

1.22

ARTICLE 1

1.23

AGRICULTURE APPROPRIATIONS

1.24 Section 1. AGRICULTURE APPROPRIATIONS.

1.25 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
1.26 and for the purposes specified in this act. The appropriations are from the general fund, or
1.27 another named fund, and are available for the fiscal years indicated for each purpose. The
1.28 figures "2020" and "2021" used in this act mean that the appropriations listed under them
1.29 are available for the fiscal year ending June 30, 2020, or June 30, 2021, respectively. "The
2.1 first year" is fiscal year 2020. "The second year" is fiscal year 2021. "The biennium" is
2.2 fiscal years 2020 and 2021.

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<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2020</u>	<u>2021</u>

2.7 Sec. 2. DEPARTMENT OF AGRICULTURE

2.8 Subdivision 1. Total Appropriation \$ 54,704,000 \$ 49,602,000

2.9 Appropriations by Fund

	<u>2020</u>	<u>2021</u>
2.10		
2.11 <u>General</u>	<u>54,305,000</u>	<u>49,203,000</u>
2.12 <u>Remediation</u>	<u>399,000</u>	<u>399,000</u>

2.13 The amounts that may be spent for each
2.14 purpose are specified in the following
2.15 subdivisions.

2.16 Subd. 2. Protection Services

2.17 Appropriations by Fund

	<u>2020</u>	<u>2021</u>
2.18		

1.21

ARTICLE 1

1.22

AGRICULTURE

1.23 Section 1. AGRICULTURE APPROPRIATIONS.

1.24 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
1.25 and for the purposes specified in this act. The appropriations are from the general fund, or
1.26 another named fund, and are available for the fiscal years indicated for each purpose. The
1.27 figures "2020" and "2021" used in this act mean that the appropriations listed under them
1.28 are available for the fiscal year ending June 30, 2020, or June 30, 2021, respectively. "The
2.1 first year" is fiscal year 2020. "The second year" is fiscal year 2021. "The biennium" is
2.2 fiscal years 2020 and 2021.

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<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2020</u>	<u>2021</u>

2.7 Sec. 2. DEPARTMENT OF AGRICULTURE

2.8 Subdivision 1. Total Appropriation \$ 56,154,000 \$ 54,839,000

2.9 Appropriations by Fund

	<u>2020</u>	<u>2021</u>
2.10		
2.11 <u>General</u>	<u>55,755,000</u>	<u>54,440,000</u>
2.12 <u>Remediation</u>	<u>399,000</u>	<u>399,000</u>

2.13 The amounts that may be spent for each
2.14 purpose are specified in the following
2.15 subdivisions.

2.16 Subd. 2. Protection Services

2.17 Appropriations by Fund

	<u>2020</u>	<u>2021</u>
2.18		

2.19	General	<u>16,878,000</u>	<u>16,878,000</u>
2.20	Remediation	<u>399,000</u>	<u>399,000</u>
2.21	<u>(a) \$399,000 the first year and \$399,000 the</u>		
2.22	<u>second year are from the remediation fund for</u>		
2.23	<u>administrative funding for the voluntary</u>		
2.24	<u>cleanup program.</u>		
2.25	<u>(b) \$175,000 the first year and \$175,000 the</u>		
2.26	<u>second year are for compensation for</u>		
2.27	<u>destroyed or crippled livestock under</u>		
2.28	<u>Minnesota Statutes, section 3.737. The</u>		
2.29	<u>appropriation for fiscal year 2020 may be</u>		
2.30	<u>spent to compensate for livestock that were</u>		
2.31	<u>destroyed or crippled during fiscal year 2019.</u>		
2.32	<u>If the amount for fiscal year 2020 is</u>		
2.33	<u>insufficient, the amount in fiscal year 2021 is</u>		
2.34	<u>available in fiscal year 2020. The</u>		
2.35	<u>commissioner may use up to \$5,000 each year</u>		
3.1	<u>to reimburse expenses incurred by university</u>		
3.2	<u>extension agents to provide fair market values</u>		
3.3	<u>of destroyed or crippled livestock.</u>		
3.4	<u>(c) \$155,000 the first year and \$155,000 the</u>		
3.5	<u>second year are for compensation for crop</u>		
3.6	<u>damage under Minnesota Statutes, section</u>		
3.7	<u>3.7371. If the amount in the first year is</u>		
3.8	<u>insufficient, the amount in the second year is</u>		
3.9	<u>available in the first year. The commissioner</u>		
3.10	<u>may use up to \$30,000 of the appropriation</u>		
3.11	<u>each year to reimburse expenses incurred by</u>		
3.12	<u>the commissioner or the commissioner's</u>		
3.13	<u>approved agent to investigate and resolve</u>		
3.14	<u>claims.</u>		
3.15	<u>If the commissioner determines that claims</u>		
3.16	<u>made under Minnesota Statutes, section 3.737</u>		
3.17	<u>or 3.7371, are unusually high, amounts</u>		

