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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 3763

02/13/2024 Authored by Vang and Anderson, P. E.,
The bill was read for the first time and referred to the Committee on Agriculture Finance and Policy
04/24/2024 Adoption of Report: Amended and re-referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to state government; authorizing supplemental agriculture appropriations;
1.3 modifying appropriations; providing broadband appropriation transfer authority;
1.4 making policy and technical changes to agriculture provisions; establishing and
1.5 modifying agriculture programs; requiring an application for federal broadband
1.6 aid; requiring reports; appropriating money; amending Minnesota Statutes 2022,
1.7 sections 3.7371, subdivisions 2, 3, by adding subdivisions; 17.133, subdivision 1;
1.8 18B.01, by adding a subdivision; 18B.26, subdivision 6; 18B.28, by adding a
1.9 subdivision; 18B.305, subdivision 2; 18B.32, subdivisions 1, 3, 4, 5; 18B.33,
1.10 subdivisions 1, 5, 6; 18B.34, subdivisions 1, 4; 18B.35, subdivision 1; 18B.36,
1.11 subdivisions 1, 2; 18B.37, subdivisions 2, 3; 18C.005, subdivision 33, by adding
1.12 subdivisions; 18C.115, subdivision 2; 18C.215, subdivision 1; 18C.221; 18C.70,
1.13 subdivision 5; 18C.71, subdivision 4; 18C.80, subdivision 2; 18D.301, subdivision
1.14 1; 28A.10; 28A.21, subdivision 6; 31.74; 31.94; 32D.30; 41B.039, subdivision 2;
1.15 41B.04, subdivision 8; 41B.042, subdivision 4; 41B.043, subdivision 1b; 41B.045,
1.16 subdivision 2; 41B.047, subdivision 1; 116J.396, by adding a subdivision; 223.17,
1.17 subdivision 6; 232.21, subdivisions 3, 7, 11, 12, 13; Minnesota Statutes 2023
1.18 Supplement, sections 17.055, subdivision 3; 17.133, subdivision 3; 17.134, by
1.19 adding a subdivision; 18C.421, subdivision 1; 18C.425, subdivision 6; 18K.06;
1.20 41A.19; Laws 2023, chapter 43, article 1, sections 2; 4; proposing coding for new
1.21 law in Minnesota Statutes, chapters 18B; 18C; repealing Minnesota Statutes 2022,
1.22 sections 3.7371, subdivision 7; 34.07; Minnesota Rules, parts 1506.0010;
1.23 1506.0015; 1506.0020; 1506.0025; 1506.0030; 1506.0035; 1506.0040.

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

1.25 ARTICLE 1
1.26 AGRICULTURE APPROPRIATIONS

1.27 Section 1. Laws 2023, chapter 43, article 1, section 2, is amended to read:

1.28 Sec. 2. DEPARTMENT OF AGRICULTURE

Table with 4 columns: Description, Dollar sign, 92,025,000, 72,223,000, 88,025,000, 80,518,000

2.1	Appropriations by Fund		
2.2		2024	2025
2.3		91,626,000	71,824,000
2.4	General	<u>87,626,000</u>	<u>80,119,000</u>
2.5	Remediation	399,000	399,000

2.6 The amounts that may be spent for each
 2.7 purpose are specified in the following
 2.8 subdivisions.

2.9 **Subd. 2. Protection Services**

2.10	Appropriations by Fund		
2.11		2024	2025
2.12		32,034,000	18,743,000
2.13	General	<u>32,034,000</u>	<u>22,438,000</u>
2.14	Remediation	399,000	399,000

2.15 (a) \$399,000 the first year and \$399,000 the
 2.16 second year are from the remediation fund for
 2.17 administrative funding for the voluntary
 2.18 cleanup program.

2.19 (b) ~~\$625,000~~ the first year and ~~\$625,000~~
 2.20 \$925,000 the second year are for the soil
 2.21 health financial assistance program under
 2.22 Minnesota Statutes, section 17.134. The
 2.23 commissioner may award no more than
 2.24 \$50,000 of the appropriation each year to a
 2.25 single recipient. The commissioner may use
 2.26 up to 6.5 percent of this appropriation for costs
 2.27 incurred to administer the program. Any
 2.28 unencumbered balance does not cancel at the
 2.29 end of the first year and is available in the
 2.30 second year. Appropriations encumbered
 2.31 under contract on or before June 30, 2025, for
 2.32 soil health financial assistance grants are
 2.33 available until June 30, 2027. The base for this
 2.34 appropriation is \$639,000 in fiscal year 2026
 2.35 and each year thereafter.

3.1 (c) \$800,000 the first year ~~is~~ and \$100,000 the
3.2 second year are for transfer to the pollinator
3.3 research account established under Minnesota
3.4 Statutes, section 18B.051. The base for this
3.5 transfer is \$100,000 in fiscal year 2026 and
3.6 each year thereafter.

3.7 (d) \$150,000 the first year and \$150,000 the
3.8 second year are for transfer to the noxious
3.9 weed and invasive plant species assistance
3.10 account established under Minnesota Statutes,
3.11 section 18.89, to award grants under
3.12 Minnesota Statutes, section 18.90, to counties,
3.13 municipalities, and other weed management
3.14 entities, including Minnesota Tribal
3.15 governments as defined in Minnesota Statutes,
3.16 section 10.65. This is a onetime appropriation.

3.17 (e) \$175,000 the first year and \$175,000 the
3.18 second year are for compensation for
3.19 destroyed or crippled livestock under
3.20 Minnesota Statutes, section 3.737. The first
3.21 year appropriation may be spent to compensate
3.22 for livestock that were destroyed or crippled
3.23 during fiscal year 2023. If the amount in the
3.24 first year is insufficient, the amount in the
3.25 second year is available in the first year. The
3.26 commissioner may use up to \$5,000 each year
3.27 to reimburse expenses incurred by university
3.28 extension educators to provide fair market
3.29 values of destroyed or crippled livestock. If
3.30 the commissioner receives federal dollars to
3.31 pay claims for destroyed or crippled livestock,
3.32 an equivalent amount of this appropriation
3.33 may be used to reimburse nonlethal prevention
3.34 methods performed by federal wildlife services
3.35 staff.

4.1 (f) \$155,000 the first year and \$155,000 the
4.2 second year are for compensation for crop
4.3 damage under Minnesota Statutes, section
4.4 3.7371. If the amount in the first year is
4.5 insufficient, the amount in the second year is
4.6 available in the first year. The commissioner
4.7 may use up to \$10,000 of the appropriation
4.8 each year to reimburse expenses incurred by
4.9 the commissioner or the commissioner's
4.10 approved agent to investigate and resolve
4.11 claims, as well as for costs associated with
4.12 training for approved agents. The
4.13 commissioner may use up to \$40,000 of the
4.14 appropriation each year to make grants to
4.15 producers for measures to protect stored crops
4.16 from elk damage. If the commissioner
4.17 determines that claims made under Minnesota
4.18 Statutes, section 3.737 or 3.7371, are
4.19 unusually high, amounts appropriated for
4.20 either program may be transferred to the
4.21 appropriation for the other program.

4.22 (g) \$825,000 the first year and \$825,000 the
4.23 second year are to replace capital equipment
4.24 in the Department of Agriculture's analytical
4.25 laboratory.

4.26 (h) \$75,000 the first year and \$75,000 the
4.27 second year are to support a meat processing
4.28 liaison position to assist new or existing meat
4.29 and poultry processing operations in getting
4.30 started, expanding, growing, or transitioning
4.31 into new business models.

4.32 (i) \$2,200,000 the first year and \$1,650,000
4.33 the second year are additional funding to
4.34 maintain the current level of service delivery
4.35 for programs under this subdivision. The base

5.1 for this appropriation is \$1,925,000 for fiscal
5.2 year 2026 and each year thereafter.

5.3 (j) \$250,000 the first year and \$250,000 the
5.4 second year are for grants to organizations in
5.5 Minnesota to develop enterprises, supply
5.6 chains, and markets for continuous-living
5.7 cover crops and cropping systems in the early
5.8 stages of commercial development. For the
5.9 purposes of this paragraph, "continuous-living
5.10 cover crops and cropping systems" refers to
5.11 agroforestry, perennial biomass, perennial
5.12 forage, perennial grains, and winter-annual
5.13 cereal grains and oilseeds that have market
5.14 value as harvested or grazed commodities. By
5.15 February 1 each year, the commissioner must
5.16 submit a report to the chairs and ranking
5.17 minority members of the legislative
5.18 committees with jurisdiction over agriculture
5.19 finance and policy detailing uses of the funds
5.20 in this paragraph, including administrative
5.21 costs, and the achievements these funds
5.22 contributed to. The commissioner may use up
5.23 to 6.5 percent of this appropriation for
5.24 administrative costs. This is a onetime
5.25 appropriation.

5.26 (k) \$45,000 the first year and \$45,000 the
5.27 second year are appropriated for
5.28 wolf-livestock conflict-prevention grants. The
5.29 commissioner may use some of this
5.30 appropriation to support nonlethal prevention
5.31 work performed by federal wildlife services.
5.32 This is a onetime appropriation.

5.33 (l) \$10,000,000 the first year is for transfer to
5.34 the grain indemnity account established in

6.1 Minnesota Statutes, section 223.24. This is a
6.2 onetime transfer.

6.3 (m) \$125,000 the first year and \$125,000 the
6.4 second year are for the PFAS in pesticides
6.5 review. This is a onetime appropriation.

6.6 (n) \$1,941,000 the first year is for transfer to
6.7 the food handler license account. This is a
6.8 onetime transfer.

6.9 (o) \$3,072,000 the second year is for nitrate
6.10 home water treatment, including reverse
6.11 osmosis, for private drinking-water wells with
6.12 nitrate in excess of the maximum contaminant
6.13 level of ten milligrams per liter and located in
6.14 Dodge, Fillmore, Goodhue, Houston, Mower,
6.15 Olmsted, Wabasha, or Winona County. The
6.16 commissioner must prioritize households at
6.17 or below 300 percent of the federal poverty
6.18 guideline and households with infants or
6.19 pregnant individuals. The commissioner may
6.20 also use this appropriation for education,
6.21 outreach, and technical assistance to
6.22 homeowners. Notwithstanding Minnesota
6.23 Statutes, section 16B.98, subdivision 14, the
6.24 commissioner may use up to 6.5 percent of
6.25 this appropriation for administrative costs.
6.26 This is a onetime appropriation and is
6.27 available until June 30, 2027.

6.28 (p) \$223,000 the second year is for transfer to
6.29 the commissioner of health for the private well
6.30 drinking-water assistance program. This is a
6.31 onetime transfer and is available until June
6.32 30, 2027.

7.1 **Subd. 3. Agricultural Marketing and**
 7.2 **Development** 5,165,000 4,985,000

7.3 (a) \$150,000 the first year and \$150,000 the
 7.4 second year are to expand international trade
 7.5 opportunities and markets for Minnesota
 7.6 agricultural products.

7.7 (b) \$186,000 the first year and \$186,000 the
 7.8 second year are for transfer to the Minnesota
 7.9 grown account and may be used as grants for
 7.10 Minnesota grown promotion under Minnesota
 7.11 Statutes, section 17.102. Notwithstanding
 7.12 Minnesota Statutes, section 16A.28, the
 7.13 appropriations encumbered under contract on
 7.14 or before June 30, 2025, for Minnesota grown
 7.15 grants in this paragraph are available until June
 7.16 30, 2027.

7.17 (c) \$634,000 the first year and \$634,000 the
 7.18 second year are for the continuation of the
 7.19 dairy development and profitability
 7.20 enhancement programs, including dairy
 7.21 profitability teams and dairy business planning
 7.22 grants under Minnesota Statutes, section
 7.23 32D.30.

7.24 (d) The commissioner may use funds
 7.25 appropriated in this subdivision for annual
 7.26 cost-share payments to resident farmers or
 7.27 entities that sell, process, or package
 7.28 agricultural products in this state for the costs
 7.29 of organic certification. The commissioner
 7.30 may allocate these funds for assistance to
 7.31 persons transitioning from conventional to
 7.32 organic agriculture.

7.33 (e) \$600,000 the first year and \$420,000 the
 7.34 second year are to maintain the current level
 7.35 of service delivery. The base for this

8.1 appropriation is ~~\$490,000~~ \$510,000 for fiscal
8.2 year 2026 and each year thereafter.

8.3 (f) \$100,000 the first year and \$100,000 the
8.4 second year are for mental health outreach and
8.5 support to farmers, ranchers, and others in the
8.6 agricultural community and for farm safety
8.7 grant and outreach programs under Minnesota
8.8 Statutes, section 17.1195. Mental health
8.9 outreach and support may include a 24-hour
8.10 hotline, stigma reduction, and education.
8.11 Notwithstanding Minnesota Statutes, section
8.12 16A.28, any unencumbered balance does not
8.13 cancel at the end of the first year and is
8.14 available in the second year. This is a onetime
8.15 appropriation.

8.16 (g) \$100,000 the first year and \$100,000 the
8.17 second year are to award and administer grants
8.18 ~~for infrastructure~~ and other forms of financial
8.19 assistance to support EBT, SNAP, SFMNP,
8.20 and related programs at farmers markets.
8.21 Notwithstanding Minnesota Statutes, section
8.22 16A.28, any unencumbered balance does not
8.23 cancel at the end of the first year and is
8.24 available in the second year. This is a onetime
8.25 appropriation.

8.26 (h) \$200,000 the first year and \$200,000 the
8.27 second year are to award cooperative grants
8.28 under Minnesota Statutes, section 17.1016.
8.29 The commissioner may use up to 6.5 percent
8.30 of the appropriation each year to administer
8.31 the grant program. Notwithstanding Minnesota
8.32 Statutes, section 16A.28, any unencumbered
8.33 balance does not cancel at the end of the first
8.34 year and is available in the second year. This
8.35 is a onetime appropriation.

9.1	Subd. 4. Agriculture, Bioenergy, and Bioproduct	37,809,000	33,809,000
9.2	Advancement	<u>33,809,000</u>	<u>38,109,000</u>

9.3 (a) \$10,702,000 the first year and \$10,702,000
 9.4 the second year are for the agriculture
 9.5 research, education, extension, and technology
 9.6 transfer program under Minnesota Statutes,
 9.7 section 41A.14. Except as provided below,
 9.8 the appropriation each year is for transfer to
 9.9 the agriculture research, education, extension,
 9.10 and technology transfer account under
 9.11 Minnesota Statutes, section 41A.14,
 9.12 subdivision 3, and the commissioner shall
 9.13 transfer funds each year to the Board of
 9.14 Regents of the University of Minnesota for
 9.15 purposes of Minnesota Statutes, section
 9.16 41A.14. To the extent practicable, money
 9.17 expended under Minnesota Statutes, section
 9.18 41A.14, subdivision 1, clauses (1) and (2),
 9.19 must supplement and not supplant existing
 9.20 sources and levels of funding. The
 9.21 commissioner may use up to one percent of
 9.22 this appropriation for costs incurred to
 9.23 administer the program.

