

CHAPTER 254—S.F.No. 2428

An act relating to agriculture; modifying provisions relating to shared savings loan program; establishing a livestock production policy; modifying provisions relating to certain home-processed foods and county and regional fairs; modifying ethanol plant ownership disclosure requirements; modifying eligibility and limits for certain Rural Finance Authority loans; providing for dairy modernization; changing certain requirements for veterinary practice; modifying amounts for certain grain buyers' bonds; providing for the validity of electronic documents and signatures for grain buyers and grain warehouses; modifying certain restrictions on farming by business organizations and certain restrictions on acquisition of title; modifying requirements on uses of certain vaccines in beef cattle; amending Minnesota Statutes 2002, sections 17.115, subdivision 2; 18C.433; 28A.15, by adding a subdivision; 38.04; 38.12; 38.14; 38.15; 38.16; 41B.03, subdivisions 2, 3; 41B.039, subdivision 2; 41B.04, subdivision 8; 41B.042, subdivision 4; 41B.043, subdivision 1b, by adding a subdivision; 41B.045, subdivision 2; 41B.046, subdivision 5; 41C.02, subdivision 12; 156.12, subdivision 2, by adding a subdivision; 223.16, by adding subdivisions; 223.17, subdivision 6; 223.177, subdivision 3; 232.21, by adding subdivisions; 232.23, subdivision 4; 308A.995, subdivision 5; 500.221, subdivisions 1, 1a, 5; 500.24, subdivisions 2, 3a; 561.19, subdivisions 1, 2; 609.605, by adding a subdivision; Minnesota Statutes 2003 Supplement, sections 18B.07, subdivision 2; 38.02, subdivisions 1, 3; 41A.09, subdivision 3a; 223.17, subdivision 4; 308B.121, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 17; 116J; 609; repealing Minnesota Statutes 2002, sections 38.02, subdivision 2; 38.13.

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

Section 1. Minnesota Statutes 2002, section 17.115, subdivision 2, is amended to read:

Subd. 2. **LOAN CRITERIA.** (a) The shared savings loan program must provide loans for purchase of new or used machinery and installation of equipment for projects that make environmental improvements or enhance farm profitability. Eligible loan uses do not include seed, fertilizer, or fuel.

(b) Loans may not exceed \$25,000 per individual applying for a loan and may not exceed \$100,000 for loans to four or more individuals on joint projects. The loan repayment period may be up to seven years as determined by project cost and energy savings. The interest rate on the loans is must not exceed six percent. For loans made from May 1, 2004, to June 30, 2007, the interest rate must not exceed three percent.

(c) Loans may only be made to residents of this state engaged in farming.

Sec. 2. [17.844] **LIVESTOCK PRODUCTION POLICY.**

(a) The policy of the state is to promote livestock production on family farms under a broad range of management systems that are environmentally sound and meet all legal requirements of all jurisdictions, including federal, state, county, town, city, and watershed district requirements.

(b) In order to promote livestock production on family farms, state agencies when appropriate shall, to the extent allowed by law:

(1) promote the establishment of livestock enterprises on family farms;

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(2) promote environmental protection and water quality improvement through increased livestock production that results in controlling runoff through increased acreage of hay, pasture, and small grains; and

(3) promote more farms to use agronomically applied manure to increase the water holding capacity of the soil and control erosion.

Sec. 3. Minnesota Statutes 2003 Supplement, section 18B.07, subdivision 2, is amended to read:

Subd. 2. **PROHIBITED PESTICIDE USE.** (a) A person may not use, store, handle, distribute, or dispose of a pesticide, rinsate, pesticide container, or pesticide application equipment in a manner:

(1) that is inconsistent with a label or labeling as defined by FIFRA;

(2) that endangers humans, damages agricultural products, food, livestock, fish, or wildlife; or

(3) that will cause unreasonable adverse effects on the environment.

(b) A person may not direct a pesticide onto property beyond the boundaries of the target site. A person may not apply a pesticide resulting in damage to adjacent property.

(c) A person may not directly apply a pesticide on a human by overspray or target site spray, except when:

(1) the pesticide is intended for use on a human;

(2) the pesticide application is for mosquito control operations;

(3) the pesticide application is for control of gypsy moth, forest tent caterpillar, or other pest species, as determined by the commissioner, and the pesticide used is a biological agent; or

(4) the pesticide application is for a public health risk, as determined by the commissioner of health, and the commissioner of health, in consultation with the commissioner of agriculture, determines that the application is warranted based on the commissioner's balancing of the public health risk with the risk that the pesticide application poses to the health of the general population, with special attention to the health of children.

(d) For pesticide applications under paragraph (c), clause (2), the following conditions apply:

(1) no practicable and effective alternative method of control exists;

(2) the pesticide is among the least toxic available for control of the target pest; and

(3) notification to residents in the area to be treated is provided at least 24 hours before application through direct notification, posting daily on the treating organization's Web site, if any, and by sending a broadcast e-mail to those persons who request notification of such, of those areas to be treated by adult mosquito control techniques

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during the next calendar day. For control operations related to human disease, notice under this paragraph may be given less than 24 hours in advance.

(e) For pesticide applications under paragraph (c), clauses (3) and (4), the following conditions apply:

(1) no practicable and effective alternative method of control exists;

(2) the pesticide is among the least toxic available for control of the target pest; and

(3) notification of residents in the area to be treated is provided by direct notification and through publication in a newspaper of general circulation within the affected area.

(f) For purposes of this subdivision, "direct notification" may include mailings, public meetings, posted placards, neighborhood newsletters, or other means of contact designed to reach as many residents as possible. Public meetings held to meet this requirement for adult mosquito control, under paragraph (d), must be held within each city or town where the pesticide treatments are to be made, at a time and location that is convenient for residents of the area where the treatments will occur.

(g) A person may not apply a pesticide in a manner so as to expose a worker in an immediately adjacent, open field.

Sec. 4. Minnesota Statutes 2002, section 18C.433, is amended to read:

18C.433 PRIVATE COMMERCIAL MANURE APPLICATOR CERTIFICATION APPLICATION REQUIREMENT.

Subdivision 1. **REQUIREMENT.** Beginning January 1, ~~2005~~ 2006, ~~except for only a commercial animal waste technician, only a certified private manure applicator may apply animal waste from a feedlot that:~~

(1) has a capacity of 300 animal units or more; and

(2) does not have an updated manure management plan that meets the requirements of Pollution Control Agency rules.

Subd. 2. **CERTIFICATION.** (a) ~~The commissioner shall prescribe certification requirements and provide training. The training may be done in cooperation with other government agencies and must be at least three hours in duration.~~

(b) ~~A person must apply to the commissioner for certification as a private manure applicator. The certification expires March 1 of the third calendar year after the initial year of certification.~~

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

Subd. 3. **FEES.** (a) ~~A person applying to be certified as a private manure applicator must pay a nonrefundable \$10 application fee.~~

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(b) A \$5 fee must be paid for the issuance of a duplicate private manure applicator card.

Sec. 5. Minnesota Statutes 2002, section 28A.15, is amended by adding a subdivision to read:

Subd. 10. CERTAIN HOME-PROCESSED AND HOME-CANNED FOODS.

(a) A person who receives less than \$5,000 in gross receipts in a calendar year from the sale of home-processed and home-canned food products and meets the requirements in clauses (1) to (5):

(1) the products are pickles, vegetables, or fruits having an equilibrium pH value of 4.6 or lower;

(2) the products are home-processed and home-canned in Minnesota;

(3) the products are sold or offered for sale at a community or social event or a farmers' market in Minnesota;

(4) the seller displays at the point of sale a clearly legible sign or placard stating: "These canned goods are homemade and not subject to state inspection" unless the products were processed and canned in a kitchen that is licensed or inspected; and

(5) each container of the product sold or offered for sale under this exemption is accurately labeled to provide the name and address of the person who processed and canned the goods and the date on which the goods were processed and canned.

(b) A person that qualifies for an exemption under paragraph (a) is also exempt from the provisions of sections 31.31 and 31.392.

(c) A person claiming an exemption under this subdivision is urged to:

(1) attend and successfully complete a better process school recognized by the commissioner; and

(2) have the recipe and manufacturing process reviewed by a person knowledgeable in the food canning industry and recognized by the commissioner as a process authority.

(d) The commissioner, in close cooperation with the commissioner of health and the Minnesota Extension Service, shall attempt to maximize the availability of information and technical services and support for persons who wish to home-process and home-can low acid and acidified food products.

Sec. 6. Minnesota Statutes 2003 Supplement, section 38.02, subdivision 1, is amended to read:

Subdivision 1. **PRO RATA DISTRIBUTION; CONDITIONS.** (a) Money appropriated to aid county and district agricultural societies and associations shall be distributed among all county and district agricultural societies or associations in the state pro rata, upon condition that each of them has complied with the conditions specified in paragraph (b).