2.19	General	<u>20,050,000</u>	<u>19,225,000</u>
2.20	Remediation	<u>399,000</u>	<u>399,000</u>
2.21	<u>(a) \$399,000 the first year and \$399,000 the</u>		
2.22	<u>second year are from the remediation fund for</u>		
2.23	<u>administrative funding for the voluntary</u>		
2.24	<u>cleanup program.</u>		
3.26	<u>(j) \$175,000 the first year and \$175,000 the</u>		
3.27	<u>second year are for compensation for</u>		
3.28	<u>destroyed or crippled livestock under</u>		
3.29	<u>Minnesota Statutes, section 3.737. The first</u>		
3.30	<u>year appropriation may be spent to compensate</u>		
3.31	<u>for livestock that were destroyed or crippled</u>		
3.32	<u>during fiscal year 2019. If the amount in the</u>		
3.33	<u>first year is insufficient, the amount in the</u>		
3.34	<u>second year is available in the first year. The</u>		
4.1	<u>commissioner may use up to \$5,000 each year</u>		
4.2	<u>to reimburse expenses incurred by university</u>		
4.3	<u>extension educators to provide fair market</u>		
4.4	<u>values of destroyed or crippled livestock.</u>		
2.25	<u>(b) \$250,000 the first year and \$250,000 the</u>		
2.26	<u>second year are for rapid detection,</u>		
2.27	<u>identification, containment, control, and</u>		
2.28	<u>management of high-priority plant pests and</u>		
2.29	<u>pathogens including emerald ash borer.</u>		
4.5	<u>(k) \$155,000 the first year and \$155,000 the</u>		
4.6	<u>second year are for compensation for crop</u>		
4.7	<u>damage under Minnesota Statutes, section</u>		
4.8	<u>3.7371. If the amount in the first year is</u>		
4.9	<u>insufficient, the amount in the second year is</u>		
4.10	<u>available in the first year. The commissioner</u>		
4.11	<u>may use up to \$30,000 of the appropriation</u>		
4.12	<u>each year to reimburse expenses incurred by</u>		
4.13	<u>the commissioner or the commissioner's</u>		
4.14	<u>approved agent to investigate and resolve</u>		
4.15	<u>claims.</u>		
4.16	<u>If the commissioner determines that claims</u>		
4.17	<u>made under Minnesota Statutes, section 3.737</u>		
4.18	<u>or 3.7371, are unusually high, amounts</u>		

3.18 appropriated for either program may be
 3.19 transferred to the appropriation for the other
 3.20 program.

4.19 appropriated for either program may be
 4.20 transferred to the appropriation for the other
 4.21 program.
 2.30 (c) \$375,000 the first year and \$375,000 the
 2.31 second year are for transfer to the noxious
 2.32 weed and invasive plant species assistance
 2.33 account in the agricultural fund to award
 2.34 grants to local units of government under
 3.1 Minnesota Statutes, section 18.90, with
 3.2 preference given to local units of government
 3.3 responding to Palmer amaranth or other weeds
 3.4 on the eradicate list.
 3.5 (d) \$525,000 the first year and \$525,000 the
 3.6 second year are additional funding for the
 3.7 noxious weed and invasive plant program.
 3.8 (e) \$300,000 the first year and \$300,000 the
 3.9 second year are for industrial hemp
 3.10 development.
 3.11 (f) \$150,000 the first year and \$150,000 the
 3.12 second year are for additional meat and poultry
 3.13 inspection services.
 3.14 (g) \$650,000 the first year and \$150,000 the
 3.15 second year are to replace capital equipment
 3.16 in the Department of Agriculture's analytical
 3.17 laboratory. The base for this appropriation is
 3.18 \$154,000 in fiscal year 2022 and \$154,000 in
 3.19 fiscal year 2023.
 3.20 (h) \$300,000 the first year and \$300,000 the
 3.21 second year are for agricultural emergency
 3.22 preparedness and response.
 3.23 (i) \$325,000 the first year is for transfer to the
 3.24 agricultural emergency account in the
 3.25 agricultural fund.

3.21 **Subd. 3. Agricultural Marketing and**
 3.22 **Development**

3,918,000 3,918,000

3.23 (a) \$186,000 the first year and \$186,000 the
 3.24 second year are for transfer to the Minnesota

4.22 **Subd. 3. Agricultural Marketing and**
 4.23 **Development**

4,121,000 4,121,000

5.6 (c) \$186,000 the first year and \$186,000 the
 5.7 second year are for transfer to the Minnesota

3.25 grown account and may be used as grants for
 3.26 Minnesota grown promotion under Minnesota
 3.27 Statutes, section 17.102. Grants may be made
 3.28 for one year. Notwithstanding Minnesota
 3.29 Statutes, section 16A.28, the appropriations
 3.30 encumbered under contract on or before June
 3.31 30, 2021, for Minnesota grown grants in this
 3.32 paragraph are available until June 30, 2023.