9.24 Of the amount appropriated for the agriculture
 9.25 research, education, extension, and technology
 9.26 transfer grant program under Minnesota
 9.27 Statutes, section 41A.14:

9.28 (1) \$600,000 the first year and \$600,000 the
 9.29 second year are for the Minnesota Agricultural
 9.30 Experiment Station's agriculture rapid
 9.31 response fund under Minnesota Statutes,
 9.32 section 41A.14, subdivision 1, clause (2);

9.33 (2) up to \$1,000,000 the first year and up to
 9.34 \$1,000,000 the second year are for research
 9.35 on avian influenza, salmonella, and other

10.1 turkey-related diseases and disease prevention
10.2 measures;

10.3 (3) \$2,250,000 the first year and \$2,250,000
10.4 the second year are for grants to the Minnesota
10.5 Agricultural Education Leadership Council to
10.6 enhance agricultural education with priority
10.7 given to Farm Business Management
10.8 challenge grants;

10.9 (4) \$450,000 the first year is for the cultivated
10.10 wild rice breeding project at the North Central
10.11 Research and Outreach Center to include a
10.12 tenure track/research associate plant breeder;

10.13 (5) \$350,000 the first year and \$350,000 the
10.14 second year are for potato breeding;

10.15 (6) \$802,000 the first year and \$802,000 the
10.16 second year are to fund the Forever Green
10.17 Initiative and protect the state's natural
10.18 resources while increasing the efficiency,
10.19 profitability, and productivity of Minnesota
10.20 farmers by incorporating perennial and
10.21 winter-annual crops into existing agricultural
10.22 practices. The base for the allocation under
10.23 this clause is \$802,000 in fiscal year 2026 and
10.24 each year thereafter. By February 1 each year,
10.25 the dean of the College of Food, Agricultural
10.26 and Natural Resource Sciences must submit
10.27 a report to the chairs and ranking minority
10.28 members of the legislative committees with
10.29 jurisdiction over agriculture finance and policy
10.30 and higher education detailing uses of the
10.31 funds in this paragraph, including
10.32 administrative costs, and the achievements
10.33 these funds contributed to; and

11.1 (7) \$350,000 each year is for farm-scale winter
11.2 greenhouse research and development
11.3 coordinated by University of Minnesota
11.4 Extension Regional Sustainable Development
11.5 Partnerships. The allocation in this clause is
11.6 onetime.

11.7 (b) The base for the agriculture research,
11.8 education, extension, and technology transfer
11.9 program is \$10,352,000 in fiscal year 2026
11.10 and \$10,352,000 in fiscal year 2027.

11.11 (c) ~~\$27,107,000~~ \$23,107,000 the first year ~~and~~
11.12 ~~\$23,107,000 the second year are~~ is for the
11.13 agricultural growth, research, and innovation
11.14 program under Minnesota Statutes, section
11.15 41A.12. Except as provided below, the
11.16 commissioner may allocate this appropriation
11.17 ~~each year~~ among the following areas:
11.18 facilitating the start-up, modernization,
11.19 improvement, or expansion of livestock
11.20 operations, including beginning and
11.21 transitioning livestock operations with
11.22 preference given to robotic dairy-milking
11.23 equipment; assisting value-added agricultural
11.24 businesses to begin or expand, to access new
11.25 markets, or to diversify, including aquaponics
11.26 systems, with preference given to hemp fiber
11.27 processing equipment; facilitating the start-up,
11.28 modernization, or expansion of other
11.29 beginning and transitioning farms, including
11.30 by providing loans under Minnesota Statutes,
11.31 section 41B.056; sustainable agriculture
11.32 on-farm research and demonstration; the
11.33 development or expansion of food hubs and
11.34 other alternative community-based food
11.35 distribution systems; enhancing renewable

12.1 energy infrastructure and use; crop research,
12.2 including basic and applied turf seed research;
12.3 Farm Business Management tuition assistance;
12.4 and good agricultural practices and good
12.5 handling practices certification assistance. The
12.6 commissioner may use up to 6.5 percent of
12.7 this appropriation for costs incurred to
12.8 administer the program.

12.9 Of the amount appropriated for the agricultural
12.10 growth, research, and innovation program
12.11 under Minnesota Statutes, section 41A.12:

12.12 (1) \$1,000,000 the first year ~~and \$1,000,000~~
12.13 ~~the second year are~~ is for distribution in equal
12.14 amounts to each of the state's county fairs to
12.15 preserve and promote Minnesota agriculture;

12.16 (2) \$5,750,000 the first year ~~and \$5,750,000~~
12.17 ~~the second year are~~ is for incentive payments
12.18 under Minnesota Statutes, sections 41A.16,
12.19 41A.17, 41A.18, and 41A.20. Notwithstanding
12.20 Minnesota Statutes, section 16A.28, the first
12.21 year appropriation is available until June 30,
12.22 2025, ~~and the second year appropriation is~~
12.23 ~~available until June 30, 2026.~~ If this
12.24 appropriation exceeds the total amount for
12.25 which all producers are eligible in a fiscal
12.26 year, the balance of the appropriation is
12.27 available for other purposes under this
12.28 paragraph. ~~The base under this clause is~~
12.29 ~~\$3,000,000 in fiscal year 2026 and each year~~
12.30 ~~thereafter;~~

12.31 (3) \$3,375,000 the first year ~~and \$3,375,000~~
12.32 ~~the second year are~~ is for grants that enable
12.33 retail petroleum dispensers, fuel storage tanks,
12.34 and other equipment to dispense biofuels to
12.35 the public in accordance with the biofuel

13.1 replacement goals established under
13.2 Minnesota Statutes, section 239.7911. A retail
13.3 petroleum dispenser selling petroleum for use
13.4 in spark ignition engines for vehicle model
13.5 years after 2000 is eligible for grant money
13.6 under this clause if the retail petroleum
13.7 dispenser has no more than 10 retail petroleum
13.8 dispensing sites and each site is located in
13.9 Minnesota. The grant money must be used to
13.10 replace or upgrade equipment that does not
13.11 have the ability to be certified for E25. A grant
13.12 award must not exceed 65 percent of the cost
13.13 of the appropriate technology. A grant award
13.14 must not exceed \$200,000 per station. The
13.15 commissioner must cooperate with biofuel
13.16 stakeholders in the implementation of the grant
13.17 program. The commissioner, in cooperation
13.18 with any economic or community development
13.19 financial institution and any other entity with
13.20 which the commissioner contracts, must
13.21 submit a report on the biofuels infrastructure
13.22 financial assistance program by January 15 of
13.23 each year to the chairs and ranking minority
13.24 members of the legislative committees and
13.25 divisions with jurisdiction over agriculture
13.26 policy and finance. The annual report must
13.27 include but not be limited to a summary of the
13.28 following metrics: (i) the number and types
13.29 of projects financed; (ii) the amount of dollars
13.30 leveraged or matched per project; (iii) the
13.31 geographic distribution of financed projects;
13.32 (iv) any market expansion associated with
13.33 upgraded infrastructure; (v) the demographics
13.34 of the areas served; (vi) the costs of the
13.35 program; and (vii) the number of grants to
13.36 minority-owned or female-owned businesses-

14.1 ~~The base under this clause is \$3,000,000 for~~
14.2 ~~fiscal year 2026 and each year thereafter;~~

14.3 (4) \$1,250,000 the first year ~~and \$1,250,000~~
14.4 ~~the second year are~~ is for grants to facilitate
14.5 the start-up, modernization, or expansion of
14.6 meat, poultry, egg, and milk processing
14.7 facilities. A grant award under this clause must
14.8 not exceed \$200,000. Any unencumbered
14.9 balance at the end of the second year does not
14.10 cancel until June 30, 2026, and may be used
14.11 for other purposes under this paragraph. ~~The~~
14.12 ~~base under this clause is \$250,000 in fiscal~~
14.13 ~~year 2026 and each year thereafter;~~

14.14 (5) \$1,150,000 the first year ~~and \$1,150,000~~
14.15 ~~the second year are~~ is for providing more
14.16 fruits, vegetables, meat, poultry, grain, and
14.17 dairy for children in school and early
14.18 childhood education ~~centers~~ settings,
14.19 including, at the commissioner's discretion,
14.20 providing grants to reimburse schools and
14.21 early childhood education ~~centers~~ and child
14.22 care providers for purchasing equipment and
14.23 agricultural products. Organizations must
14.24 participate in the National School Lunch
14.25 Program or the Child and Adult Care Food
14.26 Program to be eligible. Of the amount
14.27 appropriated, \$150,000 ~~each year~~ is for a
14.28 statewide coordinator of farm-to-institution
14.29 strategy and programming. The coordinator
14.30 must consult with relevant stakeholders and
14.31 provide technical assistance and training for
14.32 participating farmers and eligible grant
14.33 recipients. ~~The base under this clause is~~
14.34 ~~\$1,294,000 in fiscal year 2026 and each year~~
14.35 ~~thereafter;~~

15.1 ~~(6) \$4,000,000 the first year is for Dairy~~
15.2 ~~Assistance, Investment, Relief Initiative~~
15.3 ~~(DAIRI) grants and other forms of financial~~
15.4 ~~assistance to Minnesota dairy farms that enroll~~
15.5 ~~in coverage under a federal dairy risk~~
15.6 ~~protection program and produced no more~~
15.7 ~~than 16,000,000 pounds of milk in 2022. The~~
15.8 ~~commissioner must make DAIRI payments~~
15.9 ~~based on the amount of milk produced in~~
15.10 ~~2022, up to 5,000,000 pounds per participating~~
15.11 ~~farm, at a rate determined by the commissioner~~
15.12 ~~within the limits of available funding. Any~~
15.13 ~~unencumbered balance does not cancel at the~~
15.14 ~~end of the first year and is available in the~~
15.15 ~~second year. Any unencumbered balance at~~
15.16 ~~the end of the second year does not cancel~~
15.17 ~~until June 30, 2026, and may be used for other~~
15.18 ~~purposes under this paragraph. The allocation~~
15.19 ~~in this clause is onetime;~~

15.20 ~~(7) (6) \$2,000,000 the first year and~~
15.21 ~~\$2,000,000 the second year are is for urban~~
15.22 ~~youth agricultural education or urban~~
15.23 ~~agriculture community development; and~~

15.24 ~~(8) (7) \$1,000,000 the first year and~~
15.25 ~~\$1,000,000 the second year are is for the good~~
15.26 ~~food access program under Minnesota~~
15.27 ~~Statutes, section 17.1017.~~

15.28 Notwithstanding Minnesota Statutes, section
15.29 16A.28, any unencumbered balance does not
15.30 cancel at the end of the first year and is
15.31 available for the second year, and
15.32 appropriations encumbered under contract on
15.33 or before June 30, 2025, for agricultural
15.34 growth, research, and innovation grants are
15.35 available until June 30, 2028.

16.1 (d) \$27,407,000 the second year is for the
16.2 agricultural growth, research, and innovation
16.3 program under Minnesota Statutes, section
16.4 41A.12. Except as provided below, the
16.5 commissioner may allocate this appropriation
16.6 among the following areas: facilitating the
16.7 start-up, modernization, improvement, or
16.8 expansion of livestock operations, including
16.9 beginning and transitioning livestock
16.10 operations with preference given to robotic
16.11 dairy-milking equipment; assisting
16.12 value-added agricultural businesses to begin
16.13 or expand, to access new markets, or to
16.14 diversify, including aquaponics systems, with
16.15 preference given to hemp fiber processing
16.16 equipment; facilitating the start-up,
16.17 modernization, or expansion of other
16.18 beginning and transitioning farms, including
16.19 by providing loans under Minnesota Statutes,
16.20 section 41B.056; sustainable agriculture
16.21 on-farm research and demonstration; the
16.22 development or expansion of food hubs and
16.23 other alternative community-based food
16.24 distribution systems; enhancing renewable
16.25 energy infrastructure and use; crop research,
16.26 including basic and applied turf seed research;
16.27 Farm Business Management tuition assistance;
16.28 and good agricultural practices and good
16.29 handling practices certification assistance. The
16.30 commissioner may use up to 6.5 percent of
16.31 this appropriation for costs incurred to
16.32 administer the program.

16.33 Of the amount appropriated for the agricultural
16.34 growth, research, and innovation program
16.35 under Minnesota Statutes, section 41A.12:

17.1 (1) \$1,000,000 the second year is for
17.2 distribution in equal amounts to each of the
17.3 state's county fairs to preserve and promote
17.4 Minnesota agriculture;

17.5 (2) \$5,750,000 the second year is for incentive
17.6 payments under Minnesota Statutes, sections
17.7 41A.16, 41A.17, 41A.18, and 41A.20.
17.8 Notwithstanding Minnesota Statutes, section
17.9 16A.28, this appropriation is available until
17.10 June 30, 2027. If this appropriation exceeds
17.11 the total amount for which all producers are
17.12 eligible in a fiscal year, the balance of the
17.13 appropriation is available for other purposes
17.14 under this paragraph. The base under this
17.15 clause is \$3,000,000 in fiscal year 2026 and
17.16 each year thereafter;

17.17 (3) \$3,475,000 the second year is for grants
17.18 that enable retail petroleum dispensers, fuel
17.19 storage tanks, and other equipment to dispense
17.20 biofuels to the public in accordance with the
17.21 biofuel replacement goals established under
17.22 Minnesota Statutes, section 239.7911. A retail
17.23 petroleum dispenser selling petroleum for use
17.24 in spark ignition engines for vehicle model
17.25 years after 2000 is eligible for grant money
17.26 under this clause if the retail petroleum
17.27 dispenser has no more than ten retail
17.28 petroleum dispensing sites and each site is
17.29 located in Minnesota. The grant money must
17.30 be used to replace or upgrade equipment that
17.31 does not have the ability to be certified for
17.32 E25. A grant award must not exceed 65
17.33 percent of the cost of the appropriate
17.34 technology. A grant award must not exceed
17.35 \$200,000 per station. The commissioner must

18.1 cooperate with biofuel stakeholders in the
18.2 implementation of the grant program. The
18.3 commissioner, in cooperation with any
18.4 economic or community development
18.5 financial institution and any other entity with
18.6 which the commissioner contracts, must
18.7 submit a report on the biofuels infrastructure
18.8 financial assistance program by January 15 of
18.9 each year to the chairs and ranking minority
18.10 members of the legislative committees and
18.11 divisions with jurisdiction over agriculture
18.12 policy and finance. The annual report must
18.13 include but not be limited to a summary of the
18.14 following metrics: (i) the number and types
18.15 of projects financed; (ii) the amount of money
18.16 leveraged or matched per project; (iii) the
18.17 geographic distribution of financed projects;
18.18 (iv) any market expansion associated with
18.19 upgraded infrastructure; (v) the demographics
18.20 of the areas served; (vi) the costs of the
18.21 program; and (vii) the number of grants to
18.22 minority-owned or female-owned businesses.
18.23 The base under this clause is \$3,000,000 for
18.24 fiscal year 2026 and each year thereafter;
18.25 (4) \$1,250,000 the second year is for grants
18.26 to facilitate the start-up, modernization, or
18.27 expansion of meat, poultry, egg, and milk
18.28 processing facilities. A grant award under this
18.29 clause must not exceed \$200,000. Any
18.30 unencumbered balance at the end of the second
18.31 year does not cancel until June 30, 2027, and
18.32 may be used for other purposes under this
18.33 paragraph. The base under this clause is
18.34 \$250,000 in fiscal year 2026 and each year
18.35 thereafter;

19.1 (5) \$1,350,000 the second year is for providing
19.2 more fruits, vegetables, meat, poultry, grain,
19.3 and dairy for children in school and early
19.4 childhood education settings, including, at the
19.5 commissioner's discretion, providing grants
19.6 to reimburse schools and early childhood
19.7 education and child care providers for
19.8 purchasing equipment and agricultural
19.9 products. Organizations must participate in
19.10 the National School Lunch Program or the
19.11 Child and Adult Care Food Program to be
19.12 eligible. Of the amount appropriated, \$150,000
19.13 is for a statewide coordinator of
19.14 farm-to-institution strategy and programming.
19.15 The coordinator must consult with relevant
19.16 stakeholders and provide technical assistance
19.17 and training for participating farmers and
19.18 eligible grant recipients. The base under this
19.19 clause is \$1,294,000 in fiscal year 2026 and
19.20 each year thereafter;

19.21 (6) \$4,000,000 the second year is for Dairy
19.22 Assistance, Investment, Relief Initiative
19.23 (DAIRI) grants and other forms of financial
19.24 assistance to Minnesota dairy farms that enroll
19.25 in coverage under a federal dairy risk
19.26 protection program and produced no more
19.27 than 16,000,000 pounds of milk in 2022. The
19.28 commissioner must make DAIRI payments
19.29 based on the amount of milk produced in
19.30 2022, up to 5,000,000 pounds per participating
19.31 farm, at a rate determined by the commissioner
19.32 within the limits of available funding. Any
19.33 unencumbered balance on June 30, 2026, may
19.34 be used for other purposes under this
19.35 paragraph. The allocation in this clause is
19.36 onetime;

20.1 (7) \$2,000,000 the second year is for urban
 20.2 youth agricultural education or urban
 20.3 agriculture community development; and
 20.4 (8) \$1,000,000 the second year is for the good
 20.5 food access program under Minnesota
 20.6 Statutes, section 17.1017.
 20.7 Notwithstanding Minnesota Statutes, section
 20.8 16A.28, any unencumbered balance does not
 20.9 cancel at the end of the second year and is
 20.10 available until June 30, 2027. Appropriations
 20.11 encumbered under contract on or before June
 20.12 30, 2027, for agricultural growth, research,
 20.13 and innovation grants are available until June
 20.14 30, 2030.

