

CHAPTER 184--S.F.No. 3018

An act relating to agriculture; making various policy and technical changes to agriculture-related provisions and programs; providing for solar site management; modifying elk management plan; modifying a previous appropriation; establishing a Farmer-Lender Mediation Task Force and a Farm Safety Initiative; requiring reports; amending Minnesota Statutes 2014, sections 3.7371, by adding a subdivision; 17.53, subdivision 16; 18B.345; 28A.085, subdivision 1; 31.122; 31.94; 97B.516; Minnesota Statutes 2015 Supplement, sections 41A.14; 583.215; Laws 2015, First Special Session chapter 4, article 1, section 2, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 216B; repealing Laws 2015, First Special Session chapter 4, article 2, section 81.

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

Section 1. Minnesota Statutes 2014, section 3.7371, is amended by adding a subdivision to read:

Subd. 8. **Report.** The commissioner must submit a report to the chairs of the house of representatives and senate committees and divisions with jurisdiction over agriculture and environment and natural resources by December 15 each year that details the total amount of damages paid, by elk herd, in the previous two fiscal years.

Sec. 2. Minnesota Statutes 2014, section 17.53, subdivision 16, is amended to read:

Subd. 16. **Qualified voter.** "Qualified voter" means a producer who would be subject to the payment of fees to finance the activities described in sections 17.51 to 17.69 and who shares directly in the profits and risk of loss from the agricultural operation which produces or grows the commodity, regardless of the Internal Revenue Service tax filing status of the producer.

Sec. 3. Minnesota Statutes 2014, section 18B.345, is amended to read:

18B.345 PESTICIDE APPLICATION ON GOLF COURSES.

(a) Application of a pesticide to the property of a golf course must be performed by:

- (1) a structural pest control applicator; or
- (2) a commercial or noncommercial pesticide applicator ~~with appropriate use certification.~~

(b) Pesticides determined by the commissioner to be sanitizers and disinfectants are exempt from the requirements in paragraph (a).

Sec. 4. Minnesota Statutes 2014, section 28A.085, subdivision 1, is amended to read:

Subdivision 1. **Violations; prohibited acts.** The commissioner may charge a reinspection fee for each reinspection of a food handler that:

- (1) is found with a major violation of requirements in chapter 28, 29, 30, 31, 31A, 32, 33, or 34, or rules adopted under one of those chapters; or

~~(2) is found with a violation of section 31.02, 31.161, or 31.165, and requires a follow-up inspection after an administrative meeting held pursuant to section 34A.06; or~~

~~(3)~~ (2) fails to correct equipment and facility deficiencies as required in rules adopted under chapter 28, 29, 30, 31, 31A, 32, or 34.

The first reinspection of a firm with gross food sales under \$1,000,000 must be assessed at \$150. The fee for a firm with gross food sales over \$1,000,000 is \$200. The fee for a subsequent reinspection of a firm for the same violation is 50 percent of their current license fee or \$300, whichever is greater. The establishment must be issued written notice of violations with a reasonable date for compliance listed on the notice. An initial inspection relating to a complaint is not a reinspection.

Sec. 5. Minnesota Statutes 2014, section 31.122, is amended to read:

31.122 FOOD; TOLERANCES FOR ADDED POISONOUS INGREDIENTS.

Any added poisonous or deleterious substance, any food additive, any pesticide chemical in or on a raw agricultural commodity or any color additive, shall with respect to any particular use or intended use be deemed unsafe for the purpose of application of section ~~31.121, clause (b)~~ 34A.02, clause (2), with respect to any food, unless there is in effect a rule pursuant to section 31.101 limiting the quantity of such substance, and the use or intended use of such substance conforms to the terms prescribed by such rule. While such rules relating to such substance are in effect, a food shall not, by reason of bearing or containing such substance in accordance with the rules, be considered adulterated within the meaning of section ~~31.121, clause (a)~~ 34A.02, clause (1).

