimum requirements adopted by rule for such an establishment which shall include but not be limited to adequacy of buildings, location, water supply, waste disposal, equipment, hand washing and toilet facilities, and sanitation practices, as the same relate to the protection of the public health and welfare.

(c) It is unlawful for any person either to claim to be a salvaged food distributor or to engage in the activities of selling, distributing, or otherwise trafficking in any distressed or salvaged food, or both, at wholesale, without a license issued under section 28A.04 authorizing that person to operate as a salvage food distributor, which license may not be issued absent compliance with all the provisions of this section and all rules adopted under this section.

Sec. 4. Minnesota Statutes 1992, section 31.495, is amended by adding a subdivision to read:

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Subd. 4a. LABELING REQUIREMENTS. (a) Any container of food with the label or mandatory information missing that cannot be identified and relabeled correctly must not be sold. When original labels are missing or illegible, relabeling or overlabeling is required.

(b) All salvaged food, except as described in paragraph (e), shall be identified to indicate that the food has been salvaged by clearly marking the term "salvaged food" on all invoices, bills of lading, shipping invoices, receipts, and inventory records.

(c) All persons selling salvaged food, at retail, except as described in paragraph (e), shall notify the consumer that the food is salvaged either by (1) labeling each retail package or container "salvaged" or "reconditioned" or (2) posting a conspicuous placard at the retail display location stating "salvaged food" or "reconditioned food." Placards must be readable, using letters of not less than 1-1/2 inch type. Placards shall also state "This item has been reconditioned and has been determined wholesome for human consumption under applicable state requirements by (name of food seller)."

(d) All salvaged food in containers must be provided with labels that comply with the requirements contained in chapters 29, 30, 31, 31A, 32, 33, and 34. If original labels are removed from containers that are to be resold or redistributed, the replacement labels must show as the distributor the name and address of the salvage food processor and the date of reconditioning for sale or distribution.

(e) Paragraphs (b) and (c) do not apply to food products damaged in the normal course of handling and transportation, where the food is intact in its original container and has not been subject to fire, chemical spills, temperature abuse in perishable food products, immersion in water, or other similar risk of contamination.

(f) The commissioner, in consultation with the commissioner of health, may adopt rules providing for the identification and labeling of food products pursuant to this subdivision.

Sec. 5. Minnesota Statutes 1992, section 31.495, is amended by adding a subdivision to read:

Subd. 4b. RECORD KEEPING REQUIREMENTS. A written record or receipt of distressed, salvageable, and salvaged food must be kept by the salvage food processor and distributor for inspection by the commissioner during business hours. The records must include the name of the product, the source of the distressed food, the date received, the type of damage, the salvage process conducted, and the purchaser of the salvaged food. These records must be kept on the premises of the salvage food processor and distributor for a period of one year following the completion of transactions involving the food.

Sec. 6. Minnesota Statutes 1992, section 31.495, subdivision 5, is amended to read:

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Subd. 5. **EXCEPTIONS.** ~~This section does~~ The provisions of sections 31.495 and 31.496 do not apply to: (a) any food manufacturer, distributor, retailer, or processor who in the normal course of the business of manufacturing, processing, retailing, or distributing of food engages in the activities of reconditioning and salvaging distressed food manufactured, distributed or processed by or for that person and not purchased by that person solely for the purpose of reconditioning, salvaging, and sale; or (b) Any person who reassembles or disposes of undamaged food which is from lots in which food or packaging materials or containers are damaged in the normal course of commerce or while in that person's possession and which is not purchased by that person solely for the purpose of reconditioning, salvaging, and sale, or any common carrier or agent of the common carrier who disposes of or otherwise transfers undamaged or distressed food to a person exempt under this section or to a salvage food processor who holds a valid license under this section; or (c) Any person who stores, handles or processes grain or oil seeds in the normal course of business except when such person purchases for the purpose of reconditioning, salvaging, and sale as human food grain or oil seeds contaminated by bird, rodent or animal excreta or by chemicals poisonous, injurious or detrimental to human life or health.

Sec. 7. COMMISSIONER'S STUDY.

The commissioner, in consultation with the commissioner of health and affected industry, shall study the need for further regulation of the purchase, reconditioning, and sale of salvaged food from food service establishments and retailers within the state and those received in interstate commerce. The commissioner shall report to the legislature by January 15, 1996, on the results of the study.

Sec. 8. APPROPRIATION.

\$35,000 is appropriated from the general fund to the commissioner of agriculture for salvage food regulation as provided for by this act.

Presented to the governor May 2, 1994

Signed by the governor May 4, 1994, 3:08 p.m.

CHAPTER 564—S.F.No. 2690

An act relating to insurance; township mutual fire insurance; allowing companies to issue policies in combination with the policies of other insurers; proposing coding for new law in Minnesota Statutes, chapter 67A.

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

Section 1. [67A.191] COMBINATION POLICIES.

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