3.33 (b) \$706,000 the first year and \$706,000 the
 3.34 second year are for continuation of the dairy
 3.35 development and profitability enhancement
 4.1 and dairy business planning grant programs
 4.2 established under Laws 1997, chapter 216,
 4.3 section 7, subdivision 2, and Laws 2001, First
 4.4 Special Session chapter 2, section 9,
 4.5 subdivision 2. Of the amount appropriated in
 4.6 this paragraph, \$72,000 each year is onetime.
 4.7 The commissioner may allocate the available
 4.8 sums among permissible activities, including
 4.9 efforts to improve the quality of milk produced
 4.10 in the state, in the proportions that the
 4.11 commissioner deems most beneficial to
 4.12 Minnesota's dairy farmers. The commissioner
 4.13 must submit a detailed accomplishment report
 4.14 and a work plan detailing future plans for, and
 4.15 anticipated accomplishments from,
 4.16 expenditures under this program to the chairs
 4.17 and ranking minority members of the
 4.18 legislative committees with jurisdiction over
 4.19 agriculture policy and finance on or before the
 4.20 start of each fiscal year. If significant changes
 4.21 are made to the plans in the course of the year,
 4.22 the commissioner must notify the chairs and
 4.23 ranking minority members.

5.8 grown account and may be used as grants for
 5.9 Minnesota grown promotion under Minnesota
 5.10 Statutes, section 17.102. Grants may be made
 5.11 for one year. Notwithstanding Minnesota
 5.12 Statutes, section 16A.28, the appropriations
 5.13 encumbered under contract on or before June
 5.14 30, 2021, for Minnesota grown grants in this
 5.15 paragraph are available until June 30, 2023.

4.24 (a) \$200,000 the first year and \$200,000 the
 4.25 second year are to expand domestic and
 4.26 international marketing opportunities for
 4.27 farmers and value-added processors, including
 4.28 staffing to facilitate farm-to-school sales and
 4.29 new markets for Minnesota-grown hemp.

5.16 (d) \$634,000 the first year and \$634,000 the
 5.17 second year are for continuation of the dairy
 5.18 development and profitability enhancement
 5.19 and dairy business planning grant programs
 5.20 established under Laws 1997, chapter 216,
 5.21 section 7, subdivision 2, and Laws 2001, First
 5.22 Special Session chapter 2, section 9,
 5.23 subdivision 2. The commissioner may allocate
 5.24 the available sums among permissible
 5.25 activities, including efforts to improve the
 5.26 quality of milk produced in the state, in the
 5.27 proportions that the commissioner deems most
 5.28 beneficial to Minnesota's dairy farmers. The
 5.29 commissioner must submit a detailed
 5.30 accomplishment report and a work plan
 5.31 detailing future plans for, and anticipated
 5.32 accomplishments from, expenditures under
 5.33 this program to the chairs and ranking minority
 5.34 members of the legislative committees and
 5.35 divisions with jurisdiction over agriculture
 6.1 policy and finance on or before the start of
 6.2 each fiscal year. If significant changes are
 6.3 made to the plans in the course of the year,
 6.4 the commissioner must notify the chairs and
 6.5 ranking minority members.

4.30 (b) \$75,000 the first year and \$75,000 the
 4.31 second year are for additional community

4.24 (c) The commissioner may use funds
 4.25 appropriated in this subdivision for annual
 4.26 cost-share payments to resident farmers or
 4.27 entities that sell, process, or package
 4.28 agricultural products in this state for the costs
 4.29 of organic certification. The commissioner
 4.30 may allocate these funds for assistance for
 4.31 persons transitioning from conventional to
 4.32 organic agriculture.

5.1 **Subd. 4. Agriculture, Bioenergy, and Bioproduct**
 5.2 **Advancement**

26,100,000

21,100,000

5.3 (a) \$9,300,000 the first year and \$9,300,000
 5.4 the second year are for transfer to the
 5.5 agriculture research, education, extension, and
 5.6 technology transfer account under Minnesota
 5.7 Statutes, section 41A.14, subdivision 3. Of
 5.8 these amounts:

5.9 (1) \$600,000 the first year and \$600,000 the
 5.10 second year are for the Minnesota Agricultural
 5.11 Experiment Station's agriculture rapid
 5.12 response fund under Minnesota Statutes,
 5.13 section 41A.14, subdivision 1, clause (2);