20.15 ~~(d)~~ (e) The base for the agricultural growth,
 20.16 research, and innovation program is
 20.17 ~~\$16,294,000~~ \$17,582,000 in fiscal year 2026
 20.18 and each year thereafter and includes \$200,000
 20.19 each year for cooperative development grants.

20.20	Subd. 5. Administration and Financial		14,287,000
20.21	Assistance	16,618,000	<u>14,587,000</u>

20.22 (a) \$474,000 the first year and \$474,000 the
 20.23 second year are for payments to county and
 20.24 district agricultural societies and associations
 20.25 under Minnesota Statutes, section 38.02,
 20.26 subdivision 1. Aid payments to county and
 20.27 district agricultural societies and associations
 20.28 must be disbursed no later than July 15 of each
 20.29 year. These payments are the amount of aid
 20.30 from the state for an annual fair held in the
 20.31 previous calendar year.

20.32 (b) \$350,000 the first year and \$350,000 the
 20.33 second year are for grants to the Minnesota
 20.34 Agricultural Education and Leadership

21.1 Council for programs of the council under
21.2 Minnesota Statutes, chapter 41D. The base for
21.3 this appropriation is \$250,000 in fiscal year
21.4 2026 and each year thereafter.

21.5 (c) \$2,000 the first year is for a grant to the
21.6 Minnesota State Poultry Association. This is
21.7 a onetime appropriation. Notwithstanding
21.8 Minnesota Statutes, section 16A.28, any
21.9 unencumbered balance does not cancel at the
21.10 end of the first year and is available for the
21.11 second year.

21.12 (d) \$18,000 the first year and \$18,000 the
21.13 second year are for grants to the Minnesota
21.14 Livestock Breeders Association. This is a
21.15 onetime appropriation.

21.16 (e) \$60,000 the first year and \$60,000 the
21.17 second year are for grants to the Northern
21.18 Crops Institute that may be used to purchase
21.19 equipment. This is a onetime appropriation.

21.20 (f) \$34,000 the first year and \$34,000 the
21.21 second year are for grants to the Minnesota
21.22 State Horticultural Society. This is a onetime
21.23 appropriation.

21.24 (g) \$25,000 the first year and \$25,000 the
21.25 second year are for grants to the Center for
21.26 Rural Policy and Development. This is a
21.27 onetime appropriation.

21.28 (h) \$75,000 the first year and \$75,000 the
21.29 second year are appropriated from the general
21.30 fund to the commissioner of agriculture for
21.31 grants to the Minnesota Turf Seed Council for
21.32 basic and applied research on: (1) the
21.33 improved production of forage and turf seed
21.34 related to new and improved varieties; and (2)

22.1 native plants, including plant breeding,
22.2 nutrient management, pest management,
22.3 disease management, yield, and viability. The
22.4 Minnesota Turf Seed Council may subcontract
22.5 with a qualified third party for some or all of
22.6 the basic or applied research. Any
22.7 unencumbered balance does not cancel at the
22.8 end of the first year and is available in the
22.9 second year. The Minnesota Turf Seed Council
22.10 must prepare a report outlining the use of the
22.11 grant money and related accomplishments. No
22.12 later than January 15, 2025, the council must
22.13 submit the report to the chairs and ranking
22.14 minority members of the legislative
22.15 committees and divisions with jurisdiction
22.16 over agriculture finance and policy. This is a
22.17 onetime appropriation.

22.18 (i) \$100,000 the first year and \$100,000 the
22.19 second year are for grants to GreenSeam for
22.20 assistance to agriculture-related businesses to
22.21 support business retention and development,
22.22 business attraction and creation, talent
22.23 development and attraction, and regional
22.24 branding and promotion. These are onetime
22.25 appropriations. No later than December 1,
22.26 2024, and December 1, 2025, GreenSeam
22.27 must report to the chairs and ranking minority
22.28 members of the legislative committees with
22.29 jurisdiction over agriculture and rural
22.30 development with information on new and
22.31 existing businesses supported, number of new
22.32 jobs created in the region, new educational
22.33 partnerships and programs supported, and
22.34 regional branding and promotional efforts.

23.1 (j) \$1,950,000 the first year and \$1,950,000
23.2 the second year are for grants to Second
23.3 Harvest Heartland on behalf of Minnesota's
23.4 six Feeding America food banks for the
23.5 following purposes:

23.6 (1) at least \$850,000 each year must be
23.7 allocated to purchase milk for distribution to
23.8 Minnesota's food shelves and other charitable
23.9 organizations that are eligible to receive food
23.10 from the food banks. Milk purchased under
23.11 the grants must be acquired from Minnesota
23.12 milk processors and based on low-cost bids.
23.13 The milk must be allocated to each Feeding
23.14 America food bank serving Minnesota
23.15 according to the formula used in the
23.16 distribution of United States Department of
23.17 Agriculture commodities under The
23.18 Emergency Food Assistance Program. Second
23.19 Harvest Heartland may enter into contracts or
23.20 agreements with food banks for shared funding
23.21 or reimbursement of the direct purchase of
23.22 milk. Each food bank that receives funding
23.23 under this clause may use up to two percent
23.24 for administrative expenses. Notwithstanding
23.25 Minnesota Statutes, section 16A.28, any
23.26 unencumbered balance the first year does not
23.27 cancel and is available the second year;

23.28 (2) to compensate agricultural producers and
23.29 processors for costs incurred to harvest and
23.30 package for transfer surplus fruits, vegetables,
23.31 and other agricultural commodities that would
23.32 otherwise go unharvested, be discarded, or be
23.33 sold in a secondary market. Surplus
23.34 commodities must be distributed statewide to
23.35 food shelves and other charitable organizations

24.1 that are eligible to receive food from the food
24.2 banks. Surplus food acquired under this clause
24.3 must be from Minnesota producers and
24.4 processors. Second Harvest Heartland may
24.5 use up to 15 percent of each grant awarded
24.6 under this clause for administrative and
24.7 transportation expenses; and

24.8 (3) to purchase and distribute protein products,
24.9 including but not limited to pork, poultry, beef,
24.10 dry legumes, cheese, and eggs to Minnesota's
24.11 food shelves and other charitable organizations
24.12 that are eligible to receive food from the food
24.13 banks. Second Harvest Heartland may use up
24.14 to two percent of each grant awarded under
24.15 this clause for administrative expenses. Protein
24.16 products purchased under the grants must be
24.17 acquired from Minnesota processors and
24.18 producers.

24.19 Second Harvest Heartland must submit
24.20 quarterly reports to the commissioner and the
24.21 chairs and ranking minority members of the
24.22 legislative committees with jurisdiction over
24.23 agriculture finance in the form prescribed by
24.24 the commissioner. The reports must include
24.25 but are not limited to information on the
24.26 expenditure of funds, the amount of milk or
24.27 other commodities purchased, and the
24.28 organizations to which this food was
24.29 distributed. The base for this appropriation is
24.30 \$1,700,000 for fiscal year 2026 and each year
24.31 thereafter.

24.32 (k) \$25,000 the first year and \$25,000 the
24.33 second year are for grants to the Southern
24.34 Minnesota Initiative Foundation to promote
24.35 local foods through an annual event that raises

25.1 public awareness of local foods and connects
25.2 local food producers and processors with
25.3 potential buyers.

25.4 (l) \$300,000 the first year and \$300,000 the
25.5 second year are for grants to The Good Acre
25.6 for the Local Emergency Assistance Farmer
25.7 Fund (LEAFF) program to compensate
25.8 ~~emerging~~ farmers experiencing limited land
25.9 access or limited market access for crops
25.10 donated to hunger relief organizations in
25.11 Minnesota. For purposes of this paragraph,
25.12 "limited land access" and "limited market
25.13 access" have the meanings given in Minnesota
25.14 Statutes, section 17.133, subdivision 1. This
25.15 is a onetime appropriation.

25.16 (m) \$750,000 the first year and \$750,000 the
25.17 second year are to expand the Emerging
25.18 Farmers Office and provide services to
25.19 beginning and emerging farmers to increase
25.20 connections between farmers and market
25.21 opportunities throughout the state. This
25.22 appropriation may be used for grants,
25.23 translation services, training programs, or
25.24 other purposes in line with the
25.25 recommendations of the Emerging Farmer
25.26 Working Group established under Minnesota
25.27 Statutes, section 17.055, subdivision 1. The
25.28 base for this appropriation is \$1,000,000 in
25.29 fiscal year 2026 and each year thereafter.

25.30 (n) \$50,000 the first year is to provide
25.31 technical assistance and leadership in the
25.32 development of a comprehensive and
25.33 well-documented state aquaculture plan. The
25.34 commissioner must provide the state
25.35 aquaculture plan to the legislative committees

26.1 with jurisdiction over agriculture finance and
26.2 policy by February 15, 2025.

26.3 (o) \$337,000 the first year and \$337,000 the
26.4 second year are for farm advocate services.

26.5 Of these amounts, \$50,000 the first year and
26.6 \$50,000 the second year are for the

26.7 continuation of the farmland transition

26.8 programs and may be used for grants to

26.9 farmland access teams to provide technical

26.10 assistance to potential beginning farmers.

26.11 Farmland access teams must assist existing

26.12 farmers and beginning farmers with

26.13 transitioning farm ownership and farm

26.14 operation. Services provided by teams may

26.15 include but are not limited to mediation

26.16 assistance, designing contracts, financial

26.17 planning, tax preparation, estate planning, and

26.18 housing assistance.

26.19 (p) \$260,000 the first year and \$260,000 the

26.20 second year are for a pass-through grant to

26.21 Region Five Development Commission to

26.22 provide, in collaboration with Farm Business

26.23 Management, statewide mental health

26.24 counseling support to Minnesota farm

26.25 operators, families, and employees, and

26.26 individuals who work with Minnesota farmers

26.27 in a professional capacity. Region Five

26.28 Development Commission may use up to 6.5

26.29 percent of the grant awarded under this

26.30 paragraph for administration.

26.31 (q) \$1,000,000 the first year is for transfer to

26.32 the agricultural emergency account established

26.33 under Minnesota Statutes, section 17.041.

26.34 (r) \$1,084,000 the first year and \$500,000 the

26.35 second year are to support IT modernization

27.1 efforts, including laying the technology
27.2 foundations needed for improving customer
27.3 interactions with the department for licensing
27.4 and payments. This is a onetime appropriation.

27.5 (s) \$275,000 the first year is for technical
27.6 assistance grants to certified community
27.7 development financial institutions that
27.8 participate in United States Department of
27.9 Agriculture loan or grant programs for small
27.10 farmers or emerging farmers experiencing
27.11 limited land access or limited market access,
27.12 including but not limited to the Increasing
27.13 Land, Capital, and Market Access Program.
27.14 For purposes of this paragraph, "~~emerging~~
27.15 ~~farmer~~" has "limited land access" and "limited
27.16 market access" have the ~~meaning~~ meanings
27.17 given in Minnesota Statutes, ~~section 17.055,~~
27.18 ~~subdivision 1~~ section 17.133, subdivision 1.

27.19 The commissioner may use up to 6.5 percent
27.20 of this appropriation for costs incurred to
27.21 administer the program. Notwithstanding
27.22 Minnesota Statutes, section 16A.28, any
27.23 unencumbered balance does not cancel at the
27.24 end of the first year and is available in the
27.25 second year. This is a onetime appropriation.

27.26 (t) \$1,425,000 the first year and \$1,425,000
27.27 the second year are for transfer to the
27.28 agricultural and environmental revolving loan
27.29 account established under Minnesota Statutes,
27.30 section 17.117, subdivision 5a, for low-interest
27.31 loans under Minnesota Statutes, section
27.32 17.117.

27.33 (u) \$150,000 the first year and \$150,000 the
27.34 second year are for administrative support for
27.35 the Rural Finance Authority.

28.1 (v) The base in fiscal years 2026 and 2027 is
28.2 \$150,000 each year to coordinate
28.3 climate-related activities and services within
28.4 the Department of Agriculture and
28.5 counterparts in local, state, and federal
28.6 agencies and to hire a full-time climate
28.7 implementation coordinator. The climate
28.8 implementation coordinator must coordinate
28.9 efforts seeking federal funding for Minnesota's
28.10 agricultural climate adaptation and mitigation
28.11 efforts and develop strategic partnerships with
28.12 the private sector and nongovernment
28.13 organizations.

28.14 (w) \$1,200,000 the first year and \$930,000 the
28.15 second year are to maintain the current level
28.16 of service delivery. The base for this
28.17 appropriation is ~~\$1,085,000~~ \$1,065,000 in
28.18 fiscal year 2026 and ~~\$1,085,000~~ \$1,065,000
28.19 in fiscal year 2027 and each year thereafter.

28.20 (x) \$250,000 the first year is for a grant to the
28.21 Board of Regents of the University of
28.22 Minnesota to purchase equipment for the
28.23 Veterinary Diagnostic Laboratory to test for
28.24 chronic wasting disease, African swine fever,
28.25 avian influenza, and other animal diseases.
28.26 The Veterinary Diagnostic Laboratory must
28.27 report expenditures under this paragraph to
28.28 the legislative committees with jurisdiction
28.29 over agriculture finance and higher education
28.30 with a report submitted by January 3, 2024,
28.31 and a final report submitted by December 31,
28.32 2024. The reports must include a list of
28.33 equipment purchased, including the cost of
28.34 each item.

29.1 (y) \$1,000,000 the first year and \$1,000,000
29.2 the second year are to award and administer
29.3 down payment assistance grants under
29.4 Minnesota Statutes, section 17.133, with
29.5 priority given to ~~emerging farmers as defined~~
29.6 ~~in Minnesota Statutes, section 17.055,~~
29.7 ~~subdivision 1~~ eligible applicants with no more
29.8 than \$100,000 in annual gross farm product
29.9 sales and eligible applicants who are producers
29.10 of industrial hemp, cannabis, or one or more
29.11 of the following specialty crops as defined by
29.12 the United States Department of Agriculture
29.13 for purposes of the specialty crop block grant
29.14 program: fruits and vegetables, tree nuts, dried
29.15 fruits, medicinal plants, culinary herbs and
29.16 spices, horticulture crops, floriculture crops,
29.17 and nursery crops. Notwithstanding Minnesota
29.18 Statutes, section 16A.28, any unencumbered
29.19 balance at the end of the first year does not
29.20 cancel and is available in the second year and
29.21 appropriations encumbered under contract by
29.22 June 30, 2025, are available until June 30,
29.23 2027.