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(b) To be eligible to participate in the distribution of aid, each agricultural society or association shall have:

(1) held an annual fair for each of the three years last past, unless prevented from doing so because of a calamity or an epidemic declared by the Board of Health as defined in section 145A.02, subdivision 2, ~~or the state commissioner of health, or the Board of Animal Health~~ to exist;

(2) an annual membership of ~~25~~ 15 or more;

(3) paid out to exhibitors for premiums awarded at the last fair held a sum not less than the amount to be received from the state;

(4) published and distributed, or made available on an Internet Web site, not less than three weeks before the opening day of the fair a premium list, listing all items or articles on which premiums are offered and the amounts of such premiums and shall have paid premiums pursuant to the amount shown for each article or item to be exhibited; provided that premiums for school exhibits may be advertised in the published premium list by reference to a school premium list prepared and circulated during the preceding school year; and shall have collected all fees charged for entering an exhibit at the time the entry was made and in accordance with schedule of entry fees to be charged as published in the premium list;

(5) paid not more than one premium on each article or item exhibited, excluding championship or sweepstake awards, and excluding the payment of open class premium awards to 4H Club exhibits which at this same fair had won a first prize award in regular 4H Club competition; and

(6) submitted ~~its records and annual report~~ to the commissioner of agriculture on a form provided by the commissioner of agriculture, on or before the first day of November of the year in which the fair was held its annual report of premiums paid.

(c) All payments authorized under the provisions of this chapter shall be made only upon the presentation by the commissioner of agriculture with the commissioner of finance of a statement of premium allocations. As used herein the term premium shall mean the cash award paid to an exhibitor for the merit of an exhibit of livestock, livestock products, grains, fruits, flowers, vegetables, articles of domestic science, handicrafts, hobbies, fine arts, other products of a creative nature, and articles made by school pupils; or the cash award paid to the merit winner of events such as 4H Club or Future Farmer contest, youth group contests, school spelling contests and school current events contests, the award corresponding to the amount offered in the advertised premium list referred to in schedule 2. Payments of awards for horse races, horse pulls, tractor pulls, demolition derby, automobile or other racing, jackpot premiums, ball games, musical contests, talent contests, parades, and for amusement features for which admission is charged, are specifically excluded from consideration as premiums within the meaning of that term as used herein. ~~Upon receipt of the statement by the commissioner of agriculture, the commissioner of finance shall draw a voucher in favor of the agricultural society or association for the amount to which it is entitled under the provisions of this chapter. The amount shall be computed as~~

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follows: On the first \$750 premiums paid by each society or association at the last fair held, the society or association shall receive 100 percent reimbursement; on the second \$750 premiums paid, 80 percent; on the third \$750 premiums paid, 60 percent; and on any sum in excess of \$2,250, 40 percent. The commissioner of finance shall make payments not later than July 15 of the year following the calendar year in which the annual fair was held to those agricultural societies or associations entitled to payments under the provisions of this chapter.

(d) If the total amount of state aid to which the agricultural societies and associations are entitled under the provisions of this chapter exceeds the amount of the appropriation therefor, the amounts to which the societies or associations are entitled shall be prorated so that the total payments by the state will not exceed the appropriation.

Sec. 7. Minnesota Statutes 2003 Supplement, section 38.02, subdivision 3, is amended to read:

Subd. 3. **CERTIFICATION, COMMISSIONER OF AGRICULTURE ENTITLEMENT FOR PRO RATA DISTRIBUTION.** ~~Any~~ A county or district agricultural society which has held its second annual fair is entitled to share pro rata in the distribution. ~~The commissioner of agriculture shall certify to the secretary of the State Agricultural Society, within 30 days after payments have been made, a list of all county or district agricultural societies that have complied with this chapter, and which are entitled to share in the appropriation. All Payments shall be based on reports submitted by agricultural societies under subdivision 1, paragraph (b), clause (6).~~

Sec. 8. Minnesota Statutes 2002, section 38.04, is amended to read:

38.04 ANNUAL MEETINGS; REPORTS.

Every county agricultural society shall hold an annual meeting for the election of officers and the transaction of other business on or before the third Tuesday in November. Service on the county agricultural society board or as an officer of the board is not a public office. Elected officials of the state or its political subdivisions may serve on the board or be elected as officers.

At the annual meeting, ~~the society's secretary an officer of the society shall make a report of its proceedings for the preceding year; this report shall contain a statement of all transactions at its fairs, the numbers of entries, the amount and source of all money received, and~~ and a financial statement prepared in accordance with generally accepted accounting principles. The report must also list the amount paid out for premiums and for other purposes, and show in detail its entire receipts and expenditures during the year. The report must contain a separate accounting of any income received from the operation of horse racing on which pari-mutuel betting is conducted, and of the disposition of that income.

The treasurer shall make a comprehensive report of the funds received, paid out, and on hand, and upon whose order paid. ~~Each secretary shall cause a certified copy of the annual report to be filed with the county recorder of the county and the commissioner of agriculture on or before the first day of November each year.~~

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Sec. 9. Minnesota Statutes 2002, section 38.12, is amended to read:

38.12 APPROPRIATIONS BY CERTAIN MUNICIPALITIES.

The council of any city and the board of supervisors of any town having fairs of county and district agricultural societies or associations, who are members of the Minnesota state agricultural society, held within or in close proximity to their corporate limits or in close proximity thereto, are hereby authorized and empowered to may appropriate for and pay money to such the agricultural society or association annually a sum not exceeding \$1,000.

Sec. 10. Minnesota Statutes 2002, section 38.14, is amended to read:

38.14 IN COUNTIES OF 150,000: APPROPRIATIONS FOR COUNTY FAIRS.

Subdivision 1. **CONDITIONS, PROCEDURES, BOND.** In any county in this state now or hereafter having a population of 150,000, the A county board may annually appropriate not to exceed \$3,000, except that counties having more than 300,000 and less than 450,000 inhabitants may appropriate not to exceed \$5,000, money to assist in maintaining a county fair, which fair shall be under the management and control of managed by a county agricultural society. The appropriation shall be made either to the treasurer of the society or to some other suitable person, but before the money is paid, the treasurer or other person shall file with the county auditor a satisfactory bond in double the sum of the appropriation, conditioned upon the faithful disbursing and accounting for all of the funds so appropriated. The funds so appropriated shall be used solely for the purpose of obtaining, preparing, and arranging exhibits and paying premiums to exhibitors. The treasurer or other person to whom the appropriation is paid shall, within four months after the holding of any such aided annual fair, file with the county auditor a verified and detailed report showing the name and address of every person to whom any of the money was paid, together with the date of payment, and a full description of the purposes for which the money was so paid, and shall attach thereto receipts and subvouchers for each payment so made and return to the county treasurer all of the unexpended portion thereof. After the report, receipts, and subvouchers have been audited by the county board and found to be correct, it may, by resolution, release the treasurer or other person and the sureties from all further liabilities under bond.

Subd. 2. **EXCEPT RAMSEY COUNTY.** This section and section 38.15 do not apply to Ramsey County.

Sec. 11. Minnesota Statutes 2002, section 38.15, is amended to read:

38.15 SITES AND BUILDINGS.

The county board in any such county may also annually appropriate such further sum as it may desire, not exceeding \$7,500, money for the purpose of procuring a suitable site and the erection of erecting on it a suitable county building thereon, for the building or repairing of a race track and for grading and improving the grounds, to be used in connection with such a county fair, but the site and the building and

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improvements shall be and remain the property of the county, and the annual appropriation shall be used only for the purpose of so acquiring the site and building and grading and for the necessary care, repair, maintenance, and upkeep thereof. In any county in this state now or hereafter having a population in excess of 150,000 and an area of more than 5,000 square miles, the county agricultural society may expend funds appropriated to it for the year 1957 for the payment of debts and liabilities incurred during the year 1956 in the construction of county fair buildings, notwithstanding the provisions of Laws 1941, chapter 418.

Sec. 12. Minnesota Statutes 2002, section 38.16, is amended to read:

38.16 EXEMPTION FROM ZONING ORDINANCES.

When lands lying within the corporate limits of towns or cities of the first or second class of the state are owned by a county or agricultural society and used for agricultural fair purposes, the lands and the buildings now or hereafter erected thereon shall be are exempt from the zoning, building, and other ordinances of the town or city; provided, that no license or permit need be obtained from, nor fee paid to, the town or city in connection with the use of the lands.

Sec. 13. Minnesota Statutes 2003 Supplement, section 41A.09, subdivision 3a, is amended to read:

Subd. 3a. **ETHANOL PRODUCER PAYMENTS.** (a) The commissioner shall make cash payments to producers of ethanol located in the state that have begun production by June 30, 2000. For the purpose of this subdivision, an entity that holds a controlling interest in more than one ethanol plant is considered a single producer. The amount of the payment for each producer's annual production, except as provided in paragraph (c), is 20 cents per gallon for each gallon of ethanol produced on or before June 30, 2000, or ten years after the start of production, whichever is later. The first claim for production after June 30, 2003, must be accompanied by Annually, within 90 days of the end of its fiscal year, an ethanol producer receiving payments under this subdivision must file a disclosure statement on a form provided by the commissioner. The initial disclosure statement must include a detailed summary description of the organization of the business structure of the claimant, a listing of the percentages of ownership by any person or other entity with an ownership interest of five percent or greater, the distribution of income received by the claimant, including operating income and payments under this subdivision and a copy of its annual audited financial statements, including the auditor's report and footnotes. The disclosure statement must include information sufficient to demonstrate that a majority of the ultimate beneficial interest in the demonstrating what percentage of the entity receiving payments under this section is owned by farmers or spouses of farmers, as defined in or other entities eligible to farm or own agricultural land in Minnesota under the provisions of section 500.24, residing in Minnesota. Subsequent quarterly claims annual reports must report reflect noncumulative changes in ownership of ten percent or more of the entity. Payments must not be made to a claimant that has less than a majority of Minnesota farmer control except that the commissioner may grant an exemption from the farmer majority ownership requirement to a claimant that, on May 29, 2003, has demonstrated

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greater than 40 percent farmer ownership which, when combined with ownership interests of persons residing within 30 miles of the plant, exceeds 50 percent. In addition, a claimant located in a city of the first class which qualifies for payments in all other respects is not subject to this condition. Information provided under this paragraph is The report need not disclose the identity of the persons or entities eligible to farm or own agricultural land with ownership interests, individuals residing within 30 miles of the plant, or of any other entity with less than ten percent ownership interest, but the claimant must retain information within its files confirming the accuracy of the data provided. This data must be made available to the commissioner upon request. Not later than the 15th day of February in each year the commissioner shall deliver to the chairs of the standing committees of the senate and the house of representatives that deal with agricultural policy and agricultural finance issues an annual report summarizing aggregated data from plants receiving payments under this section during the preceding calendar year. Audited financial statements and notes and disclosure statements submitted to the commissioner are nonpublic data under section 13.02, subdivision 9. Notwithstanding the provisions of chapter 13 relating to nonpublic data, summaries of the submitted audited financial reports and notes and disclosure statements will be contained in the report to the committee chairs and will be public data.

