Section 1. ST. PAUL; RESIDENCY FOR CITY EMPLOYEES.

Notwithstanding Minnesota Statutes, section 415.16 or any other statute or home rule charter provision, the city of St. Paul may by ordinance require that a person be a resident of the city as a condition of employment by the city. The residency requirement may be applied by the city only to persons hired by the city after the effective date of the ordinance.

Sec. 2. EFFECTIVE DATE; LOCAL APPROVAL.

Section 1 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of St. Paul.

Presented to the governor May 3, 1994

Signed by the governor May 5, 1994, 4:28 p.m.

CHAPTER 571—H.F.No. 2080

An act relating to agriculture; providing for uniformity of certain food laws with federal regulations; appropriating money; amending Minnesota Statutes 1992, sections 31.101; 31.102, subdivision 1; 31.103, subdivision 1; and 31.104; Laws 1993, chapter 172, section 7, subdivision 4.

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

Section 1. Minnesota Statutes 1992, section 31.101, is amended to read:

31.101 RULES; HEARINGS; UNIFORMITY WITH FEDERAL LAW.

Subdivision 1. The authority to promulgate and amend rules for the efficient administration and enforcement of the Minnesota food law is vested in the commissioner and is in addition to authority granted in sections 31.10, 31.11, and 31.12. Such rules when applicable shall conform, insofar as practicable and consistent with state law, with those promulgated under the federal law.

- Subd. 2. Hearings authorized or required by law shall be conducted by the commissioner or such officer, agent, or employee as the commissioner may designate for the purpose.
- Subd. 3. Federal pesticide chemical regulations and amendments thereto in effect on April 1, 1988 1994, adopted under authority of the Federal Insecticide, Fungicide and Rodenticide Act, as provided by United States Code, title 7, chapter 6, are the pesticide chemical rules in this state. Such rules may be amended by the commissioner proceeding in accordance with the administrative procedure act.

- Subd. 4. Federal food additive regulations and amendments thereto in effect on April 1, 1988 1994, as provided by Code of Federal Regulations, title 21, parts 170 to 199, are the food additive rules in this state. Such rules may be amended by the commissioner proceeding in accordance with the administrative procedure act.
- Subd. 5. Federal color additive regulations and amendments thereto in effect on April 1, 1988 1994, as provided by Code of Federal Regulations, title 21, parts 70 to 82, are the color additive rules in this state. Such rules may be amended by the commissioner proceeding in accordance with the administrative procedure act.
- Subd. 6. Federal special dietary use regulations and amendments thereto in effect on April 1, 1988 1994, as provided by Code of Federal Regulations, title 21, parts 104 and 105, are the special dietary use rules in this state. Such rules may be amended by the commissioner proceeding in accordance with the administrative procedure act.
- Subd. 7. Federal regulations and amendments thereto in effect on April 1, 1988 1994, adopted under the Fair Packaging and Labeling Act, as provided by United States Code, title 15, sections 1451 to 1461, are the rules in this state. Such rules may be amended by the commissioner proceeding in accordance with the administrative procedure act; provided that the commissioner shall not adopt amendments to such rules or adopt other rules which are contrary to the labeling requirements for the net quantity of contents required pursuant to section 4 of the Fair Packaging and Labeling Act and the regulations promulgated thereunder.
- Subd. 8. Applicable federal regulations including recodification contained in Code of Federal Regulations, title 21, parts 0-1299, Food and Drugs, in effect April 1, 1988 1994, and not otherwise adopted herein, also are adopted as food rules of this state. Such rules may be amended by the commissioner in accordance with the administrative procedure act.
- Subd. 9. **FISHERY PRODUCTS RULES.** Federal regulations in effect on April 1, 1989 1994, as provided by Code of Federal Regulations, title 50, parts 260 to 266, are incorporated as part of the fishery products rules in this state for state inspections performed under a cooperative agreement with the United States Department of Commerce, National Marine Fisheries Service. The rules may be amended by the commissioner under chapter 14.
- Sec. 2. Minnesota Statutes 1992, section 31.102, subdivision 1, is amended to read:

Subdivision 1. Federal definitions and standards of identity, quality and fill of container and amendments thereto, in effect on April 1, 1988 1994, adopted under authority of the federal act, are the definitions and standards of identity, quality and fill of container in this state. Such rules may be amended by the commissioner proceeding in accordance with the administrative procedure act.