29.24 (z) \$222,000 the first year and \$322,000 the
29.25 second year are for meat processing training
29.26 and retention incentive grants under section
29.27 5. The commissioner may use up to 6.5
29.28 percent of this appropriation for costs incurred
29.29 to administer the program. Notwithstanding
29.30 Minnesota Statutes, section 16A.28, any
29.31 unencumbered balance does not cancel at the
29.32 end of the first year and is available in the
29.33 second year. This is a onetime appropriation.

29.34 (aa) \$300,000 the first year and \$300,000 the
29.35 second year are for transfer to the Board of

30.1 Regents of the University of Minnesota to
 30.2 evaluate, propagate, and maintain the genetic
 30.3 diversity of oilseeds, grains, grasses, legumes,
 30.4 and other plants including flax, timothy,
 30.5 barley, rye, triticale, alfalfa, orchard grass,
 30.6 clover, and other species and varieties that
 30.7 were in commercial distribution and use in
 30.8 Minnesota before 1970, excluding wild rice.
 30.9 This effort must also protect traditional seeds
 30.10 brought to Minnesota by immigrant
 30.11 communities. This appropriation includes
 30.12 funding for associated extension and outreach
 30.13 to small and Black, Indigenous, and People of
 30.14 Color (BIPOC) farmers. This is a onetime
 30.15 appropriation.

30.16 (bb) \$300,000 the second year is to award and
 30.17 administer beginning farmer equipment and
 30.18 infrastructure grants under Minnesota Statutes,
 30.19 section 17.055. This is a onetime
 30.20 appropriation.

30.21 ~~(bb)~~ (cc) The commissioner shall continue to
 30.22 increase connections with ethnic minority and
 30.23 immigrant farmers to farming opportunities
 30.24 and farming programs throughout the state.

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

30.26 Sec. 2. Laws 2023, chapter 43, article 1, section 4, is amended to read:

30.27	Sec. 4. AGRICULTURAL UTILIZATION		6,143,000	
30.28	RESEARCH INSTITUTE	\$	<u>6,393,000</u>	\$
				4,343,000

30.29 (a) \$300,000 the first year is for equipment
 30.30 upgrades, equipment replacement, installation
 30.31 expenses, and laboratory infrastructure at the
 30.32 Agricultural Utilization Research Institute's
 30.33 laboratories in the cities of Crookston,
 30.34 Marshall, and Waseca.

31.1 (b) \$1,500,000 the first year is to replace
31.2 analytical and processing equipment and make
31.3 corresponding facility upgrades at Agricultural
31.4 Utilization Research Institute facilities in the
31.5 cities of Marshall, Crookston, and Waseca. Of
31.6 this amount, up to \$500,000 may be used for
31.7 renewable natural gas and anaerobic digestion
31.8 projects. This is a onetime appropriation and
31.9 is available until June 30, 2026.

31.10 (c) \$300,000 the first year and \$300,000 the
31.11 second year are to maintain the current level
31.12 of service delivery.

31.13 (d) \$250,000 the first year is to support food
31.14 businesses. This is a onetime appropriation
31.15 and is available until June 30, 2026.

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

31.17 **ARTICLE 2**
31.18 **PESTICIDE CONTROL**

31.19 Section 1. Minnesota Statutes 2022, section 18B.01, is amended by adding a subdivision
31.20 to read:

31.21 **Subd. 1d. Application or use of a pesticide.** "Application or use of a pesticide" includes:

31.22 (1) the dispersal of a pesticide on, in, at, or directed toward a target site;

31.23 (2) preapplication activities that involve the mixing and loading of a restricted use
31.24 pesticide; and

31.25 (3) other restricted use pesticide-related activities, including but not limited to transporting
31.26 or storing pesticide containers that have been opened; cleaning equipment; and disposing
31.27 of excess pesticides, spray mix, equipment wash waters, pesticide containers, and other
31.28 materials that contain pesticide.

32.1 Sec. 2. Minnesota Statutes 2022, section 18B.26, subdivision 6, is amended to read:

32.2 Subd. 6. **Discontinuance or cancellation of registration.** (a) To ensure the complete
32.3 withdrawal from distribution or further use of a pesticide, a person who intends to discontinue
32.4 a pesticide registration must:

32.5 (1) terminate a further distribution within the state and continue to register the pesticide
32.6 annually for two successive years; and

32.7 (2) initiate and complete a total recall of the pesticide from all distribution in the state
32.8 within 60 days from the date of notification to the commissioner of intent to discontinue
32.9 registration; ~~or.~~

32.10 ~~(3) submit to the commissioner evidence adequate to document that no distribution of~~
32.11 ~~the registered pesticide has occurred in the state.~~

32.12 (b) Upon the request of a registrant, the commissioner may immediately cancel
32.13 registration of a pesticide product. The commissioner may immediately cancel registration
32.14 of a pesticide product at the commissioner's discretion. When requesting that the
32.15 commissioner immediately cancel registration of a pesticide product, a registrant must
32.16 provide the commissioner with:

32.17 (1) a statement that the pesticide product is no longer in distribution; and

32.18 (2) documentation of pesticide gross sales from the previous year supporting the statement
32.19 under clause (1).

32.20 Sec. 3. Minnesota Statutes 2022, section 18B.28, is amended by adding a subdivision to
32.21 read:

32.22 Subd. 5. **Advisory panel.** Before approving the issuance of an experimental use pesticide
32.23 product registration under this section, the commissioner must convene and consider the
32.24 advice of a panel of outside scientific and health experts. The panel must include but is not
32.25 limited to representatives of the Department of Health, the Department of Natural Resources,
32.26 the Pollution Control Agency, and the University of Minnesota.

32.27 Sec. 4. **[18B.283] EXPERT ADVICE REQUIRED FOR EMERGENCY**
32.28 **EXEMPTIONS.**

32.29 Within 30 days of submitting an emergency registration exemption application under
32.30 section 18 of FIFRA, the commissioner must convene and consider the advice of a panel
32.31 of outside scientific and health experts. The panel must include but is not limited to

33.1 representatives of the Department of Health, the Department of Natural Resources, the
33.2 Pollution Control Agency, and the University of Minnesota.

33.3 Sec. 5. Minnesota Statutes 2022, section 18B.305, subdivision 2, is amended to read:

33.4 Subd. 2. **Training manual and examination development.** The commissioner, in
33.5 consultation with University of Minnesota Extension and other higher education institutions,
33.6 shall continually revise and update pesticide applicator training manuals and examinations.
33.7 The manuals and examinations must be written to meet or exceed the minimum competency
33.8 standards required by the United States Environmental Protection Agency and pertinent
33.9 state specific information. Pesticide applicator training manuals and examinations must
33.10 meet or exceed the competency standards in Code of Federal Regulations, title 40, part 171.
33.11 Competency standards for training manuals and examinations must be published on the
33.12 Department of Agriculture website. Questions in the examinations must be determined by
33.13 the commissioner in consultation with other responsible agencies. Manuals and examinations
33.14 must include pesticide management practices that discuss prevention of pesticide occurrence
33.15 in groundwater and surface water of the state, and economic thresholds and guidance for
33.16 insecticide use.

33.17 Sec. 6. Minnesota Statutes 2022, section 18B.32, subdivision 1, is amended to read:

33.18 Subdivision 1. **Requirement.** (a) A person may not engage in structural pest control
33.19 applications:

33.20 (1) for hire without a structural pest control license; ~~and~~

33.21 (2) as a sole proprietorship, company, partnership, or corporation unless the person is
33.22 or employs a licensed master in structural pest control operations; and

33.23 (3) unless the person is 18 years of age or older.

33.24 (b) A structural pest control licensee must have a valid license identification card to
33.25 purchase a restricted use pesticide or apply pesticides for hire and must display it upon
33.26 demand by an authorized representative of the commissioner or a law enforcement officer.
33.27 The license identification card must contain information required by the commissioner.

33.28 Sec. 7. Minnesota Statutes 2022, section 18B.32, subdivision 3, is amended to read:

33.29 Subd. 3. **Application.** (a) A person must apply to the commissioner for a structural pest
33.30 control license on forms and in the manner required by the commissioner. The commissioner
33.31 shall require the applicant to pass a written, closed-book, monitored examination or oral

34.1 examination, or both, ~~and may also require a practical demonstration regarding structural~~
34.2 ~~pest control~~. The commissioner shall establish the examination procedure, including the
34.3 phases and contents of the examination.

34.4 (b) The commissioner may license a person as a master under a structural pest control
34.5 license if the person has the necessary qualifications through knowledge and experience to
34.6 properly plan, determine, and supervise the selection and application of pesticides in structural
34.7 pest control. To demonstrate the qualifications and become licensed as a master under a
34.8 structural pest control license, a person must:

34.9 (1) pass a closed-book test administered by the commissioner;

34.10 (2) have direct experience as a licensed journeyman under a structural pest control license
34.11 for at least two years by this state or a state with equivalent certification requirements or as
34.12 a full-time licensed master in another state with equivalent certification requirements; and

34.13 (3) show practical knowledge and field experience under clause (2) in the actual selection
34.14 and application of pesticides under varying conditions.

34.15 (c) The commissioner may license a person as a journeyman under a structural pest
34.16 control license if the person:

34.17 (1) has the necessary qualifications in the practical selection and application of pesticides;

34.18 (2) has passed a closed-book examination given by the commissioner; and

34.19 (3) is engaged as an employee of or is working under the direction of a person licensed
34.20 as a master under a structural pest control license.

34.21 (d) The commissioner may license a person as a fumigator under a structural pest control
34.22 license if the person:

34.23 (1) has knowledge of the practical selection and application of fumigants;

34.24 (2) has passed a closed-book examination given by the commissioner; and

34.25 (3) is licensed by the commissioner as a master or journeyman under a structural pest
34.26 control license.

34.27 Sec. 8. Minnesota Statutes 2022, section 18B.32, subdivision 4, is amended to read:

34.28 Subd. 4. **Renewal.** (a) An applicator may apply to renew a structural pest control
34.29 applicator license ~~may be renewed~~ on or before the expiration of an existing license subject
34.30 to reexamination, attendance at ~~workshops~~ a recertification workshop approved by the
34.31 commissioner, or other requirements imposed by the commissioner to provide the applicator

35.1 with information regarding changing technology and to help assure a continuing level of
35.2 competency and ability to use pesticides safely and properly. A recertification workshop
35.3 must meet or exceed the competency standards in Code of Federal Regulations, title 40,
35.4 part 171. Competency standards for a recertification workshop must be published on the
35.5 Department of Agriculture website. If the commissioner requires an applicator to attend a
35.6 recertification workshop and the applicator fails to attend the workshop, the commissioner
35.7 may require the applicator to pass a reexamination. The commissioner may require an
35.8 additional demonstration of applicator qualification if the applicator has had a license
35.9 suspended or revoked or has otherwise had a history of violations of this chapter.

35.10 (b) If ~~a person~~ an applicator fails to renew a structural pest control license within three
35.11 months of its expiration, the ~~person~~ applicator must obtain a structural pest control license
35.12 subject to the requirements, procedures, and fees required for an initial license.

35.13 Sec. 9. Minnesota Statutes 2022, section 18B.32, subdivision 5, is amended to read:

35.14 Subd. 5. **Financial responsibility.** (a) ~~A structural pest control license may not be issued~~
35.15 ~~unless the applicant furnishes proof of financial responsibility.~~ The commissioner may
35.16 suspend or revoke a structural pest control license if an applicator fails to provide proof of
35.17 financial responsibility upon the commissioner's request. Financial responsibility may be
35.18 demonstrated by:

35.19 (1) proof of net assets equal to or greater than \$50,000; or

35.20 (2) a performance bond or insurance of a kind and in an amount determined by the
35.21 commissioner.

35.22 (b) The bond or insurance must cover a period of time at least equal to the term of the
35.23 ~~applicant's~~ applicator's license. The commissioner must immediately suspend the license
35.24 of ~~a person~~ an applicator who fails to maintain the required bond or insurance. The
35.25 performance bond or insurance policy must contain a provision requiring the insurance or
35.26 bonding company to notify the commissioner by ten days before the effective date of
35.27 cancellation, termination, or any other change of the bond or insurance. If there is recovery
35.28 against the bond or insurance, additional coverage must be secured by the applicator to
35.29 maintain financial responsibility equal to the original amount required.

35.30 (c) An employee of a licensed person is not required to maintain an insurance policy or
35.31 bond during the time the employer is maintaining the required insurance or bond.

35.32 (d) Applications for reinstatement of a license suspended under the provisions of this
35.33 section must be accompanied by proof of satisfaction of judgments previously rendered.

36.1 Sec. 10. Minnesota Statutes 2022, section 18B.33, subdivision 1, is amended to read:

36.2 Subdivision 1. **Requirement.** (a) A person may not apply a pesticide for hire without a
36.3 commercial applicator license for the appropriate use categories or a structural pest control
36.4 license.

36.5 (b) A commercial applicator licensee must have a valid license identification card to
36.6 purchase a restricted use pesticide or apply pesticides for hire and must display it upon
36.7 demand by an authorized representative of the commissioner or a law enforcement officer.
36.8 The commissioner shall prescribe the information required on the license identification
36.9 card.

36.10 (c) A person licensed under this section is considered qualified and is not required to
36.11 verify, document, or otherwise prove a particular need prior to use, except as required by
36.12 the federal label.

36.13 (d) A person who uses a general-use sanitizer or disinfectant for hire in response to
36.14 COVID-19 is exempt from the commercial applicator license requirements under this section.

36.15 (e) A person licensed under this section must be 18 years of age or older.

36.16 Sec. 11. Minnesota Statutes 2022, section 18B.33, subdivision 5, is amended to read:

36.17 Subd. 5. **Renewal application.** (a) ~~A person~~ An applicator must apply to the
36.18 commissioner to renew a commercial applicator license. The commissioner may renew a
36.19 commercial applicator license accompanied by the application fee, subject to reexamination,
36.20 attendance at ~~workshops~~ a recertification workshop approved by the commissioner, or other
36.21 requirements imposed by the commissioner to provide the applicator with information
36.22 regarding changing technology and to help assure a continuing level of competence and
36.23 ability to use pesticides safely and properly. ~~The applicant~~ Upon the receipt of an applicator's
36.24 renewal application, the commissioner may require the applicator to attend a recertification
36.25 workshop. Depending on the application category, the commissioner may require an
36.26 applicator to complete a recertification workshop once per year, once every two years, or
36.27 once every three years. If the commissioner requires an applicator to attend a recertification
36.28 workshop and the applicator fails to attend the workshop, the commissioner may require
36.29 the applicator to pass a reexamination. A recertification workshop must meet or exceed the
36.30 competency standards in Code of Federal Regulations, title 40, part 171. Competency
36.31 standards for a recertification workshop must be published on the Department of Agriculture
36.32 website. An applicator may renew a commercial applicator license within 12 months after
36.33 expiration of the license without having to meet initial testing requirements. The

37.1 commissioner may require an additional demonstration of applicator qualification if ~~a person~~
37.2 the applicator has had a license suspended or revoked or has had a history of violations of
37.3 this chapter.

37.4 (b) An ~~applicant~~ applicator that meets renewal requirements by reexamination instead
37.5 of attending ~~workshops~~ a recertification workshop must pay the equivalent workshop fee
37.6 for the reexamination as determined by the commissioner.

37.7 Sec. 12. Minnesota Statutes 2022, section 18B.33, subdivision 6, is amended to read:

37.8 Subd. 6. **Financial responsibility.** (a) ~~A commercial applicator license may not be issued~~
37.9 ~~unless the applicant furnishes proof of financial responsibility.~~ The commissioner may
37.10 suspend or revoke an applicator's commercial applicator license if the applicator fails to
37.11 provide proof of financial responsibility upon the commissioner's request. Financial
37.12 responsibility may be demonstrated by: (1) proof of net assets equal to or greater than
37.13 \$50,000; or (2) by a performance bond or insurance of the kind and in an amount determined
37.14 by the commissioner.