(b) No payments shall be made for ethanol production that occurs after June 30, 2010.

(c) If the level of production at an ethanol plant increases due to an increase in the production capacity of the plant, the payment under paragraph (a) applies to the additional increment of production until ten years after the increased production began. Once a plant's production capacity reaches 15,000,000 gallons per year, no additional increment will qualify for the payment.

(d) Total payments under paragraphs (a) and (c) to a producer in a fiscal year may not exceed \$3,000,000.

(e) By the last day of October, January, April, and July, each producer shall file a claim for payment for ethanol production during the preceding three calendar months. A producer that files a claim under this subdivision shall include a statement of the producer's total ethanol production in Minnesota during the quarter covered by the claim. For each claim and statement of total ethanol production filed under this subdivision, the volume of ethanol production must be examined by an independent certified public accountant in accordance with standards established by the American Institute of Certified Public Accountants.

(f) Payments shall be made November 15, February 15, May 15, and August 15. A separate payment shall be made for each claim filed. Except as provided in paragraph (g), the total quarterly payment to a producer under this paragraph may not exceed \$750,000.

(g) Notwithstanding the quarterly payment limits of paragraph (f), the commissioner shall make an additional payment in the fourth quarter of each fiscal year to ethanol producers for the lesser of: (1) 20 cents per gallon of production in the fourth

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quarter of the year that is greater than 3,750,000 gallons; or (2) the total amount of payments lost during the first three quarters of the fiscal year due to plant outages, repair, or major maintenance. Total payments to an ethanol producer in a fiscal year, including any payment under this paragraph, must not exceed the total amount the producer is eligible to receive based on the producer's approved production capacity. The provisions of this paragraph apply only to production losses that occur in quarters beginning after December 31, 1999.

(h) The commissioner shall reimburse ethanol producers for any deficiency in payments during earlier quarters if the deficiency occurred because appropriated money was insufficient to make timely payments in the full amount provided in paragraph (a). Notwithstanding the quarterly or annual payment limitations in this subdivision, the commissioner shall begin making payments for earlier deficiencies in each fiscal year that appropriations for ethanol payments exceed the amount required to make eligible scheduled payments. Payments for earlier deficiencies must continue until the deficiencies for each producer are paid in full.

Sec. 14. Minnesota Statutes 2002, section 41B.03, subdivision 2, is amended to read:

Subd. 2. **ELIGIBILITY FOR RESTRUCTURED LOAN.** In addition to the eligibility requirements of subdivision 1, a prospective borrower for a restructured loan must:

(1) have received at least 50 percent of average annual gross income from farming for the past three years or, for homesteaded property, received at least 40 percent of average gross income from farming in the past three years, and farming must be the principal occupation of the borrower;

(2) have projected annual expenses, including operating expenses, family living, and interest expenses after the restructuring, that do not exceed 95 percent of the borrower's projected annual income considering prior production history and projected prices for farm production, except that the authority may reduce the 95 percent requirement if it finds that other significant factors in the loan application support the making of the loan;

(3) demonstrate substantial difficulty in meeting projected annual expenses without restructuring the loan; and

(4) have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than \$400,000 \$660,000 in 1999 2004 and an amount in subsequent years which is adjusted for inflation by multiplying \$400,000 that amount by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index.

Sec. 15. Minnesota Statutes 2002, section 41B.03, subdivision 3, is amended to read:

Subd. 3. **ELIGIBILITY FOR BEGINNING FARMER LOANS.** (a) In addition to the requirements under subdivision 1, a prospective borrower for a beginning farm

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loan in which the authority holds an interest, must:

(1) have sufficient education, training, or experience in the type of farming for which the loan is desired;

(2) have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than ~~\$200,000 in 1991~~ \$350,000 in 2004 and an amount in subsequent years which is adjusted for inflation by multiplying ~~\$200,000~~ that amount by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index;

(3) demonstrate a need for the loan;

(4) demonstrate an ability to repay the loan;

(5) certify that the agricultural land to be purchased will be used by the borrower for agricultural purposes;

(6) certify that farming will be the principal occupation of the borrower;

(7) agree to participate in a farm management program approved by the commissioner of agriculture for at least the first three years of the loan, if an approved program is available within 45 miles from the borrower's residence. The commissioner may waive this requirement for any of the programs administered by the authority if the participant requests a waiver and has either a four-year degree in an agricultural program or certification as an adult farm management instructor; and

(8) agree to file an approved soil and water conservation plan with the Soil Conservation Service office in the county where the land is located.

(b) If a borrower fails to participate under paragraph (a), clause (7), the borrower is subject to penalty as determined by the authority.

Sec. 16. Minnesota Statutes 2002, section 41B.039, subdivision 2, is amended to read:

Subd. 2. **STATE PARTICIPATION.** The state may participate in a new real estate loan with an eligible lender to a beginning farmer to the extent of 45 percent of the principal amount of the loan or ~~\$125,000~~ \$200,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the lender's retained portion of the loan.

Sec. 17. Minnesota Statutes 2002, section 41B.04, subdivision 8, is amended to read:

Subd. 8. **STATE'S PARTICIPATION.** With respect to loans that are eligible for restructuring under sections 41B.01 to 41B.23 and upon acceptance by the authority, the authority shall enter into a participation agreement or other financial arrangement whereby it shall participate in a restructured loan to the extent of 45 percent of the primary principal or ~~\$150,000~~ \$225,000, whichever is less. The authority's portion of the loan must be protected during the authority's participation by the first mortgage held by the eligible lender to the extent of its participation in the loan.

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Sec. 18. Minnesota Statutes 2002, section 41B.042, subdivision 4, is amended to read:

Subd. 4. **PARTICIPATION LIMIT; INTEREST.** The authority may participate in new seller-sponsored loans to the extent of 45 percent of the principal amount of the loan or ~~\$125,000~~ \$200,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the seller's retained portion of the loan.

Sec. 19. Minnesota Statutes 2002, section 41B.043, subdivision 1b, is amended to read:

Subd. 1b. **LOAN PARTICIPATION.** The authority may participate in an agricultural improvement loan with an eligible lender to a farmer who meets the requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who is actively engaged in farming. Participation is limited to 45 percent of the principal amount of the loan or ~~\$125,000~~ \$200,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the lender's retained portion of the loan.

Sec. 20. Minnesota Statutes 2002, section 41B.043, is amended by adding a subdivision to read:

Subd. 5. **TOTAL NET WORTH LIMIT.** A prospective borrower for an agricultural improvement loan in which the authority holds an interest must have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than \$350,000 in 2004 and an amount in subsequent years which is adjusted for inflation by multiplying that amount by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index.

Sec. 21. Minnesota Statutes 2002, section 41B.045, subdivision 2, is amended to read:

Subd. 2. **LOAN PARTICIPATION.** The authority may participate in a livestock expansion loan with an eligible lender to a livestock farmer who meets the requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who are actively engaged in a livestock operation. A prospective borrower must have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than ~~\$400,000~~ \$660,000 in ~~1999~~ 2004 and an amount in subsequent years which is adjusted for inflation by multiplying ~~\$400,000~~ that amount by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index.

Participation is limited to 45 percent of the principal amount of the loan or ~~\$250,000~~ \$275,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different from the interest rates and repayment terms of the lender's retained portion of the loan.

Sec. 22. Minnesota Statutes 2002, section 41B.046, subdivision 5, is amended to read:

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Subd. 5. **LOANS.** (a) The authority may participate in a stock loan with an eligible lender to a farmer who is eligible under subdivision 4. Participation is limited to 45 percent of the principal amount of the loan or ~~\$24,000~~ \$40,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may differ from the interest rates and repayment terms of the lender's retained portion of the loan, but the authority's interest rate must not exceed 50 percent of the lender's interest rate.

(b) No more than 95 percent of the purchase price of the stock may be financed under this program:

(c) Security for stock loans must be the stock purchased, a personal note executed by the borrower, and whatever other security is required by the eligible lender or the authority.