Sec. 6. Minnesota Statutes 2014, section 31.94, is amended to read:

31.94 ORGANIC AGRICULTURE; COMMISSIONER DUTIES.

(a) In order to promote opportunities for organic agriculture in Minnesota, the commissioner shall:

(1) survey producers and support services and organizations to determine information and research needs in the area of organic agriculture practices;

(2) work with the University of Minnesota and other research and education institutions to demonstrate the on-farm applicability of organic agriculture practices to conditions in this state;

(3) direct the programs of the department so as to work toward the promotion of organic agriculture in this state;

(4) inform agencies ~~of how~~ about state or federal programs ~~could utilize and that~~ support organic agriculture practices; and

(5) work closely with producers, producer organizations, the University of Minnesota, ~~the Minnesota Trade Office~~, and other appropriate agencies and organizations to identify opportunities and needs as well as ensure coordination and avoid duplication of state agency efforts regarding research, teaching, marketing, and extension work relating to organic agriculture.

(b) By November 15 of each year that ends in a zero or a five, the commissioner, in conjunction with the task force created in paragraph (c), shall report on the status of organic agriculture in

Minnesota to the legislative policy and finance committees and divisions with jurisdiction over agriculture. The report must include available data on organic acreage and production, available data on the sales or market performance of organic products, and recommendations regarding programs, policies, and research efforts that will benefit Minnesota's organic agriculture sector.

(c) A Minnesota Organic Advisory Task Force shall advise the commissioner and the University of Minnesota on policies and programs that will improve organic agriculture in Minnesota, including how available resources can most effectively be used for outreach, education, research, and technical assistance that meet the needs of the organic agriculture ~~community~~ sector. The task force must consist of the following residents of the state:

- (1) three organic farmers;
- (2) one wholesaler or distributor of organic products;
- (3) one representative of organic certification agencies;
- (4) two organic processors;
- (5) one representative from University of Minnesota Extension;
- (6) one University of Minnesota faculty member;
- (7) one representative from a nonprofit organization representing producers;
- (8) two public members;
- (9) one representative from the United States Department of Agriculture;
- (10) one retailer of organic products; and
- (11) one organic consumer representative.

The commissioner, in consultation with the director of the Minnesota Agricultural Experiment Station; the dean and director of University of Minnesota Extension and the dean of the College of Food, Agricultural and Natural Resource Sciences, shall appoint members to serve three-year terms.

Compensation and removal of members are governed by section 15.059, subdivision 6. The task force must meet at least twice each year and expires on June 30, ~~2016~~ 2019.

(d) For the purposes of expanding, improving, and developing production and marketing of the organic products of Minnesota agriculture, the commissioner may receive funds from state and federal sources and spend them, including through grants or contracts, to assist producers and processors to achieve certification, to conduct education or marketing activities, to enter into research and development partnerships, or to address production or marketing obstacles to the growth and well-being of the industry.

(e) The commissioner may facilitate the registration of state organic production and handling operations including those exempt from organic certification according to Code of Federal Regulations, title 7, section 205.101, and accredited certification ~~agents~~ agencies operating within the state.

Sec. 7. Minnesota Statutes 2015 Supplement, section 41A.14, is amended to read:

41A.14 AGRICULTURE RESEARCH, EDUCATION, EXTENSION, AND TECHNOLOGY TRANSFER GRANT PROGRAM.

Subdivision 1. **Duties; grants.** The agriculture research, education, extension, and technology transfer grant program is created. The purpose of the grant program is to provide investments that will most efficiently achieve long-term agricultural productivity increases through improved infrastructure, vision, and accountability. The scope and intent of the grants, to the extent possible, shall provide for a long-term base funding that allows the ~~research~~ grantee to continue the functions of the research, education, ~~and extension, and technology transfer~~ efforts to a practical conclusion. Priority for grants shall be given to human infrastructure. The commissioner shall provide grants for:

(1) agricultural research, extension, and technology transfer needs ~~and recipients including agricultural research and extension at the University of Minnesota, research and outreach centers, the College of Food, Agricultural and Natural Resource Sciences, the Minnesota Agricultural Experiment Station, University of Minnesota Extension Service, the University of Minnesota Veterinary School, the Veterinary Diagnostic Laboratory, the Stakman-Borlaug Center, and the Minnesota Agriculture Fertilizer Research and Education Council;~~ for use by any of the following:

(i) the College of Food, Agricultural and Natural Resource Sciences;

(ii) the Minnesota Agricultural Experiment Station;

(iii) the University of Minnesota Extension Service;

(iv) the University of Minnesota Veterinary School;

(v) the Veterinary Diagnostic Laboratory; or

(vi) the Stakman-Borlaug Center;

(2) agriculture rapid response for plant and animal diseases and pests; and

(3) agricultural education including but not limited to the Minnesota Agriculture Education Leadership Council, farm business management, mentoring programs, graduate debt forgiveness, and high school programs.