37.15 (b) The bond or insurance must cover a period of time at least equal to the term of the
37.16 ~~applicant's~~ applicator's license. The commissioner must immediately suspend the license
37.17 of ~~a person~~ an applicator who fails to maintain the required bond or insurance. The
37.18 performance bond or insurance policy must contain a provision requiring the insurance or
37.19 bonding company to notify the commissioner by ten days before the effective date of
37.20 cancellation, termination, or any other change of the bond or insurance. If there is recovery
37.21 against the bond or insurance, additional coverage must be secured by the applicator to
37.22 maintain financial responsibility equal to the original amount required.

37.23 (c) An employee of a licensed ~~person~~ applicator is not required to maintain an insurance
37.24 policy or bond during the time the employer is maintaining the required insurance or bond.

37.25 (d) Applications for reinstatement of a license suspended under the provisions of this
37.26 section must be accompanied by proof of satisfaction of judgments previously rendered.

37.27 Sec. 13. Minnesota Statutes 2022, section 18B.34, subdivision 1, is amended to read:

37.28 Subdivision 1. **Requirement.** (a) Except for a licensed commercial applicator, certified
37.29 private applicator, or licensed structural pest control applicator, a person, including a
37.30 government employee, may not purchase or use a restricted use pesticide in performance
37.31 of official duties without having a noncommercial applicator license for an appropriate use
37.32 category.

38.1 (b) A licensee must have a valid license identification card when applying pesticides
38.2 and must display it upon demand by an authorized representative of the commissioner or a
38.3 law enforcement officer. The license identification card must contain information required
38.4 by the commissioner.

38.5 (c) A person licensed under this section is considered qualified and is not required to
38.6 verify, document, or otherwise prove a particular need prior to use, except as required by
38.7 the federal label.

38.8 (d) A person licensed under this section must be 18 years of age or older.

38.9 Sec. 14. Minnesota Statutes 2022, section 18B.34, subdivision 4, is amended to read:

38.10 Subd. 4. **Renewal.** (a) ~~A person~~ An applicator must apply to the commissioner to renew
38.11 a noncommercial applicator license. The commissioner may renew a license subject to
38.12 reexamination, attendance at ~~workshops~~ a recertification workshop approved by the
38.13 commissioner, or other requirements imposed by the commissioner to provide the applicator
38.14 with information regarding changing technology and to help assure a continuing level of
38.15 competence and ability to use pesticides safely and properly. Upon the receipt of an
38.16 applicator's renewal application, the commissioner may require the applicator to attend a
38.17 recertification workshop. Depending on the application category, the commissioner may
38.18 require an applicator to complete a recertification workshop once per year, once every two
38.19 years, or once every three years. If the commissioner requires an applicator to attend a
38.20 recertification workshop and the applicator fails to attend the workshop, the commissioner
38.21 may require the applicator to pass a reexamination. A recertification workshop must meet
38.22 or exceed the competency standards in Code of Federal Regulations, title 40, part 171.
38.23 Competency standards for a recertification workshop must be published on the Department
38.24 of Agriculture website. The commissioner may require an additional demonstration of
38.25 applicator qualification if the applicator has had a license suspended or revoked or has
38.26 otherwise had a history of violations of this chapter.

38.27 (b) ~~An applicant~~ applicator that meets renewal requirements by reexamination instead
38.28 of attending ~~workshops~~ a recertification workshop must pay the equivalent workshop fee
38.29 for the reexamination as determined by the commissioner.

38.30 (c) ~~An applicant~~ applicator has 12 months to renew the license after expiration without
38.31 having to meet initial testing requirements.

39.1 Sec. 15. Minnesota Statutes 2022, section 18B.35, subdivision 1, is amended to read:

39.2 Subdivision 1. **Establishment.** (a) The commissioner may establish categories of
39.3 structural pest control, commercial applicator, and noncommercial applicator licenses ~~for~~
39.4 ~~administering and enforcing this chapter.~~ and private applicator certification consistent with
39.5 federal requirements in Code of Federal Regulations, title 40, parts 171.101 and 171.105,
39.6 including but not limited to the federal categories that are applicable to Minnesota.
39.7 Application categories must meet or exceed the competency standards in Code of Federal
39.8 Regulations, title 40, part 171. Competency standards for application categories must be
39.9 published on the Department of Agriculture website. The categories may include pest control
39.10 operators and ornamental, agricultural, aquatic, forest, and right-of-way pesticide applicators.
39.11 Separate subclassifications of categories may be specified as to ground, aerial, or manual
39.12 methods to apply pesticides or to the use of pesticides to control insects, plant diseases,
39.13 rodents, or weeds.

39.14 (b) Each category is subject to separate testing procedures and requirements.

39.15 Sec. 16. Minnesota Statutes 2022, section 18B.36, subdivision 1, is amended to read:

39.16 Subdivision 1. **Requirement.** (a) Except for a licensed commercial or noncommercial
39.17 applicator, only a certified private applicator may use a restricted use pesticide to produce
39.18 an agricultural commodity:

39.19 (1) as a traditional exchange of services without financial compensation;

39.20 (2) on a site owned, rented, or managed by the person or the person's employees; or

39.21 (3) when the private applicator is one of two or fewer employees and the owner or
39.22 operator is a certified private applicator or is licensed as a noncommercial applicator.

39.23 (b) A person may not purchase a restricted use pesticide without presenting a license
39.24 card, certified private applicator card, or the card number.

39.25 (c) A person certified under this section is considered qualified and is not required to
39.26 verify, document, or otherwise prove a particular need prior to use, except as required by
39.27 the federal label.

39.28 (d) A person certified under this section must be 18 years of age or older.

39.29 Sec. 17. Minnesota Statutes 2022, section 18B.36, subdivision 2, is amended to read:

39.30 Subd. 2. **Certification.** (a) The commissioner shall prescribe certification requirements
39.31 and provide training that meets or exceeds United States Environmental Protection Agency

40.1 standards to certify private applicators and provide information relating to changing
40.2 technology to help ensure a continuing level of competency and ability to use pesticides
40.3 properly and safely. Private applicator certification requirements and training must meet or
40.4 exceed the competency standards in Code of Federal Regulations, title 40, part 171.
40.5 Competency standards for private applicator certification and training must be published
40.6 on the Department of Agriculture website. The training may be done through cooperation
40.7 with other government agencies and must be a minimum of three hours in duration.

40.8 (b) A person must apply to the commissioner for certification as a private applicator.
40.9 After completing the certification requirements, which must include ~~an~~ a proctored
40.10 examination as determined by the commissioner, an applicant must be certified as a private
40.11 applicator to use restricted use pesticides. The certification shall expire March 1 of the third
40.12 calendar year after the initial year of certification.

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

40.14 Sec. 18. Minnesota Statutes 2022, section 18B.37, subdivision 2, is amended to read:

40.15 Subd. 2. **Commercial and noncommercial applicators.** (a) A commercial or
40.16 noncommercial applicator; or the applicator's authorized agent; must maintain a record of
40.17 pesticides used on each site. Noncommercial applicators must keep records of restricted
40.18 use pesticides. The record must include the:

40.19 (1) date of the pesticide use;

40.20 (2) time the pesticide application was completed;

40.21 (3) brand name of the pesticide, the United States Environmental Protection Agency
40.22 registration number, and rate used;

40.23 (4) number of units treated;

40.24 (5) temperature, wind speed, and wind direction;

40.25 (6) location of the site where the pesticide was applied;

40.26 (7) name and address of the customer;

40.27 (8) name of applicator, name of company, license number of applicator, and address of
40.28 applicator company; and

40.29 (9) any other information required by the commissioner.

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

41.1 (c) All information for this record requirement must be contained in a document for each
41.2 pesticide application, except a map may be attached to identify treated areas. An invoice
41.3 containing the required information may constitute the required record. The commissioner
41.4 shall make sample forms available to meet the requirements of this paragraph.

41.5 (d) The record must be completed no later than five days after the application of the
41.6 pesticide.

41.7 (e) A commercial applicator must give a copy of the record to the customer.

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

41.10 (g) A record of a commercial or noncommercial applicator must meet or exceed the
41.11 requirements in Code of Federal Regulations, title 40, part 171.

41.12 Sec. 19. Minnesota Statutes 2022, section 18B.37, subdivision 3, is amended to read:

41.13 Subd. 3. **Structural pest control applicators.** (a) A structural pest control applicator
41.14 must maintain a record of each structural pest control application conducted by that person
41.15 or by the person's employees. The record must include the:

41.16 (1) date of structural pest control application;

41.17 (2) target pest;

41.18 (3) brand name of the pesticide, United States Environmental Protection Agency
41.19 registration number, and amount used;

41.20 (4) for fumigation, the temperature and exposure time;

41.21 (5) time the pesticide application was completed;

41.22 (6) name and address of the customer;

41.23 (7) name of structural pest control applicator, name of company and address of applicator
41.24 or company, and license number of applicator; and

41.25 (8) any other information required by the commissioner.

41.26 (b) All information for this record requirement must be contained in a document for
41.27 each pesticide application. An invoice containing the required information may constitute
41.28 the record.

41.29 (c) The record must be completed no later than five days after the application of the
41.30 pesticide.

42.1 (d) Records must be retained for five years after the date of treatment.

42.2 (e) A copy of the record must be given to a person who ordered the application that is
42.3 present at the site where the structural pest control application is conducted, placed in a
42.4 conspicuous location at the site where the structural pest control application is conducted
42.5 immediately after the application of the pesticides, or delivered to the person who ordered
42.6 an application or the owner of the site. The commissioner must make sample forms available
42.7 that meet the requirements of this subdivision.

42.8 (f) A structural applicator must post in a conspicuous place inside a renter's apartment
42.9 where a pesticide application has occurred a list of postapplication precautions contained
42.10 on the label of the pesticide that was applied in the apartment and any other information
42.11 required by the commissioner.

42.12 (g) A record of a structural applicator must meet or exceed the requirements in Code of
42.13 Federal Regulations, title 40, part 171.

42.14 Sec. 20. **COMMERCIAL APPLICATOR LICENSE EXAMINATION LANGUAGE**
42.15 **REQUIREMENTS.**

42.16 By January 1, 2025, the commissioner of agriculture must ensure that examinations for
42.17 a commercial applicator license under Minnesota Statutes, section 18B.33, are available in
42.18 Spanish and that applicants are informed that the examinations can be taken in Spanish.
42.19 The commissioner must use money appropriated from the pesticide regulatory account
42.20 under Minnesota Statutes, section 18B.05, for this purpose.

42.21 **ARTICLE 3**

42.22 **OTHER AGRICULTURE STATUTORY CHANGES**

42.23 Section 1. Minnesota Statutes 2022, section 3.7371, is amended by adding a subdivision
42.24 to read:

42.25 Subd. 1a. **Definitions.** (a) For purposes of this section, the following terms have the
42.26 meanings given.

42.27 (b) "Approved agent" means a person authorized by the Department of Agriculture to
42.28 determine if crop or fence damage was caused by elk and to assign a monetary value to the
42.29 crop or fence damage.

42.30 (c) "Commissioner" means the commissioner of agriculture or the commissioner's
42.31 authorized representative.

43.1 (d) "Estimated value" means the current value of crops or fencing as determined by an
43.2 approved agent.

43.3 (e) "Owner" means an individual, firm, corporation, copartnership, or association with
43.4 an interest in crops or fencing damaged by elk.

43.5 Sec. 2. Minnesota Statutes 2022, section 3.7371, subdivision 2, is amended to read:

43.6 Subd. 2. **Claim form and reporting.** (a) The owner must prepare a claim on forms
43.7 provided by the commissioner and available on the Department of Agriculture's Agriculture
43.8 website or by request from the commissioner. ~~The claim form must be filed with the~~
43.9 commissioner.

43.10 (b) After discovering crop or fence damage suspected to be caused by elk, an owner
43.11 must promptly notify an approved agent of the damage. To submit a claim for crop or fence
43.12 damage caused by elk, an owner must complete the required portions of the claim form
43.13 provided by the commissioner. An owner who has submitted a claim must provide an
43.14 approved agent with all information required to investigate the crop or fence damage.

43.15 Sec. 3. Minnesota Statutes 2022, section 3.7371, is amended by adding a subdivision to
43.16 read:

43.17 Subd. 2a. **Investigation and crop valuation.** (a) Upon receiving notification of crop or
43.18 fence damage suspected to be caused by elk, an approved agent must promptly investigate
43.19 the damage in a timely manner. An approved agent must make written findings on the claim
43.20 form regarding whether the crop or fence was destroyed or damaged by elk. The approved
43.21 agent's findings must be based on physical and circumstantial evidence, including:

43.22 (1) the condition of the crop or fence;

43.23 (2) the presence of elk tracks;

43.24 (3) the geographic area of the state where the crop or fence damage occurred;

43.25 (4) any sightings of elk in the area; and

43.26 (5) any other circumstances that the approved agent considers to be relevant.

43.27 (b) The absence of affirmative evidence may be grounds for denial of a claim.

43.28 (c) On a claim form, an approved agent must make written findings of the extent of crop
43.29 or fence damage and, if applicable, the amount of crop destroyed.

44.1 (d) For damage to standing crops, an owner may choose to have the approved agent use
 44.2 the method in clause (1) or (2) to complete the claim form and determine the amount of
 44.3 crop loss:

44.4 (1) to submit a claim form to the commissioner at the time that the suspected elk damage
 44.5 is discovered, the approved agent must record on the claim form: (i) the field's potential
 44.6 yield per acre; (ii) the field's average yield per acre that is expected on the damaged acres;
 44.7 (iii) the estimated value of the crop; and (iv) the total amount of loss. Upon completing the
 44.8 claim form, the approved agent must submit the form to the commissioner; or

44.9 (2) to submit a claim form to the commissioner at the time that the crop is harvested,
 44.10 the approved agent must record on the claim form at the time of the investigation: (i) the
 44.11 percent of crop loss from damage; (ii) the actual yield of the damaged field when the crop
 44.12 is harvested; (iii) the estimated value of the crop; and (iv) the total amount of loss. Upon
 44.13 completing the claim form, the approved agent must submit the form to the commissioner.

44.14 (e) For damage to stored crops, an approved agent must record on the claim form: (1)
 44.15 the type and volume of destroyed stored crops; (2) the estimated value of the crop; and (3)
 44.16 the total amount of loss.

44.17 (f) For damage to fencing, an approved agent must record on the claim form: (1) the
 44.18 type of materials damaged; (2) the linear feet of the damage; (3) the value of the materials
 44.19 per unit according to National Resource Conservation Service specifications; and (4) the
 44.20 calculated total damage to the fence.

44.21 Sec. 4. Minnesota Statutes 2022, section 3.7371, is amended by adding a subdivision to
 44.22 read:

44.23 Subd. 2b. **Claim form.** A completed claim form must be signed by the owner and an
 44.24 approved agent. An approved agent must submit the claim form to the commissioner for
 44.25 the commissioner's review and payment. The commissioner must return an incomplete claim
 44.26 form to the approved agent. When returning an incomplete claim form to an approved agent,
 44.27 the commissioner must indicate which information is missing from the claim form.