(d) The authority may impose a reasonable nonrefundable application fee for each application for a stock loan. The authority may review the fee annually and make adjustments as necessary. The application fee is initially \$50. Application fees received by the authority must be deposited in the value-added agricultural product revolving fund.

(e) Stock loans under this program will be made using money in the value-added agricultural product revolving fund established under subdivision 3.

(f) The authority may not grant stock loans in a cumulative amount exceeding \$2,000,000 for the financing of stock purchases in any one cooperative.

Sec. 23. Minnesota Statutes 2002, section 41C.02, subdivision 12, is amended to read:

Subd. 12. **LOW OR MODERATE NET WORTH.** "Low or moderate net worth" means:

(1) for an individual, an aggregate net worth of the individual and the individual's spouse and minor children of less than ~~\$200,000 in 1991~~ \$350,000 in 2004 and an amount in subsequent years which is adjusted for inflation by multiplying ~~\$200,000 that amount~~ by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index; or

(2) for a partnership, an aggregate net worth of all partners, including each partner's net capital in the partnership, and each partner's spouse and minor children of less than ~~\$400,000 in 1991~~ and an amount in subsequent years which is adjusted for inflation by multiplying ~~\$400,000~~ by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index twice the amount set for an individual in clause (1). However, the aggregate net worth of each partner and that partner's spouse and minor children may not exceed ~~\$200,000 in 1991~~ and an amount in subsequent years which is adjusted for inflation by multiplying ~~\$200,000~~ by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index the amount set for an individual in clause (1).

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Sec. 24. **[116J.407] DAIRY MODERNIZATION.**

Subdivision 1. **GENERALLY.** The commissioner shall make funds available to eligible regional or statewide development organizations defined under section 116J.8731 to be used for the purposes of this section.

Subd. 2. **ELIGIBLE EXPENDITURES.** Money may be used for loans for the acquisition, construction, or improvement of buildings or facilities, or the acquisition of equipment, for dairy animal housing, confinement, animal feeding, milk production, and waste management, including the following, if related to dairy animals:

- (1) freestall barns;
- (2) fences;
- (3) watering facilities;
- (4) feed storage and handling equipment;
- (5) milking parlors;
- (6) robotic equipment;
- (7) scales;
- (8) milk storage and cooling facilities;
- (9) bulk tanks;
- (10) manure pumping and storage facilities;
- (11) digesters;
- (12) equipment used to produce energy;
- (13) capital investment in pasture; and
- (14) on-farm processing facilities.

Subd. 3. **APPLICATION PROCESS.** The commissioner of agriculture and the commissioner of employment and economic development shall establish a process by which an eligible dairy producer may make application for assistance under this section to the county in which the producer is located. The application must require the producer and county to provide information regarding the producer's existing business, the intended use of the requested funds, and other information the commissioners find necessary to evaluate the feasibility, likely success, and economic return of the project, and to ensure that money can be provided consistent with other state and federal laws.

Sec. 25. Minnesota Statutes 2002, section 156.12, subdivision 2, is amended to read:

Subd. 2. AUTHORIZED ACTIVITIES. No provision of this chapter shall be construed to prohibit:

(a) a person from rendering necessary gratuitous assistance in the treatment of any animal when the assistance does not amount to prescribing, testing for, or diagnosing, operating, or vaccinating and when the attendance of a licensed veterinarian cannot be procured;

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(b) a person who is a regular student in an accredited or approved college of veterinary medicine from performing duties or actions assigned by instructors or preceptors or working under the direct supervision of a licensed veterinarian;

(c) a veterinarian regularly licensed in another jurisdiction from consulting with a licensed veterinarian in this state;

(d) the owner of an animal and the owner's regular employee from caring for and administering to the animal belonging to the owner, except where the ownership of the animal was transferred for purposes of circumventing this chapter;

(e) veterinarians who are in compliance with subdivision 6 and who are employed by the University of Minnesota from performing their duties with the College of Veterinary Medicine, College of Agriculture, Agricultural Experiment Station, Agricultural Extension Service, Medical School, School of Public Health, or other unit within the university; or a person from lecturing or giving instructions or demonstrations at the university or in connection with a continuing education course or seminar to veterinarians or pathologists at the University of Minnesota Veterinary Diagnostic Laboratory;

(f) any person from selling or applying any pesticide, insecticide or herbicide;

(g) any person from engaging in bona fide scientific research or investigations which reasonably requires experimentation involving animals;

(h) any employee of a licensed veterinarian from performing duties other than diagnosis, prescription or surgical correction under the direction and supervision of the veterinarian, who shall be responsible for the performance of the employee;

(i) a graduate of a foreign college of veterinary medicine from working under the direct personal instruction, control, or supervision of a veterinarian faculty member of the College of Veterinary Medicine, University of Minnesota in order to complete the requirements necessary to obtain an ECFVG certificate.

Sec. 26. Minnesota Statutes 2002, section 156.12, is amended by adding a subdivision to read:

Subd. 6. FACULTY LICENSURE. (a) Veterinary Medical Center clinicians at the College of Veterinary Medicine, University of Minnesota who are engaged in the practice of veterinary medicine as defined in subdivision 1 and who treat animals owned by clients of the Veterinary Medical Center must possess the same license required by other veterinary practitioners in the state of Minnesota except for persons covered by paragraphs (b) and (c).

(b) A specialty practitioner in a hard-to-fill faculty position who has been employed at the College of Veterinary Medicine, University of Minnesota for five years or more prior to 2003 or is specialty board certified by the American Veterinary Medical Association may be granted a specialty faculty Veterinary Medical Center clinician license which will allow the licensee to practice veterinary medicine in the state of Minnesota in the specialty area of the licensee's training and only within the scope of employment at the Veterinary Medical Center.

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(c) A specialty practitioner in a hard-to-fill faculty position at the College of Veterinary Medicine, University of Minnesota who has graduated from a board-approved foreign veterinary school may be granted a temporary faculty Veterinary Medical Center clinician license. The temporary faculty Veterinary Medical Center clinician license expires in two years and allows the licensee to practice veterinary medicine as defined in subdivision 1 and treat animals owned by clients of the Veterinary Medical Center. The temporary faculty Veterinary Medical Center clinician license allows the licensee to practice veterinary medicine in the state of Minnesota in the specialty area of the licensee's training and only within the scope of employment at the Veterinary Medical Center. The holder of a temporary faculty Veterinary Medical Center clinician license who is enrolled in a PhD program may apply for two two-year extensions of an expiring temporary faculty Veterinary Medical Center clinician license. Any other holder of a temporary faculty Veterinary Medical Center clinician license may apply for one two-year extension of the expiring temporary faculty Veterinary Medical Center clinician license. Temporary faculty Veterinary Medical Center clinician licenses that are allowed to expire may not be renewed. The board shall grant an extension to a licensee who demonstrates suitable progress toward completing the requirements of their academic program, specialty board certification, or full licensure in Minnesota by a graduate of a foreign veterinary college.

(d) Temporary and specialty faculty Veterinary Medical Center clinician licensees must abide by all the laws governing the practice of veterinary medicine in the state of Minnesota and are subject to the same disciplinary action as any other veterinarian licensed in the state of Minnesota.

(e) The fee for a license issued under this subdivision is the same as for a regular license to practice veterinary medicine in Minnesota. License payment deadlines, late payment fees, and other license requirements are also the same as for regular licenses.

Sec. 27. Minnesota Statutes 2002, section 223.16, is amended by adding a subdivision to read:

Subd. 3a. **ELECTRONIC DOCUMENT.** "Electronic document" means a document that is generated, sent, received, or stored by electronic, optical, or similar means, including electronic data interchange, electronic mail, telegram, telex, or telecopy. "Electronic document" includes, but is not limited to, grain purchase contracts and voluntary extension of credit contracts.

Sec. 28. Minnesota Statutes 2002, section 223.16, is amended by adding a subdivision to read:

Subd. 3b. **ELECTRONIC SIGNATURE.** "Electronic signature" means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

Sec. 29. Minnesota Statutes 2003 Supplement, section 223.17, subdivision 4, is amended to read:

Subd. 4. **BOND.** 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

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commissioner but not less than the following amounts:

- (a) \$10,000 for grain buyers whose gross annual purchases are \$100,000 or less;
- (b) \$20,000 for grain buyers whose gross annual purchases are more than \$100,000 but not more than \$750,000;
- (c) \$30,000 for grain buyers whose gross annual purchases are more than \$750,000 but not more than \$1,500,000;
- (d) \$40,000 for grain buyers whose gross annual purchases are more than \$1,500,000 but not more than \$3,000,000; and
- (e) \$50,000 for grain buyers whose gross annual purchases exceed are more than \$3,000,000 but not more than \$6,000,000;
- (f) \$70,000 for grain buyers whose gross annual purchases are more than \$6,000,000 but not more than \$12,000,000;
- (g) \$125,000 for grain buyers whose gross annual purchases are more than \$12,000,000 but not more than \$24,000,000; and
- (h) \$150,000 for grain buyers whose gross annual purchases exceed \$24,000,000.

A grain buyer who has filed a bond with the commissioner prior to July 1, 1983 2004, is not required to increase the amount of the bond to comply with this section until July 1, 1984 2005. The commissioner may postpone an increase in the amount of the bond until July 1, 1985 2006, if a licensee demonstrates that the increase will impose undue financial hardship on the licensee, and that producers will not be harmed as a result of the postponement. The commissioner may impose other restrictions on a licensee whose bond increase has been postponed. The amount of the bond shall be based on the most recent financial statement of the grain buyer filed under subdivision 6.