Sec. 3. Minnesota Statutes 1992, section 31.103, subdivision 1, is amended to read:

Subdivision 1. All labels of consumer commodities shall conform with the requirements for the declaration of net quantity of contents of section 4 of the Fair Packaging and Labeling Act (United States Code, title 15, section 1451 et seq.) and federal regulations in effect on April 1, 1988 1994, promulgated pursuant thereto, except to the extent that the commissioner shall exercise authority to amend such rules in accordance with the administrative procedure act. Consumer commodities exempted from the requirements of section 4 of the Fair Packaging and Labeling Act shall also be exempt from this subdivision.

Sec. 4. Minnesota Statutes 1992, section 31.104, is amended to read:

31.104 FOOD LABELING EXEMPTION RULES.

The commissioner shall promulgate rules exempting from any labeling requirement food which is, in accordance with the practice of the trade, to be processed, labeled or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such food is not adulterated or misbranded upon removal from such processing, labeling or repacking establishment.

Federal regulations in effect on April 1, 1988 1994, adopted under authority of the federal act relating to such exemptions are effective in this state unless the commissioner shall exercise authority to amend such regulations. The commissioner also may promulgate amendments to existing rules concerning exemptions in accordance with the administrative procedure act.

Sec. 5. Laws 1993, chapter 172, section 7, subdivision 4, is amended to read:

Subd. 4. Administration and Financial Service

5,818,000

5,686,000

\$1,200,000 from the balance in the special account created in Minnesota Statutes, section 41.61, shall be transferred to the general fund by June 30, 1994.

\$389,000 the first year and \$389,000 the second year are for family farm security interest payment adjustments. If the appropriation for either year is insufficient, the appropriation for the other year is available for it. No new loans may be approved in fiscal year 1994 or 1995.

\$199,000 the first year and \$199,000 the second year are to manage the family farm advocacy program.

\$80,000 the first year and \$80,000 the second year are for grants to farmers for demonstration projects involving sustainable agriculture. If a project cost is more than \$25,000, the amount above \$25,000 must be cost-shared at a state-applicant ratio of one to one. Priorities must be given for projects involving multiple parties. Up to \$20,000 each year may be used for dissemination of information about the demonstration grant projects. If the appropriation for either year is insufficient, the appropriation for the other is available.

\$70,000 the first year and \$70,000 the second year are for the Northern Crops Institute. These appropriations may be spent to purchase equipment and are available until spent.

\$150,000 the first year and \$150,000 the second year are for grants to agriculture information centers. The grants are only available on a match basis. The funds may be released at the rate of two state dollars for each \$1 of matching nonstate money that is raised. Any appropriated amounts not matched by April 1 of each year are available for other purposes within the department.

\$45,000 the first year and \$45,000 the second year are for payment of claims relating to livestock damaged by endangered animal species and agricultural crops damaged by elk. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$80,000 \$115,000 the first year and \$80,000 \$115,000 the second year are for the seaway port authority of Duluth.

\$19,000 the first year and \$19,000 the second year is for a grant to the Minnesota livestock breeder's association.

Money from this appropriation may, at the discretion of the commissioner, be used for demonstration or pilot programs for farm animal waste management techniques or facilities. This money may not be used for these programs unless the commissioner has notified the chairs of the legislative committees or divisions with jurisdiction over appropriations for environmental and natural resources activities.

The unencumbered balance on June 1, 1993, of amounts authorized under Laws 1992, chapter 513, article 2, section 6, subdivision 5, for legal challenges to discriminatory aspects of the federal milk market order system are transferred to the supreme court for the same purposes.

Sec. 6. EFFECTIVE DATE.

Sections 1 to 5 are effective the day following final enactment.

Presented to the governor May 3, 1994

Signed by the governor May 5, 1994, 4:32 p.m.

CHAPTER 572—S.F.No. 2498

An act relating to retirement; offering options of coverage for employees of the higher education board upon merger of the state university system, community college board, and technical college board; directing a study of tax aspects of tax sheltered annuities; amending Minnesota Statutes 1992, sections 136E.04, by adding a subdivision; 354.66, subdivision 2; 354B.07, subdivision 1; and 354B.08; Minnesota Statutes 1993 Supplement, sections 352.01, subdivision 2b; 353.01, subdivision 2a; 354B.02, subdivision 3c; and 354B.05, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 136C; and 136E.

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

Section 1. [136C.75] TRANSFER OF RETIREMENT FUND MEMBER-