44.28 Sec. 5. Minnesota Statutes 2022, section 3.7371, subdivision 3, is amended to read:

44.29 Subd. 3. **Compensation.** (a) ~~The crop~~ An owner is entitled to the ~~target price or the~~
 44.30 market price, whichever is greater, estimated value of the damaged or destroyed crop ~~plus~~
 44.31 adjustments for yield loss determined according to agricultural stabilization and conservation
 44.32 service programs for individual farms, adjusted annually, as determined by the commissioner,

45.1 ~~upon recommendation of the commissioner's approved agent for the owner's county or~~
 45.2 ~~fence.~~ Verification of crop or fence damage ~~or destruction~~ by elk may be provided by
 45.3 submitting photographs or other evidence and documentation ~~together with a statement~~
 45.4 ~~from an independent witness~~ using forms prescribed by the commissioner. The commissioner,
 45.5 upon recommendation of the commissioner's approved agent, shall determine whether the
 45.6 crop damage or destruction or damage to or destruction of a fence surrounding a crop or
 45.7 pasture is caused by elk and, if so, the amount of the crop or fence that is damaged or
 45.8 destroyed. In any fiscal year, an owner may not be compensated for a damaged or destroyed
 45.9 crop or fence surrounding a crop or pasture that is less than \$100 in value and may be
 45.10 compensated up to \$20,000, as determined under this section, ~~if normal harvest procedures~~
 45.11 ~~for the area are followed.~~ An owner may not be compensated more than \$1,800 per fiscal
 45.12 year for damage to fencing surrounding a crop or pasture.

45.13 (b) In any fiscal year, the commissioner may provide compensation for claims filed
 45.14 under this section up to the amount expressly appropriated for this purpose.

45.15 Sec. 6. Minnesota Statutes 2023 Supplement, section 17.055, subdivision 3, is amended
 45.16 to read:

45.17 Subd. 3. **Beginning farmer equipment and infrastructure grants.** (a) The commissioner
 45.18 may award and administer equipment and infrastructure grants to beginning farmers. The
 45.19 commissioner shall give preference to applicants who are ~~emerging farmers~~ experiencing
 45.20 limited land access or limited market access as those terms are defined in section 17.133,
 45.21 subdivision 1. Grant money may be used for equipment and infrastructure development.

45.22 (b) The commissioner shall develop competitive eligibility criteria and may allocate
 45.23 grants on a needs basis.

45.24 (c) Grant projects may continue for up to two years.

45.25 Sec. 7. Minnesota Statutes 2022, section 17.133, subdivision 1, is amended to read:

45.26 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
 45.27 the meanings given.

45.28 (b) "Eligible farmer" means an individual who at the time that the grant is awarded:

45.29 (1) is a resident of Minnesota who intends to acquire farmland located within the state
 45.30 and provide the majority of the day-to-day physical labor and management of the farm;

45.31 (2) grosses no more than \$250,000 per year from the sale of farm products; ~~and~~

46.1 (3) has not, and whose spouse has not, at any time had a direct or indirect ownership
46.2 interest in farmland; and

46.3 (4) is not, and whose spouse is not, related by blood or marriage to an owner of the
46.4 farmland that the individual intends to acquire.

46.5 (c) "Farm down payment" means an initial, partial payment required by a lender or seller
46.6 to purchase farmland.

46.7 (d) "Incubator farm" means a farm where:

46.8 (1) individuals are given temporary, exclusive, and affordable access to small parcels
46.9 of land, infrastructure, and often training, for the purpose of honing skills and launching a
46.10 farm business; and

46.11 (2) a majority of the individuals farming the small parcels of land grow industrial hemp,
46.12 cannabis, or one or more of the following specialty crops as defined by the United States
46.13 Department of Agriculture for purposes of the specialty crop block grant program: fruits
46.14 and vegetables, tree nuts, dried fruits, medicinal plants, culinary herbs and spices, horticulture
46.15 crops, floriculture crops, and nursery crops.

46.16 (e) "Limited land access" means farming land that the individual does not own when:

46.17 (1) the individual or the individual's child rents or leases the land, with the term of each
46.18 rental or lease agreement not exceeding three years in duration, from a person who is not
46.19 related to the individual or the individual's spouse by blood or marriage; or

46.20 (2) the individual rents the land from an incubator farm.

46.21 (f) "Limited market access" means the majority of the individual's annual farm product
46.22 sales are direct sales to the consumer.

46.23 Sec. 8. Minnesota Statutes 2023 Supplement, section 17.133, subdivision 3, is amended
46.24 to read:

46.25 Subd. 3. **Report to legislature.** No later than December 1, 2023, and annually thereafter,
46.26 the commissioner must provide a report to the chairs and ranking minority members of the
46.27 legislative committees having jurisdiction over agriculture and rural development, in
46.28 compliance with sections 3.195 and 3.197, on the farm down payment assistance grants
46.29 under this section. The report must include:

46.30 (1) background information on beginning farmers in Minnesota and any other information
46.31 that the commissioner and authority find relevant to evaluating the effect of the grants on
46.32 increasing opportunities for and the number of beginning farmers;

- 47.1 (2) the number and amount of grants;
- 47.2 (3) the geographic distribution of grants by county;
- 47.3 (4) the number of grant recipients who are emerging farmers;
- 47.4 (5) the number of grant recipients who were experiencing limited land access or limited
- 47.5 market access when the grant was awarded;
- 47.6 ~~(5)~~ (6) disaggregated data regarding the gender, race, and ethnicity of grant recipients;
- 47.7 ~~(6)~~ (7) the number of farmers who cease to own land and are subject to payment of a
- 47.8 penalty, along with the reasons for the land ownership cessation; and
- 47.9 ~~(7)~~ (8) the number and amount of grant applications that exceeded the allocation available
- 47.10 in each year.

47.11 Sec. 9. Minnesota Statutes 2023 Supplement, section 17.134, is amended by adding a

47.12 subdivision to read:

47.13 Subd. 3a. **Grant requirements.** In addition to the applicable grants management

47.14 requirements under sections 16B.97 to 16B.991, as a condition of receiving a soil health

47.15 financial assistance grant under this section, an owner or lessee of farmland must commit

47.16 to:

- 47.17 (1) if not certified under sections 17.9891 to 17.993, achieve certification no later than
- 47.18 24 months after the grant agreement is fully executed;
- 47.19 (2) not lease or rent the equipment to another for economic gain; and
- 47.20 (3) if selling the equipment, sell the equipment for no more than the owner's or lessee's
- 47.21 documented share of the total purchase price.

47.22 Sec. 10. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision

47.23 to read:

47.24 Subd. 1c. **Beneficial substance.** "Beneficial substance" means any substance or

47.25 compound other than a primary, secondary, and micro plant nutrient that can be demonstrated

47.26 by scientific research to be beneficial to one or more species of plants, soil, or media.

47.27 Sec. 11. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision

47.28 to read:

47.29 Subd. 7b. **Diammonium phosphate.** "Diammonium phosphate" or "DAP" means a

47.30 fertilizer containing 18 percent total nitrogen and 46 percent available phosphate.

48.1 Sec. 12. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision
48.2 to read:

48.3 Subd. 11a. **Finished sewage sludge product.** "Finished sewage sludge product" means
48.4 a fertilizer product consisting in whole or in part of sewage sludge that is disinfected by
48.5 means of composting, pasteurization, wet air oxidation, heat treatment, or other means and
48.6 sold to the public.

48.7 Sec. 13. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision
48.8 to read:

48.9 Subd. 18b. **Liquid 28.** "Liquid 28" means a liquid nitrogen solution containing 28 percent
48.10 total nitrogen.

48.11 Sec. 14. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision
48.12 to read:

48.13 Subd. 18c. **Liquid 32.** "Liquid 32" means a liquid nitrogen solution containing 32 percent
48.14 total nitrogen.

48.15 Sec. 15. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision
48.16 to read:

48.17 Subd. 19b. **Monoammonium phosphate.** "Monoammonium phosphate" or "MAP"
48.18 means a fertilizer containing ten to 11 percent total nitrogen and 48 to 55 percent available
48.19 phosphate.

48.20 Sec. 16. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision
48.21 to read:

48.22 Subd. 20a. **Nitrogen fertilizer.** "Nitrogen fertilizer" means any fertilizer, soil amendment,
48.23 or plant amendment totally or partially comprised of nitrogen, including but not limited to
48.24 anhydrous ammonia, urea, liquid 28, liquid 32, DAP, and MAP.

48.25 Sec. 17. Minnesota Statutes 2022, section 18C.005, subdivision 33, is amended to read:

48.26 Subd. 33. **Soil amendment.** "Soil amendment" means a substance intended to improve
48.27 the structural, physical, chemical, biochemical, or biological characteristics of the soil or
48.28 modify organic matter at or near the soil surface, except fertilizers, agricultural liming
48.29 materials, pesticides, and other materials exempted by the commissioner's rules.

49.1 Sec. 18. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision
49.2 to read:

49.3 Subd. 37a. Urea. "Urea" means a white crystalline solid containing 46 percent nitrogen.

49.4 Sec. 19. Minnesota Statutes 2022, section 18C.115, subdivision 2, is amended to read:

49.5 Subd. 2. **Adoption of national standards.** Applicable national standards contained in
49.6 ~~the 1996 official publication, number 49,~~ most recently published version of the official
49.7 publication of the Association of American Plant Food Control Officials including the rules
49.8 and regulations, statements of uniform interpretation and policy, and the official fertilizer
49.9 terms and definitions, and not otherwise adopted by the commissioner, may be adopted as
49.10 fertilizer rules of this state.

49.11 Sec. 20. Minnesota Statutes 2022, section 18C.215, subdivision 1, is amended to read:

49.12 Subdivision 1. **Packaged fertilizers.** (a) A person may not sell or distribute specialty
49.13 fertilizer in bags or other containers in this state unless a label is placed on or affixed to the
49.14 bag or container stating in a clear, legible, and conspicuous form the following information:

49.15 (1) the net weight and volume, if applicable;

49.16 (2) the brand and grade, except the grade is not required if primary nutrients are not
49.17 claimed;

49.18 (3) the guaranteed analysis;

49.19 (4) the name and address of the guarantor;

49.20 (5) directions for use, except directions for use are not required for custom blend specialty
49.21 fertilizers; and

49.22 (6) a derivatives statement.

49.23 (b) A person may not sell or distribute fertilizer for agricultural purposes in bags or other
49.24 containers in this state unless a label is placed on or affixed to the bag or container stating
49.25 in a clear, legible, and conspicuous form the information listed in paragraph (a), clauses (1)
49.26 to (4), except:

49.27 (1) the grade is not required if primary nutrients are not claimed; and

49.28 (2) the grade on the label is optional if the fertilizer is used only for agricultural purposes
49.29 and the guaranteed analysis statement is shown in the complete form as in section 18C.211.

49.30 (c) The labeled information must appear:

50.1 (1) on the front or back side of the container;

50.2 (2) on the upper one-third of the side of the container;

50.3 (3) on the upper end of the container; or

50.4 (4) printed on a tag affixed to the upper end of the container.

50.5 (d) If a person sells a custom blend specialty fertilizer in bags or other containers, the
50.6 information required in paragraph (a) must either be affixed to the bag or container as
50.7 required in paragraph (c) or be furnished to the customer on an invoice or delivery ticket
50.8 in written or printed form.

50.9 Sec. 21. Minnesota Statutes 2022, section 18C.221, is amended to read:

50.10 **18C.221 FERTILIZER PLANT FOOD CONTENT.**

50.11 (a) Products that are deficient in plant food content are subject to this subdivision.

50.12 (b) An analysis must show that a fertilizer is deficient:

50.13 (1) in one or more of its guaranteed primary plant nutrients beyond the investigational
50.14 allowances and compensations as established by regulation; or

50.15 (2) if the overall index value of the fertilizer is shown below the level established by
50.16 rule.

50.17 (c) A deficiency in an official sample of mixed fertilizer resulting from nonuniformity
50.18 is not distinguishable from a deficiency due to actual plant nutrient shortage and is properly
50.19 subject to official action.

50.20 (d) For the purpose of determining the commercial index value to be applied, the
50.21 commissioner shall determine at least annually the values per unit of nitrogen, available
50.22 ~~phosphoric acid~~ phosphate, and soluble potash in fertilizers in this state.

50.23 (e) If a fertilizer in the possession of the consumer is found by the commissioner to be
50.24 short in weight, the registrant or licensee of the fertilizer must submit a penalty payment of
50.25 two times the value of the actual shortage to the consumer within 30 days after official
50.26 notice from the commissioner.

50.27 Sec. 22. Minnesota Statutes 2023 Supplement, section 18C.421, subdivision 1, is amended
50.28 to read:

50.29 Subdivision 1. **Annual tonnage report.** (a) Each registrant under section 18C.411 and
50.30 licensee under section 18C.415 shall file an annual tonnage report for the previous year

51.1 ending June 30 with the commissioner, on forms provided or approved by the commissioner,
51.2 utilizing uniform fertilizer tonnage reporting system codes and stating the number of net
51.3 tons of each brand or grade of fertilizer, soil amendment, or plant amendment distributed
51.4 in this state or the number of net tons and grade of each raw fertilizer material distributed
51.5 in this state during the reporting period.

51.6 (b) A tonnage report is not required to be submitted and an inspection fee under section
51.7 18C.425, subdivision 6, is not required to be paid to the commissioner by a licensee who
51.8 distributes fertilizer solely by custom application.

51.9 (c) The annual tonnage report must be submitted to the commissioner on or before July
51.10 31 of each year.

51.11 (d) The inspection fee under section 18C.425, subdivision 6, must accompany the
51.12 statement.

51.13 (e) The commissioner must produce an annual fertilizer sales report and post this report
51.14 on the commissioner's website.

51.15 Sec. 23. Minnesota Statutes 2023 Supplement, section 18C.425, subdivision 6, is amended
51.16 to read:

51.17 Subd. 6. **Payment of inspection fee.** (a) The person who registers and distributes in the
51.18 state a specialty fertilizer, soil amendment, or plant amendment under section 18C.411 shall
51.19 pay the inspection fee to the commissioner.

51.20 (b) The person licensed under section 18C.415 who distributes a fertilizer to a person
51.21 not required to be so licensed shall pay the inspection fee to the commissioner, except as
51.22 exempted under section 18C.421, subdivision 1, paragraph (b).

51.23 (c) The person responsible for payment of the inspection fees for fertilizers, soil
51.24 amendments, or plant amendments sold and used in this state must pay the inspection fee
51.25 set under paragraph (e); and ~~until June 30, 2024~~, an additional 40 cents per ton, of fertilizer,
51.26 soil amendment, and plant amendment sold or distributed in this state, with a minimum of
51.27 \$10 on all tonnage reports. Notwithstanding section 18C.131, until June 30, 2025, the
51.28 commissioner must deposit all revenue from the additional 40 cents per ton fee in the
51.29 agricultural fertilizer research and education account in section 18C.80; and after June 30,
51.30 2025, the commissioner must deposit all revenue from the additional 40 cents per ton fee
51.31 in the private well drinking-water assistance account established in section 18C.90. Products
51.32 sold or distributed to manufacturers or exchanged between them are exempt from the

52.1 inspection fee imposed by this subdivision if the products are used exclusively for
52.2 manufacturing purposes.

52.3 (d) A registrant or licensee must retain invoices showing proof of fertilizer, plant
52.4 amendment, or soil amendment distribution amounts and inspection fees paid for a period
52.5 of three years.

52.6 (e) By commissioner's order, the commissioner must set the inspection fee at no less
52.7 than 39 cents per ton and no more than 70 cents per ton. The commissioner must hold a
52.8 public meeting before increasing the fee by more than five cents per ton.

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

52.10 Sec. 24. Minnesota Statutes 2022, section 18C.70, subdivision 5, is amended to read:

52.11 Subd. 5. **Expiration.** This section expires June 30, ~~2025~~ 2026.

52.12 Sec. 25. Minnesota Statutes 2022, section 18C.71, subdivision 4, is amended to read:

52.13 Subd. 4. **Expiration.** This section expires June 30, ~~2025~~ 2026.

52.14 Sec. 26. Minnesota Statutes 2022, section 18C.80, subdivision 2, is amended to read:

52.15 Subd. 2. **Expiration.** This section expires June 30, ~~2025~~ 2026.

52.16 Sec. 27. **[18C.90] PRIVATE WELL DRINKING-WATER ASSISTANCE PROGRAM.**

52.17 **Subdivision 1. Account; appropriation.** A private well drinking-water assistance account
52.18 is established in the agricultural fund. Money in the account, including interest earned, is
52.19 appropriated to the commissioner for aid payments to community health boards under
52.20 subdivision 2.