A first-time applicant for a grain buyer's license after July 1, 1983 shall file a \$20,000 \$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 clauses (a) to (e) (h).

In lieu of the bond required by this subdivision the applicant may deposit with the commissioner of finance cash, a certified check, a cashier's check, a postal, bank, or express money order, assignable bonds or notes of the United States, or an assignment of a bank savings account or investment certificate or an irrevocable bank letter of credit as defined in section 336.5-102, in the same amount as would be required for a bond.

Sec. 30. Minnesota Statutes 2002, section 223.17, subdivision 6, is amended to read:

Subd. 6. **FINANCIAL STATEMENTS.** For the purpose of fixing or changing the amount of a required bond or for any other proper reason, the commissioner shall require an annual financial statement from a licensee which has been prepared in

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accordance with generally accepted accounting principles and which meets the following requirements:

(a) The financial statement shall include, but not be limited to the following: (1) a balance sheet; (2) a statement of income (profit and loss); (3) a statement of retained earnings; (4) a statement of changes in financial position; and (5) a statement of the dollar amount of grain purchased in the previous fiscal year of the grain buyer,

(b) The financial statement shall be accompanied by a compilation report of the financial statement which is reviewed financial statement or audit prepared by a grain commission firm or a management firm approved by the commissioner or by an independent public accountant or a compilation report prepared by a grain commission firm approved by the commissioner, in accordance with standards established by the American Institute of Certified Public Accountants.

(c) The financial statement shall be accompanied by a certification by the chief executive officer or the chief executive officer's designee of the licensee, under penalty of perjury, that the financial statement accurately reflects the financial condition of the licensee for the period specified in the statement.

Only one financial statement must be filed for a chain of warehouses owned or operated as a single business entity, unless otherwise required by the commissioner. Any grain buyer having a net worth in excess of \$500,000,000 need not file the financial statement required by this subdivision but must provide the commissioner with a certified net worth statement. All financial statements filed with the commissioner are private or nonpublic data as provided in section 13.02.

Sec. 31. Minnesota Statutes 2002, section 223.177, subdivision 3, is amended to read:

Subd. 3. **CONTRACTS REDUCED TO WRITING.** A voluntary extension of credit contract must be reduced to writing by the grain buyer and mailed or given to the seller before the close of the next business day after the contract is entered into or, in the case of an oral or phone contract, after the written confirmation is received by the seller. Provided, however, that if a scale ticket has been received by the seller prior to the completion of the grain shipment, the contract must be reduced to writing within ten days after the sale, but not later than the close of the next business day after the completion of the entire sale. The form of the contract shall comply with the requirements of section 223.175. A grain buyer may use an electronic version of a voluntary extension of credit contract that contains the same information as a written document and that conforms to the requirements of this chapter to which a seller has applied an electronic signature in place of a written document. There must not at any time be an electronic and paper voluntary extension of credit contract representing the same lot of grain.

Sec. 32. Minnesota Statutes 2002, section 232.21, is amended by adding a subdivision to read:

Subd. 6a. **ELECTRONIC DOCUMENT.** "Electronic document" means a document that is generated, sent, received or stored by electronic, optical, or similar

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means, including electronic data interchange, electronic mail, telegram, telex, or telecopy. "Electronic document" includes, but is not limited to, warehouse receipts, grain purchase contracts, and voluntary extension of credit contracts.

Sec. 33. Minnesota Statutes 2002, section 232.21, is amended by adding a subdivision to read:

Subd. 6b. ELECTRONIC GRAIN WAREHOUSE RECEIPT. "Electronic grain warehouse receipt" means an electronic version of a grain warehouse receipt issued or transmitted to a depositor by a grain warehouse operator under the provisions of section 232.23 in the form of an electronic document. An electronic grain warehouse receipt is a negotiable instrument except as provided in section 232.23, subdivision 11.

Sec. 34. Minnesota Statutes 2002, section 232.21, is amended by adding a subdivision to read:

Subd. 6c. ELECTRONIC SIGNATURE. "Electronic signature" means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

Sec. 35. Minnesota Statutes 2002, section 232.23, subdivision 4, is amended to read:

Subd. 4. FORM OF GRAIN WAREHOUSE RECEIPT. (a) A grain warehouse receipt must be in duplicate, contain the name and location of the grain warehouse, and be delivered to the depositor or the depositor's agent. Grain warehouse receipts shall be consecutively numbered as prescribed by the commissioner and state the date of deposit, except where the deposit of a certain lot for storage is not completed in one day. In that case, the grain warehouse receipt, when issued, shall be dated not later than Saturday of the week of delivery.

(b) A grain warehouse receipt shall contain either on its face or reverse side the following specific grain warehouse and storage contract: "This grain is received, insured and stored through the date of expiration of the annual licenses of this grain warehouse and terms expressed in the body of this grain warehouse receipt shall constitute due notice to its holder of the expiration of the storage period. It is unlawful for a public grain warehouse operator to charge or collect a greater or lesser amount than the amount filed with the commissioner. All charges shall be collected by the grain warehouse operator upon the owner's presentation of the grain warehouse receipt for the sale or delivery of the grain represented by the receipt, or the termination of the storage period. Upon the presentation of this grain warehouse receipt and payment of all charges accrued up to the time of presentation, the above amount, kind and grade of grain will be delivered within the time prescribed by law to the depositor or the depositor's order."

(c) A grain warehouse receipt shall also have printed on it the following:

"Redemption of Receipt

Received from, the sum of \$..... or bushels in full satisfaction of the obligation represented by this grain warehouse receipt.

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

Gross price per bushel \$.....

Storage per bushel \$.....

Net price per bushel \$.....

All blank spaces in this grain warehouse receipt were filled in before I signed it and I certify that I am the owner of the commodity for which this grain warehouse receipt was issued and that there are no liens, chattel mortgages or other claims against the commodity represented by this grain warehouse receipt.

Accepted Signed
Dated
Warehouse operator

This redemption shall be signed by the depositor or the depositor's agent in the event that the grain represented is redelivered or purchased by the public grain warehouse operator. Signature of this redemption by the depositor constitutes a valid cancellation of the obligation embraced in the storage contract."

(d) A warehouse receipt for dry edible beans must state the grade of the dry edible beans delivered to the grain warehouse and the redelivery charge required under subdivision 10a, paragraph (a).

(e) An electronic version of a grain warehouse receipt generated by a vendor licensed and approved by the United States Department of Agriculture that contains the same information as the paper version of a grain warehouse receipt may be issued instead of a paper document. The electronic version of a grain warehouse receipt carries the same rights and obligations as the paper version. At no time may a paper receipt and an electronic receipt represent the same lot of grain. Redemption of an electronic version of a warehouse receipt may be accomplished by the warehouse receipt holder applying an electronic signature registered and authenticated by a vendor credited by the United States Department of Agriculture.

Sec. 36. Minnesota Statutes 2002, section 308A.995, subdivision 5, is amended to read:

Subd. 5. **REINSTATEMENT.** A cooperative may, ~~within one year of the date of dissolution under this section,~~ retroactively reinstate its existence by filing a single annual registration and paying a \$25 fee. Filing the annual registration with the secretary of state:

- (1) returns the cooperative to active status as of the date of the dissolution;
- (2) validates contracts or other acts within the authority of the articles, and the cooperative is liable for those contracts or acts; and
- (3) restores to the cooperative all assets and rights of the cooperative and its shareholders or members to the extent they were held by the cooperative and its shareholders or members before the dissolution occurred, except to the extent that assets or rights were affected by acts occurring after the dissolution or sold or otherwise distributed after that time.

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Sec. 37. Minnesota Statutes 2003 Supplement, section 308B.121, subdivision 5, is amended to read:

Subd. 5. **REINSTATEMENT.** A cooperative may, ~~within one year of the date of dissolution under this section,~~ retroactively reinstate its existence by filing a single annual registration and paying a \$25 fee. Filing the annual registration with the secretary of state:

- (1) returns the cooperative to active status as of the date of the dissolution;
- (2) validates contracts or other acts within the authority of the articles and the cooperative is liable for those contracts or acts; and
- (3) restores to the cooperative all assets and rights of the cooperative and its shareholders or members to the extent they were held by the cooperative and its shareholders or members before the dissolution occurred, except to the extent that assets or rights were affected by acts occurring after the dissolution or sold or otherwise distributed after that time.

Sec. 38. Minnesota Statutes 2002, section 500.221, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** For purposes of this section, "agricultural land" means land capable of use in the production of agricultural crops, livestock or livestock products, poultry or poultry products, milk or dairy products, or fruit and other horticultural products but does not include any land zoned by a local governmental unit for a use other than and nonconforming with agricultural use. For the purposes of this section, "interest in agricultural land" includes any leasehold interest. For the purposes of this section, a "permanent resident alien of the United States" is a natural person who:

(1) has been lawfully admitted to the United States for permanent residence ~~and in fact maintains;~~ or

(2) is a holder of a nonimmigrant treaty investment visa pursuant to United States Code, title 8, section 1101(a)15(E)(ii).