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

~~(1) a representative of the College of Food, Agricultural and Natural Resource Sciences at the University of Minnesota;~~

~~(2)~~ (1) a representative of the Minnesota State Colleges and Universities system;

~~(3)~~ (2) a representative of the Minnesota Farm Bureau;

~~(4)~~ (3) a representative of the Minnesota Farmers Union;

~~(5)~~ (4) a person representing agriculture industry statewide;

~~(6)~~ (5) a representative of each of the state commodity councils organized under section 17.54 and the Minnesota Pork Board;

~~(7)~~ (6) a person representing an association of primary manufacturers of forest products;

~~(8)~~ (7) a person representing organic or sustainable agriculture; and

~~(9)~~ (8) a person representing statewide environment and natural resource conservation organizations.

(b) Members under paragraph (a), clauses (1) to (3) and (5), shall be chosen by their respective organizations.

Subd. 3. **Account.** An agriculture research, education, extension, and technology transfer account is created in the agricultural fund in the state treasury. The account consists of money received in the form of gifts, grants, reimbursement, or appropriations from any source for any of the purposes provided in subdivision 1, and any interest or earnings of the account. Money in the account is appropriated to the commissioner of agriculture for the purposes under subdivision 1.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 8. Minnesota Statutes 2014, section 97B.516, is amended to read:

97B.516 ELK MANAGEMENT PLAN.

(a) The commissioner of natural resources must adopt an elk management plan that:

(1) recognizes the value and uniqueness of elk;

(2) provides for integrated management of an elk population in harmony with the environment;
and

(3) affords optimum recreational opportunities.

(b) Notwithstanding paragraph (a), the commissioner must not manage an elk herd in a manner that would increase the size of the herd, including adoption or implementation of an elk management plan designed to increase an elk herd, unless the commissioner of agriculture verifies that crop and fence damages paid under section 3.7371 and attributed to the herd have not increased for at least two years.

(c) At least 60 days prior to implementing a plan to increase an elk herd, the commissioners of natural resources and agriculture must hold a joint public meeting in the county where the elk herd to be increased is located. At the meeting, the commissioners must present evidence that crop and fence damages have not increased in the prior two years and must detail the practices that will be used to reduce elk conflicts with area landowners.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 9. **[216B.1642] SOLAR SITE MANAGEMENT.**

Subdivision 1. Site management practices. An owner of a ground-mounted solar site with a generating capacity of more than 40 kilowatts may follow site management practices that (1) provide native perennial vegetation and foraging habitat beneficial to gamebirds, songbirds, and pollinators, and (2) reduce storm water runoff and erosion at the solar generation site. To the extent practicable, when establishing perennial vegetation and beneficial foraging habitat, a solar site owner shall use

native plant species and seed mixes under Department of Natural Resources "Prairie Establishment & Maintenance Technical Guidance for Solar Projects."

Subd. 2. **Recognition of beneficial habitat.** An owner of a solar site implementing solar site management practices under this section may claim that the site provides benefits to gamebirds, songbirds, and pollinators only if the site adheres to guidance set forth by the pollinator plan provided by the Board of Water and Soil Resources or any other gamebird, songbird, or pollinator foraging-friendly vegetation standard established by the Board of Water and Soil Resources. An owner making a beneficial habitat claim must make the site's vegetation management plan available to the public and provide a copy of the plan to a Minnesota nonprofit solar industry trade association.

Sec. 10. Minnesota Statutes 2015 Supplement, section 583.215, is amended to read:

583.215 EXPIRATION.

Sections 336.9-601, subsections (h) and (i); 550.365; 559.209; 582.039; and 583.20 to 583.32, expire June 30, ~~2016~~ 2018.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 11. Laws 2015, First Special Session chapter 4, article 1, section 2, subdivision 4, is amended to read:

Subd. 4. Agriculture, Bioenergy, and Bioproduct Advancement

14,993,000

19,010,000

\$4,483,000 the first year and \$8,500,000 the second year are for transfer to the agriculture research, education, extension, and technology transfer account under Minnesota Statutes, section 41A.14, subdivision 3. The transfer in this paragraph includes money for plant breeders at the University of Minnesota for wild rice, potatoes, and grapes. Of these amounts, at least \$600,000 each year is for ~~agriculture rapid response~~ the Minnesota Agricultural Experiment Station's Agriculture Rapid Response Fund under Minnesota Statutes, section 41A.14, subdivision 1, clause (2). Of the amount appropriated in this paragraph, \$1,000,000 each year is for transfer to the Board of Regents of the University of Minnesota for research to determine (1) what is causing avian influenza, (2) why some fowl are more susceptible, and (3) prevention measures that can be taken. Of the amount appropriated in this paragraph, \$2,000,000 each year is for grants to the Minnesota Agriculture Education Leadership Council to enhance agricultural education with priority given to Farm Business Management challenge grants. The commissioner

shall transfer the remaining grant funds in this appropriation each year to the Board of Regents of the University of Minnesota for purposes of Minnesota Statutes, section 41A.14.

To the extent practicable, funds expended under Minnesota Statutes, section 41A.14, subdivision 1, clauses (1) and (2), must supplement and not supplant existing sources and levels of funding. The commissioner may use up to 4.5 percent of this appropriation for costs incurred to administer the program. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

\$10,235,000 the first year and \$10,235,000 the second year are for the agricultural growth, research, and innovation program in Minnesota Statutes, section 41A.12. No later than February 1, 2016, and February 1, 2017, the commissioner must report to the legislative committees with jurisdiction over agriculture policy and finance regarding the commissioner's accomplishments and anticipated accomplishments in the following areas: facilitating the start-up, modernization, or expansion of livestock operations including beginning and transitioning livestock operations; developing new markets for Minnesota farmers by providing more fruits, vegetables, meat, grain, and dairy for Minnesota school children; assisting value-added agricultural businesses to begin or expand, access new markets, or diversify products; developing urban agriculture; facilitating the start-up, modernization, or expansion of other beginning and transitioning farms including loans under Minnesota Statutes, section 41B.056; sustainable agriculture on farm research and demonstration; development or expansion of food hubs and other alternative community-based food distribution systems; and research on bioenergy, biobased content, or biobased formulated products and other renewable energy development. The commissioner may use up to 4.5 percent of this appropriation for costs incurred to administer the program. Any unencumbered balance does not cancel at the end of the first year and is available for the second year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30,

2017, for agricultural growth, research, and innovation grants are available until June 30, 2019.

The commissioner may use funds appropriated for the agricultural growth, research, and innovation program as provided in this paragraph. The commissioner may award grants to owners of Minnesota facilities producing bioenergy, biobased content, or a biobased formulated product; to organizations that provide for on-station, on-farm field scale research and outreach to develop and test the agronomic and economic requirements of diverse strands of prairie plants and other perennials for bioenergy systems; or to certain nongovernmental entities. For the purposes of this paragraph, "bioenergy" includes transportation fuels derived from cellulosic material, as well as the generation of energy for commercial heat, industrial process heat, or electrical power from cellulosic materials via gasification or other processes. Grants are limited to 50 percent of the cost of research, technical assistance, or equipment related to bioenergy, biobased content, or biobased formulated product production or \$500,000, whichever is less. Grants to nongovernmental entities for the development of business plans and structures related to community ownership of eligible bioenergy facilities together may not exceed \$150,000. The commissioner shall make a good-faith effort to select projects that have merit and, when taken together, represent a variety of bioenergy technologies, biomass feedstocks, and geographic regions of the state. Projects must have a qualified engineer provide certification on the technology and fuel source. Grantees must provide reports at the request of the commissioner.

Of the amount appropriated for the agricultural growth, research, and innovation program in this subdivision, \$1,000,000 the first year and \$1,000,000 the second year are for distribution in equal amounts to each of the state's county fairs to preserve and promote Minnesota agriculture.

Of the amount appropriated for the agricultural growth, research, and innovation program in this subdivision, \$500,000 in fiscal year 2016 and \$1,500,000 in fiscal year 2017 are for incentive

payments under Minnesota Statutes, sections 41A.16, 41A.17, and 41A.18. If the appropriation exceeds the total amount for which all producers are eligible in a fiscal year, the balance of the appropriation is available to the commissioner for the agricultural growth, research, and innovation program. Notwithstanding Minnesota Statutes, section 16A.28, the first year appropriation is available until June 30, 2017, and the second year appropriation is available until June 30, 2018. The commissioner may use up to 4.5 percent of the appropriation for administration of the incentive payment programs.