52.21 **Subd. 2. Aid payments.** (a) At least annually, the commissioner must make aid payments
52.22 to community health boards established under chapter 145A for purposes of assisting eligible
52.23 residents under subdivision 3.

52.24 (b) The commissioner must award proportional aid payments to eligible community
52.25 health boards based on each board's share of total private drinking-water wells in the state
52.26 with documented nitrate in excess of ten milligrams per liter, as determined by the
52.27 commissioner in consultation with the commissioners of health and the Pollution Control
52.28 Agency.

53.1 Subd. 3. **Provision of safe drinking water.** (a) For purposes of this section, "safe
53.2 drinking water" means water required for drinking, cooking, and maintaining oral hygiene
53.3 that has a nitrate level of no more than ten milligrams per liter.

53.4 (b) Community health boards must use aid payments received under subdivision 2 to
53.5 assist residents in obtaining safe drinking water when the documented level of nitrate in the
53.6 resident's private drinking-water well is more than ten milligrams per liter, with priority
53.7 given to pregnant women and children under the age of one.

53.8 (c) Community health boards must assist eligible residents in obtaining safe drinking
53.9 water through one or more of the following methods:

53.10 (1) convenient bottled water distribution or delivery;

53.11 (2) reverse osmosis treatment unit acquisition, installation, and maintenance;

53.12 (3) connection to a public water system; or

53.13 (4) another method, as determined by the commissioner of health, that provides eligible
53.14 residents with a sufficient quantity of safe drinking water.

53.15 Subd. 4. **Reports.** No later than January 15 each year, the commissioner must report
53.16 outcomes achieved under this section and any corresponding recommendations to the chairs
53.17 and ranking minority members of the legislative committees with jurisdiction over agriculture
53.18 and health.

53.19 Sec. 28. Minnesota Statutes 2022, section 18D.301, subdivision 1, is amended to read:

53.20 Subdivision 1. **Enforcement required.** (a) The commissioner shall enforce this chapter
53.21 and chapters 18B, 18C, and 18F.

53.22 (b) Violations of chapter 18B, 18C, or 18F or rules adopted under chapter 18B, 18C, or
53.23 18F, or section 103H.275, subdivision 2, are a violation of this chapter.

53.24 (c) Upon the request of the commissioner, county attorneys, sheriffs, and other officers
53.25 having authority in the enforcement of the general criminal laws shall take action to the
53.26 extent of their authority necessary or proper for the enforcement of this chapter or special
53.27 orders, standards, stipulations, and agreements of the commissioner.

54.1 Sec. 29. Minnesota Statutes 2023 Supplement, section 18K.06, is amended to read:

54.2 **18K.06 RULEMAKING.**

54.3 (a) The commissioner ~~shall adopt rules governing the production, testing, processing,~~
54.4 ~~and licensing of industrial hemp. Notwithstanding the two-year limitation for exempt rules~~
54.5 ~~under section 14.388, subdivision 1, Minnesota Rules, chapter 1565, published in the State~~
54.6 ~~Register on August 16, 2021, is effective until August 16, 2025, or until permanent rules~~
54.7 ~~implementing chapter 18K are adopted, whichever occurs first~~ may adopt or amend rules
54.8 governing the production, testing, processing, and licensing of industrial hemp using the
54.9 procedure in section 14.386, paragraph (a). Section 14.386, paragraph (b), does not apply
54.10 to rules adopted or amended under this section.

54.11 (b) Rules adopted under paragraph (a) must include but not be limited to provisions
54.12 governing:

54.13 (1) the supervision and inspection of industrial hemp during its growth and harvest;

54.14 (2) the testing of industrial hemp to determine delta-9 tetrahydrocannabinol levels;

54.15 (3) the use of background check results required under section 18K.04 to approve or
54.16 deny a license application; and

54.17 (4) any other provision or procedure necessary to carry out the purposes of this chapter.

54.18 (c) Rules issued under this section must be consistent with federal law regarding the
54.19 production, distribution, and sale of industrial hemp.

54.20 Sec. 30. Minnesota Statutes 2022, section 28A.10, is amended to read:

54.21 **28A.10 POSTING OF LICENSE; RULES.**

54.22 All such licenses shall be issued for a period of one year and shall be posted or displayed
54.23 in a conspicuous place at the place of business so licensed. ~~Except as provided in sections~~
54.24 ~~29.22, subdivision 4 and 31.39, all such license fees and penalties collected by the~~
54.25 ~~commissioner shall be deposited into the state treasury and credited to the general fund.~~

54.26 The commissioner may adopt such rules in conformity with law as the commissioner deems
54.27 necessary to effectively and efficiently carry out the provisions of sections 28A.01 to 28A.16.

54.28 Sec. 31. Minnesota Statutes 2022, section 28A.21, subdivision 6, is amended to read:

54.29 Subd. 6. **Expiration.** This section expires June 30, ~~2027~~ 2037.

55.1 Sec. 32. Minnesota Statutes 2022, section 31.74, is amended to read:

55.2 **31.74 SALE OF IMITATION HONEY.**

55.3 Subdivision 1. **Honey defined.** As used in this section "honey" means the nectar and
55.4 saccharine exudation of plants, gathered, modified and stored in the comb by honey bees,
55.5 which is levorotatory, contains not more than 25 percent of water, not more than 25/100
55.6 percent of ash, and not more than eight percent sucrose.

55.7 Subd. 2. **Prohibited sale.** Notwithstanding any law or rule to the contrary, it is unlawful
55.8 for any person to sell or offer for sale any product which is in semblance of honey and which
55.9 is labeled, advertised, or otherwise represented to be honey, if it is not honey. The word
55.10 "imitation" shall not be used in the name of a product which is in semblance of honey
55.11 whether or not it contains any honey. The label for a product which is not in semblance of
55.12 honey and which contains honey may include the word "honey" in the name of the product
55.13 and the relative position of the word "honey" in the product name, and in the list of
55.14 ingredients, when required, shall be determined by its prominence as an ingredient in the
55.15 product.

55.16 Subd. 4. **Food consisting of honey and another sweetener.** Consistent with the federal
55.17 act, the federal regulations incorporated under section 31.101, subdivision 7, and the
55.18 prohibition against misbranding in sections 31.02 and 34A.03, the label for a food in
55.19 semblance of honey and consisting of honey and another sweetener must include but is not
55.20 limited to the following elements:

55.21 (1) a statement of identity that accurately identifies or describes the nature of the food
55.22 or its characterizing properties or ingredients; and

55.23 (2) the common or usual name of each ingredient in the ingredient statement, in
55.24 descending order of predominance by weight.

55.25 Sec. 33. Minnesota Statutes 2022, section 31.94, is amended to read:

55.26 **31.94 ORGANIC AGRICULTURE; COMMISSIONER DUTIES.**

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

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

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

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

56.6 (4) inform agencies about state or federal programs that support organic agriculture
56.7 practices; and

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

56.12 (b) By November 15 of each year that ends in a zero or a five, the commissioner, in
56.13 conjunction with the task force created in paragraph (c), shall report on the status of organic
56.14 agriculture in Minnesota to the legislative policy and finance committees and divisions with
56.15 jurisdiction over agriculture. The report must include available data on organic acreage and
56.16 production, available data on the sales or market performance of organic products, and
56.17 recommendations regarding programs, policies, and research efforts that will benefit
56.18 Minnesota's organic agriculture sector.

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

56.24 (1) three organic farmers;

56.25 (2) one wholesaler or distributor of organic products;

56.26 (3) one representative of organic certification agencies;

56.27 (4) two organic processors;

56.28 (5) one representative from University of Minnesota Extension;

56.29 (6) one University of Minnesota faculty member;

56.30 (7) one representative from a nonprofit organization representing producers;

56.31 (8) two public members;

57.1 (9) one representative from the United States Department of Agriculture;

57.2 (10) one retailer of organic products; and

57.3 (11) one organic consumer representative.

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

57.8 Compensation and removal of members are governed by section 15.059, subdivision 6.
57.9 The task force must meet at least twice each year and expires on June 30, ~~2024~~ 2034.

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

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

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

57.21 Sec. 34. Minnesota Statutes 2022, section 32D.30, is amended to read:

57.22 **32D.30 DAIRY DEVELOPMENT AND PROFITABILITY ENHANCEMENT.**

57.23 Subdivision 1. **Program.** The commissioner must implement a dairy development and
57.24 profitability enhancement program consisting of a dairy profitability enhancement ~~teams~~
57.25 and program, dairy business planning grants, and other services to support the dairy industry.

57.26 Subd. 2. **Dairy profitability enhancement ~~teams~~ program.** (a) The dairy profitability
57.27 enhancement ~~teams~~ program must provide ~~one-on-one~~ information and technical assistance
57.28 to dairy farms of all sizes to enhance their financial success and long-term sustainability.
57.29 ~~Teams~~ The program must assist dairy producers in all dairy-producing regions of the state
57.30 and. Assistance to producers from the program may consist of be provided individually, as
57.31 a team, or through other methods by farm business management instructors, dairy extension
57.32 specialists, and other dairy industry partners. ~~Teams~~ The program may engage in activities

58.1 ~~including such as~~ comprehensive financial analysis, risk management education, enhanced
58.2 milk marketing tools and technologies, ~~and~~ facilitating or improving production systems,
58.3 including rotational grazing and other sustainable agriculture methods, and value-added
58.4 opportunities.

58.5 (b) The commissioner must make grants to regional or statewide organizations qualified
58.6 to manage the various components of the ~~teams~~ program and serve as program administrators.
58.7 Each regional or statewide organization must designate a coordinator responsible for
58.8 overseeing the program and submitting periodic reports to the commissioner regarding
58.9 aggregate changes in producer financial stability, productivity, product quality, animal
58.10 health, environmental protection, and other performance measures attributable to the program.
58.11 The organizations must submit this information in a format that maintains the confidentiality
58.12 of individual dairy producers.

58.13 Subd. 3. **Dairy business planning grants.** The commissioner may award dairy business
58.14 planning grants of up to \$5,000 per producer or dairy processor to develop comprehensive
58.15 ~~business plans~~ use technical assistance services for evaluating operations, transitional
58.16 changes, expansions, improvements, and other business modifications. Producers and
58.17 processors must not use dairy business planning grants for capital improvements.

58.18 Subd. 4. **Funding allocation.** Except as specified in law, the commissioner may allocate
58.19 dairy development and profitability enhancement program dollars ~~among~~ for the permissible
58.20 uses specified in this section and other needs to support the dairy industry, including efforts
58.21 to improve the quality of milk produced in the state, in the proportions that the commissioner
58.22 deems most beneficial to the state's dairy farmers.

58.23 Subd. 5. **Reporting.** No later than July 1 each year, the commissioner must submit a
58.24 detailed accomplishment report and work plan detailing future plans for, and the actual and
58.25 anticipated accomplishments from, expenditures under this section to the chairs and ranking
58.26 minority members of the legislative committees and divisions with jurisdiction over
58.27 agriculture policy and finance. If the commissioner significantly modifies a submitted work
58.28 plan during the fiscal year, the commissioner must notify the chairs and ranking minority
58.29 members.

58.30 Sec. 35. Minnesota Statutes 2023 Supplement, section 41A.19, is amended to read:

58.31 **41A.19 REPORT; INCENTIVE PROGRAMS.**

58.32 By January 15 each year, the commissioner shall report on the incentive and tax credit
58.33 programs under sections 41A.16, 41A.17, 41A.18, ~~and~~ 41A.20, and 41A.30 to the legislative

59.1 committees with jurisdiction over environment policy and finance and agriculture policy
59.2 and finance. The report shall include information on production ~~and~~, blending, incentive
59.3 expenditures, and tax credit certificates awarded under the programs, as well as the following
59.4 information that the commissioner must require of each producer or blender who receives
59.5 a payment or a tax credit certificate during the reporting period:

59.6 (1) the producer's or blender's business structure;

59.7 (2) the name and address of the producer's or blender's parent company, if any;

59.8 (3) a cumulative list of all financial assistance received from all public grantors for the
59.9 project;

59.10 (4) goals for the number of jobs created and progress in achieving these goals, which
59.11 may include separate goals for the number of part-time or full-time jobs, or, in cases where
59.12 job loss is specific and demonstrable, goals for the number of jobs retained;

59.13 (5) equity hiring goals and progress in achieving these goals;

59.14 (6) wage goals and progress in achieving these goals for all jobs created or maintained
59.15 by the producer or blender;

59.16 (7) board member and executive compensation;

59.17 (8) evidence of compliance with environmental permits;

59.18 (9) the producer's or blender's intended and actual use of payments from, or tax credits
59.19 approved by, the commissioner; and

59.20 (10) if applicable, the latest financial audit opinion statement produced by a certified
59.21 public accountant in accordance with standards established by the American Institute of
59.22 Certified Public Accountants.

59.23 Sec. 36. Minnesota Statutes 2022, section 41B.039, subdivision 2, is amended to read:

59.24 Subd. 2. **State participation.** The state may participate in a new real estate loan with
59.25 an eligible lender to a beginning farmer to the extent of 45 percent of the principal amount
59.26 of the loan or ~~\$400,000~~ \$500,000, whichever is less. The interest rates and repayment terms
59.27 of the authority's participation interest may be different than the interest rates and repayment
59.28 terms of the lender's retained portion of the loan.

60.1 Sec. 37. Minnesota Statutes 2022, section 41B.04, subdivision 8, is amended to read:

60.2 Subd. 8. **State participation.** With respect to loans that are eligible for restructuring
60.3 under sections 41B.01 to 41B.23 and upon acceptance by the authority, the authority shall
60.4 enter into a participation agreement or other financial arrangement whereby it shall participate
60.5 in a restructured loan to the extent of 45 percent of the primary principal or ~~\$525,000~~
60.6 \$625,000, whichever is less. The authority's portion of the loan must be protected during
60.7 the authority's participation by the first mortgage held by the eligible lender to the extent
60.8 of its participation in the loan.

60.9 Sec. 38. Minnesota Statutes 2022, section 41B.042, subdivision 4, is amended to read:

60.10 Subd. 4. **Participation limit; interest.** The authority may participate in new
60.11 seller-sponsored loans to the extent of 45 percent of the principal amount of the loan or
60.12 ~~\$400,000~~ \$500,000, whichever is less. The interest rates and repayment terms of the
60.13 authority's participation interest may be different than the interest rates and repayment terms
60.14 of the seller's retained portion of the loan.

60.15 Sec. 39. Minnesota Statutes 2022, section 41B.043, subdivision 1b, is amended to read:

60.16 Subd. 1b. **Loan participation.** The authority may participate in an agricultural
60.17 improvement loan with an eligible lender to a farmer who meets the requirements of section
60.18 41B.03, subdivision 1, clauses (1) and (2), and who is actively engaged in farming.
60.19 Participation is limited to 45 percent of the principal amount of the loan or ~~\$400,000~~
60.20 \$500,000, whichever is less. The interest rates and repayment terms of the authority's
60.21 participation interest may be different than the interest rates and repayment terms of the
60.22 lender's retained portion of the loan.