A person who qualifies as a permanent resident alien of the United States under clause (1) must also maintain that person's principal, actual dwelling place within the United States for at least six months out of every consecutive 12-month period without regard to intent. A person who qualifies as a permanent resident alien of the United States under clause (2) must also maintain that person's principal actual dwelling place in Minnesota for at least ten months out of every 12-month period, and is limited to dairy farming and up to 1,500 acres of agricultural land. The eligibility of a person under clause (2) is limited to three years, unless the commissioner waives the three-year limitation upon finding that the person is actively pursuing the status under clause (1) or United States citizenship. For the purposes of this section, "commissioner" means the commissioner of agriculture.

Sec. 39. Minnesota Statutes 2002, section 500.221, subdivision 1a, is amended to read:

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Subd. 1a. **DETERMINATION OF ALIEN STATUS.** An alien who qualifies under subdivision 1, clause (1), and has been physically absent from the United States for more than six months out of any 12-month period shall be presumed not to be a permanent resident alien. An alien who qualifies under subdivision 1, clause (2), and has been physically absent from Minnesota for more than two months out of any 12-month period shall be presumed not to be a permanent resident alien. Every permanent resident alien of the United States who ~~owns~~ purchases property subject to this section shall must:

(1) file a report with the commissioner within 30 days of the date of purchase; and

(2) annually, at some time during the month of January, file with the commissioner a statement setting forth the dates and places of that person's residence in the United States during the prior calendar year.

The statement shall required under clause (2) must include an explanation of absences totaling more than ~~six~~ two months during the prior calendar year and any facts which support the continuation of permanent resident alien status. Upon receipt of the statement, the commissioner shall have 30 days to review the statement and notify the resident alien whether the facts support continuation of the permanent resident alien status.

Sec. 40. Minnesota Statutes 2002, section 500.221, subdivision 5, is amended to read:

Subd. 5. **PENALTY.** Willful failure to properly file a report required under subdivision 1a or to properly register any parcel of land as required by subdivision 4 is a gross misdemeanor. ~~Each full month of failure to register is a separate offense.~~

Sec. 41. Minnesota Statutes 2002, section 500.24, subdivision 2, is amended to read:

Subd. 2. **DEFINITIONS.** The definitions in this subdivision apply to this section.

(a) "Farming" means the production of (1) agricultural products; (2) livestock or livestock products; (3) milk or milk products; or (4) fruit or other horticultural products. It does not include the processing, refining, or packaging of said products, nor the provision of spraying or harvesting services by a processor or distributor of farm products. It does not include the production of timber or forest products, the production of poultry or poultry products, or the feeding and caring for livestock that are delivered to a corporation for slaughter or processing for up to 20 days before slaughter or processing.

(b) "Family farm" means an unincorporated farming unit owned by one or more persons residing on the farm or actively engaging in farming.

(c) "Family farm corporation" means a corporation founded for the purpose of farming and the ownership of agricultural land in which the majority of the stock is held by and the majority of the stockholders are persons, the spouses of persons, or current beneficiaries of one or more family farm trusts in which the trustee holds stock in a family farm corporation, related to each other within the third degree of kindred

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according to the rules of the civil law, and at least one of the related persons is residing on or actively operating the farm, and none of whose stockholders are corporations; provided that a family farm corporation shall not cease to qualify as such hereunder by reason of any:

(1) transfer of shares of stock to a person or the spouse of a person related within the third degree of kindred according to the rules of civil law to the person making the transfer, or to a family farm trust of which the shareholder, spouse, or related person is a current beneficiary; or

(2) distribution from a family farm trust of shares of stock to a beneficiary related within the third degree of kindred according to the rules of civil law to a majority of the current beneficiaries of the trust, or to a family farm trust of which the shareholder, spouse, or related person is a current beneficiary.

For the purposes of this section, a transfer may be made with or without consideration, either directly or indirectly, during life or at death, whether or not in trust, of the shares in the family farm corporation, and stock owned by a family farm trust are considered to be owned in equal shares by the current beneficiaries.

(d) "Family farm trust" means:

(1) a trust in which:

(i) a majority of the current beneficiaries are persons or spouses of persons who are related to each other within the third degree of kindred according to the rules of civil law;

(ii) all of the current beneficiaries are natural persons or nonprofit corporations or trusts described in the Internal Revenue Code, section 170(c), as amended, and the regulations under that section; and

(iii) one of the family member current beneficiaries is residing on or actively operating the farm; or the trust leases the agricultural land to a family farm unit, a family farm corporation, an authorized farm corporation, an authorized livestock farm corporation, a family farm limited liability company, a family farm trust, an authorized farm limited liability company, a family farm partnership, or an authorized farm partnership; or

(2) a charitable remainder trust as defined in the Internal Revenue Code, section 664, as amended, and the regulations under that section, and a charitable lead trust as set forth in the Internal Revenue Code, section 170(f), and the regulations under that section, ~~if the lead period does not exceed ten years and the majority of remainder beneficiaries are related to the grantor within the third degree of kindred according to the rules of civil law.~~

For the purposes of this section, ~~if a distributee trust becomes entitled to, or at the discretion of any person may receive, a distribution from income or principal of a family farm trust, then the distributee trust must independently qualify as a family farm trust.~~

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

(e) "Authorized farm corporation" means a corporation meeting the following standards:

(1) it has no more than five shareholders, provided that for the purposes of this section, a husband and wife are considered one shareholder;

(2) all its shareholders, other than any estate, are natural persons or a family farm trust;

(3) it does not have more than one class of shares;

(4) its revenue from rent, royalties, dividends, interest, and annuities does not exceed 20 percent of its gross receipts;

(5) shareholders holding 51 percent or more of the interest in the corporation reside on the farm or are actively engaging in farming;

(6) it does not, directly or indirectly, own or otherwise have an interest in any title to more than 1,500 acres of agricultural land; and

(7) none of its shareholders are shareholders in other authorized farm corporations that directly or indirectly in combination with the corporation own more than 1,500 acres of agricultural land.

(f) "Authorized livestock farm corporation" means a corporation formed for the production of livestock and meeting the following standards:

(1) it is engaged in the production of livestock other than dairy cattle;

(2) all its shareholders, other than any estate, are natural persons, family farm trusts, or family farm corporations;

(3) it does not have more than one class of shares;

(4) its revenue from rent, royalties, dividends, interest, and annuities does not exceed 20 percent of its gross receipts;

(5) shareholders holding 75 percent or more of the control, financial, and capital investment in the corporation are farmers ~~residing in Minnesota~~, and at least 51 percent of the required percentage of farmers are actively engaged in livestock production;

(6) it does not, directly or indirectly, own or otherwise have an interest in any title to more than 1,500 acres of agricultural land; and

(7) none of its shareholders are shareholders in other authorized farm corporations that directly or indirectly in combination with the corporation own more than 1,500 acres of agricultural land.

(g) "Agricultural land" means real estate used for farming or capable of being used for farming in this state.

(h) "Pension or investment fund" means a pension or employee welfare benefit fund, however organized, a mutual fund, a life insurance company separate account, a common trust of a bank or other trustee established for the investment and reinvestment of money contributed to it, a real estate investment trust, or an investment

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company as defined in United States Code, title 15, section 80a-3.

(i) "Farm homestead" means a house including adjoining buildings that has been used as part of a farming operation or is part of the agricultural land used for a farming operation.

(j) "Family farm partnership" means a limited partnership formed for the purpose of farming and the ownership of agricultural land in which the majority of the interests in the partnership is held by and the majority of the partners are natural persons, the spouses of persons, or current beneficiaries of one or more family farm trusts in which the trustee holds an interest in a family farm partnership related to each other within the third degree of kindred according to the rules of the civil law, and at least one of the related persons is residing on the farm, actively operating the farm, or the agricultural land was owned by one or more of the related persons for a period of five years before its transfer to the limited partnership, and none of the partners are ~~corporations~~ is a corporation. A family farm partnership does not cease to qualify as a family farm partnership because of a:

(1) transfer of a partnership interest to a person or spouse of a person related within the third degree of kindred according to the rules of civil law to the person making the transfer or to a family farm trust of which the partner, spouse, or related person is a current beneficiary; or

(2) distribution from a family farm trust of a partnership interest to a beneficiary related within the third degree of kindred according to the rules of civil law to a majority of the current beneficiaries of the trust, or to a family farm trust of which the partner, spouse, or related person is a current beneficiary.

For the purposes of this section, a transfer may be made with or without consideration, either directly or indirectly, during life or at death, whether or not in trust, of a partnership interest in the family farm partnership, and interest owned by a family farm trust is considered to be owned in equal shares by the current beneficiaries.

(k) "Authorized farm partnership" means a limited partnership meeting the following standards:

(1) it has been issued a certificate from the secretary of state or is registered with the county recorder and ownership of agricultural land is stated as a purpose or character of the business;

(2) it has no more than five partners;

(3) all its partners, other than any estate, are natural persons or family farm trusts;

(4) its revenue from rent, royalties, dividends, interest, and annuities does not exceed 20 percent of its gross receipts;

(5) its general partners hold at least 51 percent of the interest in the land assets of the partnership and reside on the farm or are actively engaging in farming not more than 1,500 acres as a general partner in an authorized limited partnership;

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(6) its limited partners do not participate in the business of the limited partnership including operating, managing, or directing management of farming operations;

(7) it does not, directly or indirectly, own or otherwise have an interest in any title to more than 1,500 acres of agricultural land; and

(8) none of its limited partners are limited partners in other authorized farm partnerships that directly or indirectly in combination with the partnership own more than 1,500 acres of agricultural land.