Of the amount appropriated for the agricultural growth, research, and innovation program in this subdivision, \$250,000 the first year is for grants to communities to develop or expand food hubs and other alternative community-based food distribution systems. Of this amount, \$50,000 is for the commissioner to consult with existing food hubs, alternative community-based food distribution systems, and University of Minnesota Extension to identify best practices for use by other Minnesota communities. No later than December 15, 2015, the commissioner must report to the legislative committees with jurisdiction over agriculture and health regarding the status of emerging alternative community-based food distribution systems in the state along with recommendations to eliminate any barriers to success. Any unencumbered balance does not cancel at the end of the first year and is available for the second year. This is a onetime appropriation.

\$250,000 the first year and \$250,000 the second year are for grants that enable retail petroleum dispensers to dispense biofuels to the public in accordance with the biofuel replacement goals established under Minnesota Statutes, section 239.7911. A retail petroleum dispenser selling petroleum for use in spark ignition engines for vehicle model years after 2000 is eligible for grant money under this paragraph if the retail petroleum dispenser has no more than 15 retail petroleum dispensing sites and each site is located in Minnesota. The grant money received under this paragraph must be used for the installation of

appropriate technology that uses fuel dispensing equipment appropriate for at least one fuel dispensing site to dispense gasoline that is blended with 15 percent of agriculturally derived, denatured ethanol, by volume, and appropriate technical assistance related to the installation. A grant award must not exceed 85 percent of the cost of the technical assistance and appropriate technology, including remetering of and retrofits for retail petroleum dispensers and replacement of petroleum dispenser projects. The commissioner may use up to \$35,000 of this appropriation for administrative expenses. The commissioner shall cooperate with biofuel stakeholders in the implementation of the grant program. The commissioner must report to the legislative committees with jurisdiction over agriculture policy and finance by February 1 each year, detailing the number of grants awarded under this paragraph and the projected effect of the grant program on meeting the biofuel replacement goals under Minnesota Statutes, section 239.7911. These are onetime appropriations.

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

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 12. **FARMER-LENDER MEDIATION TASK FORCE.**

The commissioner of agriculture must convene an advisory task force to provide recommendations to the legislature regarding the state's Farmer-Lender Mediation Act. The task force must be comprised of 14 members, including the commissioner or the commissioner's designee, one farm advocate appointed by the commissioner who is responsible for mediating debt between farmers and lenders, one adult farm business management instructor appointed by the commissioner and three farmers appointed by the commissioner, at least one of whom is a beginning or nontraditional farmer and at least one of whom has personal experience with the farmer-lender mediation program. The remaining membership of the task force consists of one member appointed by each of the following entities:

- (1) Minnesota Farm Bureau;
- (2) Minnesota Farmers Union;
- (3) Minnesota Bankers Association;

- (4) Independent Community Bankers of Minnesota;
- (5) Farm Credit Services - Minnesota State Federation;
- (6) Minnesota Credit Union Network;
- (7) Minnesota-South Dakota Equipment Dealers Association; and
- (8) University of Minnesota Extension.

No later than February 1, 2017, the commissioner must report the task force's recommendations to the legislative committees with jurisdiction over agriculture policy and finance.

Sec. 13. **FARM SAFETY INITIATIVE.**

(a) The commissioner of agriculture shall analyze the range of safety challenges presented in the operation of a farm. The commissioner's analysis shall include consultation with organizations in Minnesota that address issues of farm safety. The commissioner shall report the findings to the legislative committees with jurisdiction over agricultural policy by February 1, 2017. The report must, at a minimum:

(1) provide information on how other states in the Midwest, including but not limited to Wisconsin, Iowa, and Nebraska, address farm safety issues;

(2) identify common safety issues faced by Minnesota farmers that need attention, including common causes of farm-related accidents;

(3) identify how farm safety programs can better serve the growing farm labor population; and

(4) make recommendations to the legislature on how to improve farm safety efforts in Minnesota.

(b) By October 1, 2016, the commissioner of agriculture shall compile an inventory of farm safety programs and resources that are currently available in Minnesota. After compiling the inventory, the commissioner shall make available the inventory and promote to farm operators in Minnesota the farm safety programs and resources contained in the inventory.

Sec. 14. **REPEALER.**

Laws 2015, First Special Session chapter 4, article 2, section 81, is repealed.

EFFECTIVE DATE. This section is effective the day following final enactment.

Presented to the governor May 24, 2016

Signed by the governor May 31, 2016, 10:23 a.m.