60.23 Sec. 40. Minnesota Statutes 2022, section 41B.045, subdivision 2, is amended to read:

60.24 Subd. 2. **Loan participation.** The authority may participate in a livestock expansion
60.25 and modernization loan with an eligible lender to a livestock farmer who meets the
60.26 requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who are actively
60.27 engaged in a livestock operation. A prospective borrower must have a total net worth,
60.28 including assets and liabilities of the borrower's spouse and dependents, of less than
60.29 \$1,700,000 in 2017 and an amount in subsequent years which is adjusted for inflation by
60.30 multiplying that amount by the cumulative inflation rate as determined by the United States
60.31 All-Items Consumer Price Index.

61.1 Participation is limited to 45 percent of the principal amount of the loan or ~~\$525,000~~
61.2 \$625,000, whichever is less. The interest rates and repayment terms of the authority's
61.3 participation interest may be different from the interest rates and repayment terms of the
61.4 lender's retained portion of the loan.

61.5 Sec. 41. Minnesota Statutes 2022, section 41B.047, subdivision 1, is amended to read:

61.6 Subdivision 1. **Establishment.** The authority shall establish and implement a disaster
61.7 recovery loan program to help farmers:

61.8 (1) clean up, repair, or replace farm structures and septic and water systems, as well as
61.9 replace seed, other crop inputs, feed, and livestock;

61.10 (2) purchase watering systems, irrigation systems, ~~and~~ other drought mitigation systems
61.11 and practices, and feed when drought is the cause of the purchase;

61.12 (3) restore farmland;

61.13 (4) replace flocks or livestock, make building improvements, or cover the loss of revenue
61.14 when the replacement, improvements, or loss of revenue is due to the confirmed presence
61.15 of a highly contagious animal disease in a commercial poultry or game flock, or a commercial
61.16 livestock operation, located in Minnesota; or

61.17 (5) cover the loss of revenue when the revenue loss is due to an infectious human disease
61.18 for which the governor has declared a peacetime emergency under section 12.31.

61.19 Sec. 42. Minnesota Statutes 2022, section 223.17, subdivision 6, is amended to read:

61.20 Subd. 6. **Financial statements.** (a) Except as allowed in paragraph (c), a grain buyer
61.21 licensed under this chapter must annually submit to the commissioner a financial statement
61.22 prepared by a third-party independent accountant or certified public accountant in accordance
61.23 with ~~generally accepted accounting principles~~ national or international accounting standards.
61.24 The annual financial statement required under this subdivision must also:

61.25 (1) include, but not be limited to the following:

61.26 (i) a balance sheet;

61.27 (ii) a statement of income (profit and loss);

61.28 (iii) a statement of retained earnings;

61.29 (iv) a statement of ~~changes in financial position~~ cash flow; and

62.1 (v) a statement of the dollar amount of grain purchased in the previous fiscal year of the
62.2 grain buyer;

62.3 (2) be accompanied by a ~~compilation~~ report of the financial statement that is prepared
62.4 by a grain commission firm or a management firm approved by the commissioner or by an
62.5 independent public accountant, in accordance with standards established by the American
62.6 Institute of Certified Public Accountants or similar international standards;

62.7 ~~(3) be accompanied by a certification by the chief executive officer or the chief executive~~
62.8 ~~officer's designee of the licensee, and where applicable, all members of the governing board~~
62.9 ~~of directors under penalty of perjury, that the financial statement accurately reflects the~~
62.10 ~~financial condition of the licensee for the period specified in the statement;~~

62.11 ~~(4) for grain buyers purchasing under \$7,500,000 of grain annually, be reviewed by a~~
62.12 ~~certified public accountant in accordance with standards established by the American Institute~~
62.13 ~~of Certified Public Accountants, and must show that the financial statements are free from~~
62.14 ~~material misstatements; and~~

62.15 ~~(5)~~ (3) for grain buyers purchasing \$7,500,000 or more of grain annually, be audited or
62.16 reviewed by a certified public accountant in accordance with standards established by the
62.17 American Institute of Certified Public Accountants ~~and~~ or similar international standards.
62.18 An audit must include an opinion statement from the certified public accountant performing
62.19 the audit; and

62.20 (4) for grain buyers purchasing \$20,000,000 or more of grain annually, be audited by a
62.21 certified public accountant in accordance with standards established by the American Institute
62.22 of Certified Public Accountants or similar international standards. The audit must include
62.23 an opinion statement from the certified public accountant performing the audit.

62.24 (b) Only one financial statement must be filed for a chain of warehouses owned or
62.25 operated as a single business entity, unless otherwise required by the commissioner. All
62.26 financial statements filed with the commissioner are private or nonpublic data as provided
62.27 in section 13.02.

62.28 (c) A grain buyer who purchases grain immediately upon delivery solely with cash; a
62.29 ~~certified check; a cashier's check; or a postal, bank, or express money order~~, as defined in
62.30 section 223.16, subdivision 2a, paragraph (b), is exempt from this subdivision if the grain
62.31 buyer's gross annual purchases are \$1,000,000 or less.

62.32 (d) For an entity that qualifies for the exemption in paragraph (c), the commissioner
62.33 retains the right to require the entity to provide the commissioner with financial reporting

63.1 based on inspections, any report of nonpayment, or other documentation related to violations
63.2 of this chapter, chapter 232, or Minnesota Rules, chapter 1562.

63.3 (e) To ensure compliance with this chapter, the commissioner must annually review
63.4 financial statements submitted under paragraph (a).

63.5 ~~(d) (f) The commissioner shall annually provide information on a person's fiduciary~~
63.6 ~~duties to each licensee. To the extent practicable, the commissioner must direct each licensee~~
63.7 ~~to provide this information to all persons required to certify the licensee's financial statement~~
63.8 ~~under paragraph (a), clause (3).~~

63.9 (g) The commissioner may require an entity to provide additional financial statements
63.10 or financial reporting, including audited financial statements.

63.11 Sec. 43. Minnesota Statutes 2022, section 232.21, subdivision 3, is amended to read:

63.12 Subd. 3. **Commissioner.** "Commissioner" means the commissioner of agriculture or the
63.13 commissioner's designee.

63.14 Sec. 44. Minnesota Statutes 2022, section 232.21, subdivision 7, is amended to read:

63.15 Subd. 7. **Grain.** "Grain" means any ~~cereal grain, coarse grain, or oilseed in unprocessed~~
63.16 ~~form for which a standard has been established by the United States Secretary of Agriculture,~~
63.17 ~~dry edible beans, or agricultural crops designated by the commissioner by rule~~ product
63.18 commonly referred to as grain, including wheat, corn, oats, barley, rye, rice, soybeans,
63.19 emmer, sorghum, triticale, millet, pulses, dry edible beans, sunflower seed, rapeseed, canola,
63.20 safflower, flaxseed, mustard seed, crambe, sesame seed, and other products ordinarily stored
63.21 in grain warehouses.

63.22 Sec. 45. Minnesota Statutes 2022, section 232.21, subdivision 11, is amended to read:

63.23 Subd. 11. **Producer.** "Producer" means a person who ~~owns or manages a grain producing~~
63.24 ~~or growing operation and holds or shares the responsibility for marketing that grain produced~~
63.25 grows grain on land owned or leased by the person.

63.26 Sec. 46. Minnesota Statutes 2022, section 232.21, subdivision 12, is amended to read:

63.27 Subd. 12. **Public grain warehouse operator.** "Public grain warehouse operator" means:
63.28 (1) a person licensed to operate operating a grain warehouse in which grain belonging to
63.29 persons other than the grain warehouse operator is accepted for storage or purchase, ~~or;~~ (2)
63.30 a person who offers grain storage or grain warehouse facilities to the public for hire; or (3)

64.1 a feed-processing plant that receives and stores grain, the equivalent of which, it processes
64.2 and returns to the grain's owner in amounts, at intervals, and with added ingredients that
64.3 are mutually agreeable to the grain's owner and the person operating the plant.

64.4 Sec. 47. Minnesota Statutes 2022, section 232.21, subdivision 13, is amended to read:

64.5 Subd. 13. **Scale ticket.** "Scale ticket" means a memorandum ~~showing the weight, grade~~
64.6 ~~and kind of grain which~~ is issued by a grain elevator or warehouse operator to a depositor
64.7 at the time the grain is delivered.

64.8 Sec. 48. **CREDIT MARKET REPORT REQUIRED.**

64.9 The commissioner of agriculture must convene a stakeholder working group to explore
64.10 the state establishing a market for carbon credits, ecosystem services credits, or other credits
64.11 generated by farmers who implement clean water, climate-smart, and soil-healthy farming
64.12 practices. To the extent practicable, the stakeholder working group must include but is not
64.13 limited to farmers; representatives of agricultural organizations; experts in geoscience,
64.14 carbon storage, greenhouse gas modeling, and agricultural economics; industry
64.15 representatives with experience in carbon markets and supply chain sustainability; and
64.16 representatives of environmental organizations with expertise in carbon sequestration and
64.17 agriculture. No later than February 1, 2025, the commissioner must report recommendations
64.18 to the legislative committees with jurisdiction over agriculture. The commissioner must
64.19 provide participating stakeholders an opportunity to include written testimony in the
64.20 commissioner's report.

64.21 Sec. 49. **REPEALER.**

64.22 (a) Minnesota Statutes 2022, sections 3.7371, subdivision 7; and 34.07, are repealed.

64.23 (b) Minnesota Rules, parts 1506.0010; 1506.0015; 1506.0020; 1506.0025; 1506.0030;
64.24 1506.0035; and 1506.0040, are repealed.

64.25 **ARTICLE 4**

64.26 **BROADBAND**

64.27 Section 1. Minnesota Statutes 2022, section 116J.396, is amended by adding a subdivision
64.28 to read:

64.29 Subd. 4. **Transfer.** The commissioner may transfer up to \$5,000,000 of a fiscal year
64.30 appropriation between the border-to-border broadband program, low density population
64.31 broadband program, and the broadband line extension program to meet demand.

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

65.2 Sec. 2. **BROADBAND DEVELOPMENT; APPLICATION FOR FEDERAL**
65.3 **FUNDING; APPROPRIATION.**

65.4 (a) The commissioner of employment and economic development must prepare and
65.5 submit an application to the United States Department of Commerce requesting State Digital
65.6 Equity Capacity Grant Funding made available under Public Law 117-58, the Infrastructure
65.7 Investment and Jobs Act.

65.8 (b) The amount awarded to Minnesota pursuant to the application submitted under
65.9 paragraph (a) is appropriated to the commissioner of employment and economic development
65.10 for purposes of the commissioner's Minnesota Digital Opportunity Plan.

3.7371 COMPENSATION FOR CROP OR FENCE DAMAGE CAUSED BY ELK.

Subd. 7. **Rules.** The commissioner shall adopt rules and may amend rules to carry out this section. The commissioner may use the expedited rulemaking process in section 14.389 to adopt and amend rules authorized in this section. The rules must include:

- (1) methods of valuation of crops damaged or destroyed;
- (2) criteria for determination of the cause of the crop damage or destruction;
- (3) notice requirements by the owner of the damaged or destroyed crop;
- (4) compensation rates for fence damage or destruction that must not exceed \$1,800 per claimant per fiscal year; and
- (5) any other matters determined necessary by the commissioner to carry out this section.

34.07 BEVERAGE INSPECTION ACCOUNT; APPROPRIATION.

A beverage inspection account is created in the agricultural fund. All fees and fines collected under this chapter shall be credited to the beverage inspection account. Money in the account is appropriated to the commissioner for inspection and supervision under this chapter.

1506.0010 AUTHORITY.

Parts 1506.0010 to 1506.0040 are prescribed under Minnesota Statutes, section 3.7371, by the commissioner of agriculture to implement procedures to compensate agricultural crop owners for crops that are damaged or destroyed by elk. The procedures in parts 1506.0010 to 1506.0040 are in addition to those in Minnesota Statutes, section 3.7371.

1506.0015 DEFINITIONS.

Subpart 1. **Applicability.** The definitions in this part apply to parts 1506.0010 to 1506.0040.

Subp. 2. **Claim form.** "Claim form" means a form provided by the commissioner, to be completed by the crop owner and the county extension agent or federal crop adjuster, containing information upon which payment for a loss must be based.

Subp. 3. **Commissioner.** "Commissioner" means the commissioner of agriculture or the commissioner's authorized agent.

Subp. 4. **Crop owner.** "Crop owner" means an individual, firm, corporation, copartnership, or association with an interest in crops damaged or destroyed by elk.

Subp. 5. **County extension agent.** "County extension agent" means the University of Minnesota Agricultural Extension Service's county extension agent for the county in which the crop owner resides.

Subp. 6. **Federal crop adjuster.** "Federal crop adjuster" means a crop insurance adjuster having a contract with the Federal Crop Insurance Corporation.

Subp. 7. **Market price.** "Market price" means the commodity price published daily by the Minneapolis Grain Exchange in the daily record of prices and receipts.

Subp. 8. **Target price.** "Target price" means the federal commodity price available from the Agricultural Stabilization and Conservation Service office.

1506.0020 REPORTING.

The crop owner shall notify either the federal crop adjuster or the county extension agent of suspected crop loss or damage within 24 hours of the discovery of a loss. The crop owner shall also complete the appropriate part of the claim form which must be available at the county extension office. The crop owner shall provide all information required to investigate the loss or damage to the federal crop adjuster or the county extension agent. A telephone call or personal contact constitutes notification.

1506.0025 INVESTIGATION AND CROP VALUATION.

Subpart 1. **Whether damaged by elk.** The federal crop adjuster or the county extension agent shall investigate the loss in a timely manner and shall make a finding in writing on the appropriate part of the claim form regarding whether the crop was destroyed or damaged by elk. The finding must be based on physical and circumstantial evidence including:

- A. the condition of the crop;
- B. elk tracks;
- C. the area of the state where the loss occurred;
- D. sightings of elk in the area; and
- E. any other circumstances considered pertinent by the federal crop adjuster or the county extension agent.

The absence of affirmative evidence may be grounds for denial of a claim.

Subp. 2. **Extent of damage.** The federal crop adjuster or the county extension agent shall make a written finding on the claim form of the extent of damage or the amount of crop destroyed. The crop owner may choose to have the federal crop adjuster or county extension agent use the method in item A or B to complete the claim form and determine the amount of crop loss.

A. To submit the claim form at the time the suspected elk damage is discovered, the federal crop adjuster or county extension agent must determine the potential yield, per acre, for the field and record this information on the form in the column labeled "normal yield" and the average yield, per acre, expected from the damaged acres and record this information on the form in the column labeled "average yield expected from damaged acres."

B. To submit the claim form at the time the crop is harvested:

(1) the crop owner shall report the loss to the federal crop adjuster or county extension agent within 24 hours of discovery, and the loss must be investigated by the federal crop adjuster or county extension agent in a timely manner;

(2) the crop owner and federal crop adjuster or county extension agent shall complete the claim form at the time of the investigation, entering the percent of crop loss from damage in the column labeled "normal yield" and leaving the column labeled "average yield expected from damaged acres" blank; and

(3) when the crop is harvested the federal crop adjuster or county extension agent shall enter the actual yield of the damaged field in the column labeled "average yield expected from damaged acres," enter the date in the same column, and submit the form to the commissioner.

1506.0030 COMPLETION AND SIGNING OF CLAIM FORM.

A completed claim form must be signed by the owner and county extension agent or the federal crop adjuster and submitted by the crop owner to the commissioner for review and payment. The commissioner shall return an incomplete claim form to the crop owner, indicating the information necessary for proper completion.

1506.0035 INSURANCE COVERAGE.

If insurance coverage exists on the crop, the commissioner shall withhold payment under parts 1506.0010 to 1506.0040 until the insurance claim has been paid and evidence of payment has been submitted to the commissioner, at which time that insurance payment must be deducted from the determined value. Payment must not be made for claims of less than \$100 per claim or more than \$20,000 in a calendar year.

1506.0040 PAYMENT.

After procedures in parts 1506.0020 to 1506.0035 are completed, the commissioner shall make payment to the crop owners.