(1) "Family farm limited liability company" means a limited liability company founded for the purpose of farming and the ownership of agricultural land in which the majority of the membership interests are held by and the majority of the members are natural persons or the spouses of persons, or current beneficiaries of one or more family farm trusts in which the trustee holds stock an interest in a family farm limited liability company related to each other within the third degree of kindred according to the rules of the civil law, and at least one of the related persons is residing on the farm, actively operating the farm, or the agricultural land was owned by one or more of the related persons for a period of five years before its transfer to the limited liability company, and none of the members are ~~corporations~~ is a corporation or a limited liability company. A family farm limited liability company does not cease to qualify as a family farm limited liability company because of:

(1) a transfer of a membership interest to a person or spouse of a person related within the third degree of kindred according to the rules of civil law to the person making the transfer or to a family farm trust of which the member, spouse, or related person is a current beneficiary; or

(2) distribution from a family farm trust of a membership interest to a beneficiary related within the third degree of kindred according to the rules of civil law to a majority of the current beneficiaries of the trust, or to a family farm trust of which the member, spouse, or related person is a current beneficiary.

For the purposes of this section, a transfer may be made with or without consideration, either directly or indirectly, during life or at death, whether or not in trust, of a membership interest in the family farm limited liability company, and interest owned by a family farm trust is considered to be owned in equal shares by the current beneficiaries. Except for a state or federally chartered financial institution acquiring an encumbrance for the purpose of security or an interest under paragraph (x), a member of a family farm limited liability company may not transfer a membership interest, including a financial interest, to a person who is not otherwise eligible to be a member under this paragraph.

(m) "Authorized farm limited liability company" means a limited liability company meeting the following standards:

(1) it has no more than five members;

(2) all its members, other than any estate, are natural persons or family farm trusts;

(3) it does not have more than one class of membership interests;

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(4) its revenue from rent, royalties, dividends, interest, and annuities does not exceed 20 percent of its gross receipts;

(5) members holding 51 percent or more of both the governance rights and financial rights in the limited liability company reside on the farm or are actively engaged in farming;

(6) it does not, directly or indirectly, own or otherwise have an interest in any title to more than 1,500 acres of agricultural land; and

(7) none of its members are members in other authorized farm limited liability companies that directly or indirectly in combination with the authorized farm limited liability company own more than 1,500 acres of agricultural land.

Except for a state or federally chartered financial institution acquiring an encumbrance for the purpose of security or an interest under paragraph (x), a member of an authorized farm limited liability company may not transfer a membership interest, including a financial interest, to a person who is not otherwise eligible to be a member under this paragraph.

(n) "Farmer" means a natural person who regularly participates in physical labor or operations management in the person's farming operation and files "Schedule F" as part of the person's annual Form 1040 filing with the United States Internal Revenue Service.

(o) "Actively engaged in livestock production" means performing day-to-day physical labor or day-to-day operations management that significantly contributes to livestock production and the functioning of a livestock operation.

(p) "Research or experimental farm" means a corporation, limited partnership, pension, investment fund, or limited liability company that owns or operates agricultural land for research or experimental purposes, provided that any commercial sales from the operation are incidental to the research or experimental objectives of the corporation. A corporation, limited partnership, limited liability company, or pension or investment fund seeking initial approval by the commissioner to operate agricultural land for research or experimental purposes must first submit to the commissioner a prospectus or proposal of the intended method of operation containing information required by the commissioner including a copy of any operational contract with individual participants.

(q) "Breeding stock farm" means a corporation, limited partnership, or limited liability company, that owns or operates agricultural land for the purpose of raising breeding stock, including embryos, for resale to farmers or for the purpose of growing seed, wild rice, nursery plants, or sod. An entity that is organized to raise livestock other than dairy cattle under this paragraph that does not qualify as an authorized farm corporation must:

(1) sell all castrated animals to be fed out or finished to farming operations that are neither directly nor indirectly owned by the business entity operating the breeding stock operation; and

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(2) report its total production and sales annually to the commissioner.

(r) "Aquatic farm" means a corporation, limited partnership, or limited liability company, that owns or leases agricultural land as a necessary part of an aquatic farm as defined in section 17.47, subdivision 3.

(s) "Religious farm" means a corporation formed primarily for religious purposes whose sole income is derived from agriculture.

(t) "Utility corporation" means a corporation regulated under Minnesota Statutes 1974, chapter 216B, that owns agricultural land for purposes described in that chapter, or an electric generation or transmission cooperative that owns agricultural land for use in its business if the land is not used for farming except under lease to a family farm unit, a family farm corporation, a family farm trust, a family farm partnership, or a family farm limited liability company.

(u) "Development organization" means a corporation, limited partnership, limited liability company, or pension or investment fund that has an interest in agricultural land for which the corporation, limited partnership, limited liability company, or pension or investment fund has documented plans to use and subsequently uses the land within six years from the date of purchase for a specific nonfarming purpose, or if the land is zoned nonagricultural, or if the land is located within an incorporated area. A corporation, limited partnership, limited liability company, or pension or investment fund may hold agricultural land in the amount necessary for its nonfarm business operation; provided, however, that pending the development of agricultural land for nonfarm purposes, the land may not be used for farming except under lease to a family farm unit, a family farm corporation, a family farm trust, an authorized farm corporation, an authorized livestock farm corporation, a family farm partnership, an authorized farm partnership, a family farm limited liability company, or an authorized farm limited liability company, or except when controlled through ownership, options, leaseholds, or other agreements by a corporation that has entered into an agreement with the United States under the New Community Act of 1968 (Title IV of the Housing and Urban Development Act of 1968, United States Code, title 42, sections 3901 to 3914) as amended, or a subsidiary or assign of such a corporation.

(v) "Exempt land" means agricultural land owned or leased by a corporation as of May 20, 1973, agricultural land owned or leased by a pension or investment fund as of May 12, 1981, agricultural land owned or leased by a limited partnership as of May 1, 1988, or agricultural land owned or leased by a trust as of the effective date of Laws 2000, chapter 477, including the normal expansion of that ownership at a rate not to exceed 20 percent of the amount of land owned as of May 20, 1973, for a corporation; May 12, 1981, for a pension or investment fund; May 1, 1988, for a limited partnership, or the effective date of Laws 2000, chapter 477, for a trust, measured in acres, in any five-year period, and including additional ownership reasonably necessary to meet the requirements of pollution control rules. A corporation, limited partnership, or pension or investment fund that is eligible to own or lease agricultural land under this section prior to May 1997, or a corporation that is eligible to own or lease agricultural land as a benevolent trust under this section prior to the effective date

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of Laws 2000, chapter 477, may continue to own or lease agricultural land subject to the same conditions and limitations as previously allowed.

(w) "Gifted land" means agricultural land acquired as a gift, either by grant or devise, by an educational, religious, or charitable nonprofit corporation, limited partnership, limited liability company, or pension or investment fund if all land so acquired is disposed of within ten years after acquiring the title.

(x) "Repossessed land" means agricultural land acquired by a corporation, limited partnership, limited liability company, or pension or investment fund by process of law in the collection of debts, or by any procedure for the enforcement of a lien or claim on the land, whether created by mortgage or otherwise if all land so acquired is disposed of within five years after acquiring the title. The five-year limitation is a covenant running with the title to the land against any grantee, assignee, or successor of the pension or investment fund, corporation, limited partnership, or limited liability company. The land so acquired must not be used for farming during the five-year period, except under a lease to a family farm unit, a family farm corporation, a family farm trust, an authorized farm corporation, an authorized livestock farm corporation, a family farm partnership, an authorized farm partnership, a family farm limited liability company, or an authorized farm limited liability company. Notwithstanding the five-year divestiture requirement under this paragraph, a financial institution may continue to own the agricultural land if the agricultural land is leased to the immediately preceding former owner, but must dispose of the agricultural land within ten years of acquiring the title. Livestock acquired by a pension or investment fund, corporation, limited partnership, or limited liability company in the collection of debts, or by a procedure for the enforcement of lien or claim on the livestock whether created by security agreement or otherwise after August 1, 1994, must be sold or disposed of within one full production cycle for the type of livestock acquired or 18 months after the livestock is acquired, whichever is earlier.

(y) "Commissioner" means the commissioner of agriculture.

(z) "Nonprofit corporation" means a nonprofit corporation organized under state nonprofit corporation or trust law or qualified for tax-exempt status under federal tax law that uses the land for a specific nonfarming purpose or leases the agricultural land to a family farm unit, a family farm corporation, an authorized farm corporation, an authorized livestock farm corporation, a family farm limited liability company, a family farm trust, an authorized farm limited liability company, a family farm partnership, or an authorized farm partnership.

(aa) "Current beneficiary" means a person who at any time during a year is entitled to, or at the discretion of any person may, receive a distribution from the income or principal of the trust. It does not include a distributee trust, other than a trust described in section 170(c) of the Internal Revenue Code, as amended, but does include the current beneficiaries of the distributee trust. It does not include a person in whose favor a power of appointment could be exercised until the holder of the power of appointment actually exercises the power of appointment in that person's favor. It does not include a person who is entitled to receive a distribution only after a specified

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time or upon the occurrence of a specified event until the time or occurrence of the event. For the purposes of this section, a distributee trust is a current beneficiary of a family farm trust.

(bb) "De minimis" means that any corporation, pension or investment fund, limited liability company, or limited partnership that directly or indirectly owns, acquires, or otherwise obtains any interest in 40 acres or less of agricultural land and annually receives less than \$150 per acre in gross revenue from rental or agricultural production.

Sec. 42. Minnesota Statutes 2002, section 500.24, subdivision 3a, is amended to read:

Subd. 3a. **LEASE AGREEMENT; CONSERVATION PRACTICE PROTECTION CLAUSE.** A corporation, pension or investment fund, limited partnership, or limited liability company other than those meeting any of the definitions in subdivision 2, paragraphs (c) to (f) or (j) to (m), when leasing farm land to a family farm unit, a family farm corporation, a family farm trust, an authorized farm corporation, an authorized livestock farm corporation, a family farm partnership, an authorized farm limited liability company, a family farm limited liability company, or an authorized farm limited liability company, under provisions of subdivision 2, paragraph (x), must include within the lease agreement a provision prohibiting intentional damage or destruction to a conservation practice on the agricultural land.

Sec. 43. Minnesota Statutes 2002, section 561.19, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** For the purposes of this section, the following terms have the meanings given them:

(a) "Agricultural operation" means a facility and its appurtenances for the production of crops, livestock, poultry, dairy products or poultry products, but not a facility primarily engaged in processing agricultural products.

(b) "Established date of operation" means the date on which the agricultural operation commenced. If the agricultural operation is subsequently expanded or significantly altered, the established date of operation for each expansion or alteration is deemed to be the date of commencement of the expanded or altered operation. As used in this paragraph, "expanded" means an expansion by at least 25 percent in the number of a particular kind of animal or livestock located on an agricultural operation.

"Significantly altered" does not mean:

- (1) a transfer of an ownership interest to and held by persons or the spouses of persons related to each other within the third degree of kindred according to the rules of civil law to the person making the transfer so long as at least one of the related persons is actively operating the farm, or to a family farm trust under section 500.24;
- (2) temporary cessation or interruption of cropping activities;
- (3) adoption of new technologies; or

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(4) a change in the crop product produced.

(c) “Generally accepted agricultural practices” means those practices commonly used by other farmers in the county or a contiguous county in which a nuisance claim is asserted.

EFFECTIVE DATE. This section is effective for actions commenced on or after August 1, 2004.

Sec. 44. Minnesota Statutes 2002, section 561.19, subdivision 2, is amended to read:

Subd. 2. **AGRICULTURAL OPERATION NOT A NUISANCE.** (a) An agricultural operation is not and shall not become a private or public nuisance after two years from its established date of operation if ~~the operation was not a nuisance at its established date of~~ as a matter of law if the operation:

(1) is located in an agriculturally zoned area;

(2) complies with the provisions of all applicable federal, state, or county laws, regulations, rules, and ordinances and any permits issued for the agricultural operation;
and

(3) operates according to generally accepted agricultural practices.

(b) ~~An agricultural operation is operating according to generally accepted agricultural practices if it is located in an agriculturally zoned area and complies with the provisions of all applicable federal and state statutes and rules or any issued permits for the operation.~~

(c) For a period of two years from its established date of operation, there is a rebuttable presumption that an agricultural operation in compliance with the requirements of paragraph (a), clauses (1) to (3), is not a public or private nuisance.

(c) The provisions of this subdivision do not apply:

(1) to a condition or injury which results from the negligent or improper operation of an agricultural operation or from operations contrary to commonly accepted agricultural practices or to applicable state or local laws, ordinances, rules, or permits;

(2) when an agricultural operation causes injury or direct threat of injury to the health or safety of any person;

(3) to the pollution of, or change in the condition of, the waters of the state or the overflow of waters on the lands of any person;

(4) to an animal feedlot facility with a swine capacity of 1,000 or more animal units as defined in the rules of the Pollution Control Agency for control of pollution from animal feedlots, or a cattle capacity of 2,500 animals or more; or

(5) (2) to any prosecution for the crime of public nuisance as provided in section 609.74 or to an action by a public authority to abate a particular condition which is a public nuisance; or

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(3) to any enforcement action brought by a local unit of government related to zoning under chapter 394 or 462.

EFFECTIVE DATE. This section is effective for actions commenced on or after August 1, 2004.

Sec. 45. [609.599] EXPOSING DOMESTIC ANIMALS TO DISEASE.

Subdivision 1. GROSS MISDEMEANOR. (a) A person who intentionally exposes a domestic animal to an animal disease contrary to reasonable veterinary practice, or intentionally puts a domestic animal at risk of quarantine or destruction by actions contrary to reasonable veterinary practice, is guilty of a gross misdemeanor.

(b) The provisions of paragraph (a) do not apply to a person performing academic or industry research on domestic animals under protocols approved by an institutional animal care and use committee.

Subd. 2. CIVIL LIABILITY. A person who violates subdivision 1 is liable in a civil action for damages in an amount three times the value of any domestic animal destroyed because it has the disease, has been exposed to the disease agent, or is at high risk of being exposed to the disease agent because of proximity to diseased animals.

Subd. 3. DEFINITION. For purposes of this section, "domestic animal" means:

- (1) those species of animals that live under the husbandry of humans;
- (2) livestock within the meaning of section 35.01, subdivision 3;
- (3) a farm-raised deer, farm-raised game bird, or farm-raised fish; or
- (4) an animal listed as a domestic animal by a rule adopted by the Department of Agriculture.

Sec. 46. Minnesota Statutes 2002, section 609.605, is amended by adding a subdivision to read:

Subd. 5. CERTAIN TRESPASS ON AGRICULTURAL LAND. (a) A person is guilty of a gross misdemeanor if the person enters the posted premises of another on which cattle, bison, sheep, goats, swine, horses, poultry, farmed cervidae, farmed ratitae, aquaculture stock, or other species of domestic animals for commercial production are kept, without the consent of the owner or lawful occupant of the land.

(b) "Domestic animal," for purposes of this section, has the meaning given in section 609.599.

(c) "Posted," as used in paragraph (a), means the placement of a sign at least 11 inches square in a conspicuous place at each roadway entry to the premises. The sign must provide notice of a bio-security area and wording such as: "Bio-security measures are in force. No entrance beyond this point without authorization." The sign may also contain a telephone number or a location for obtaining such authorization.

(d) The provisions of this subdivision do not apply to employees or agents of the state or county when serving in a regulatory capacity and conducting an inspection on

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posted premises where domestic animals are kept.

Sec. 47. DAIRY PRODUCER PAYMENT REPORT.

By January 15, 2005, the commissioner shall report to the senate and house policy and finance committees with jurisdiction over agriculture on a value-added agriculture program to pay beginning dairy farmers based on the amount of milk production. The report shall include suggested language to create the program.

Sec. 48. DELAYED PAYMENTS IN 2003.

Not later than 60 days after the effective date of section 11, the commissioner of agriculture shall pay any producer denied payment for failure to meet the ownership and reporting requirements imposed by Laws 2003, chapter 128, article 3, section 38, the amount to which the producer would have been otherwise entitled.

Sec. 49. REPEALER.

Minnesota Statutes 2002, sections 38.02, subdivision 2; and 38.13, are repealed.

Sec. 50. EFFECTIVE DATE.

Sections 1, 13, 36, 37, 38, 39, 40, and 48 are effective the day following final enactment. Section 28 is effective July 1, 2004.

Presented to the governor May 18, 2004

Signed by the governor May 21, 2004, 10:15 a.m.

CHAPTER 255—H.F.No. 2212

An act relating to natural resources; modifying electronic licensing provisions; clarifying certain wild rice provisions; modifying disposition of certain proceeds; modifying snowmobile training and operating requirements; modifying certain fee provisions; eliminating RIM work plan requirement; modifying reporting requirements; modifying motorboat equipment and noise provisions; modifying provisions for cross-country ski passes; providing for certain refunds, fees, and commissions; modifying authority to issue and sell licenses and appoint agents; modifying nonresident minnow transport requirements; providing for rulemaking; requiring a report on the electronic licensing system; amending Minnesota Statutes 2002, sections 84.027, subdivision 15; 84.091, subdivision 1; 84.8205, subdivision 5; 84.83, subdivision 2; 84.86, subdivision 1; 84.862, subdivisions 1, 3; 84.872, subdivision 1; 85.052, subdivision 4; 85.054, subdivision 7, by adding a subdivision; 85.22, subdivision 2a; 85.34, by adding subdivisions; 85.41, subdivisions 2, 4, 5; 85.43; 86B.321, subdivision 2; 86B.521, subdivisions 1, 2; 97A.055, subdivision 4; 97A.311, by adding a subdivision; 97A.434, subdivision 3; 97A.4742, subdivision 4; 97A.485, subdivisions 3, 4, 5, 7, 11; 97B.721, as amended; 97C.501, subdivision 4; 97C.525, subdivisions 3, 5; 103B.611, subdivision 3; Minnesota Statutes 2003 Supplement, sections 16B.24, subdivision 5; 84.026; 84.773; 84.862, subdivision 2a; 97A.475, subdivision 26; 97A.485, subdivision 6; 103G.222, subdivision 1; 103G.615, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 84; repealing Minnesota Statutes 2002, sections 84.862, subdivision 2; 84.95, subdivision

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