5.14 (2) \$2,000,000 the first year and \$2,000,000
 5.15 the second year are for grants to the Minnesota
 5.16 Agriculture Education Leadership Council to
 5.17 enhance agricultural education with priority
 5.18 given to Farm Business Management
 5.19 challenge grants;

5.20 (3) \$350,000 the first year and \$350,000 the
 5.21 second year are for potato breeding;

4.32 outreach on farms and rural mental health
 4.33 services including the 24-hour hotline, service
 4.34 availability, and mental health forums. Of this
 4.35 appropriation, \$12,000 each year is to provide
 5.1 professional development training for Farm
 5.2 Business Management instructors in the
 5.3 Minnesota State system. The base for this
 5.4 appropriation is \$63,000 in fiscal year 2022
 5.5 and \$63,000 in fiscal year 2023.

6.6 (e) The commissioner may use funds
 6.7 appropriated in this subdivision for annual
 6.8 cost-share payments to resident farmers or
 6.9 entities that sell, process, or package
 6.10 agricultural products in this state for the costs
 6.11 of organic certification. The commissioner
 6.12 may allocate these funds for assistance to
 6.13 persons transitioning from conventional to
 6.14 organic agriculture.

6.15 **Subd. 4. Agriculture, Bioenergy, and Bioproduct**
 6.16 **Advancement**

23,900,000

23,575,000

6.17 (a) \$9,300,000 the first year and \$9,300,000
 6.18 the second year are for transfer to the
 6.19 agriculture research, education, extension, and
 6.20 technology transfer account under Minnesota
 6.21 Statutes, section 41A.14, subdivision 3. Of
 6.22 these amounts: at least \$600,000 the first year
 6.23 and \$600,000 the second year are for the
 6.24 Minnesota Agricultural Experiment Station's
 6.25 agriculture rapid response fund under
 6.26 Minnesota Statutes, section 41A.14,
 6.27 subdivision 1, clause (2); \$2,000,000 the first
 6.28 year and \$2,000,000 the second year are for
 6.29 grants to the Minnesota Agriculture Education
 6.30 Leadership Council to enhance agricultural
 6.31 education with priority given to Farm Business
 6.32 Management challenge grants; \$350,000 the
 6.33 first year and \$350,000 the second year are
 6.34 for potato breeding; and \$450,000 the first
 6.35 year and \$450,000 the second year are for the
 7.1 cultivated wild rice breeding project at the
 7.2 North Central Research and Outreach Center

5.22 (4) \$450,000 the first year and \$450,000 the
 5.23 second year are for the cultivated wild rice
 5.24 breeding project at the North Central Research
 5.25 and Outreach Center to include a tenure track
 5.26 and research associate plant breeder; and

5.27 (5) \$2,500,000 the first year and \$2,500,000
 5.28 the second year are for innovative soybean
 5.29 processing and research. These appropriations
 5.30 are onetime.

5.31 The commissioner shall transfer the remaining
 5.32 funds in this appropriation each year to the
 5.33 Board of Regents of the University of
 5.34 Minnesota for purposes of Minnesota Statutes,
 6.1 section 41A.14. Included in this amount is
 6.2 money for research on avian influenza,
 6.3 including prevention measures that can be
 6.4 taken.

6.5 To the extent practicable, funds expended
 6.6 under Minnesota Statutes, section 41A.14,
 6.7 subdivision 1, clauses (1) to (5), must
 6.8 supplement and not supplant existing sources
 6.9 and levels of funding. The commissioner may
 6.10 use up to one percent of this appropriation for
 6.11 costs incurred to administer the program.

6.12 The base budget for the agriculture research,
 6.13 education, extension, and technology transfer
 6.14 account is \$9,300,000 for fiscal years 2022
 6.15 and 2023.

6.16 (b) \$16,775,000 the first year and \$11,775,000
 6.17 the second year are for the agricultural growth,
 6.18 research, and innovation program in
 6.19 Minnesota Statutes, section 41A.12. Of these
 6.20 amounts:

7.3 to include a tenure track/research associate
 7.4 plant breeder. The commissioner shall transfer
 7.5 the remaining funds in this appropriation each
 7.6 year to the Board of Regents of the University
 7.7 of Minnesota for purposes of Minnesota
 7.8 Statutes, section 41A.14. Of the amount
 7.9 transferred to the Board of Regents, up to
 7.10 \$2,500,000 each year is for research on avian
 7.11 influenza, African swine fever, and chronic
 7.12 wasting disease.

7.13 To the extent practicable, money expended
 7.14 under Minnesota Statutes, section 41A.14,
 7.15 subdivision 1, clauses (1) and (2), must
 7.16 supplement and not supplant existing sources
 7.17 and levels of funding. The commissioner may
 7.18 use up to one percent of this appropriation for
 7.19 costs incurred to administer the program.

7.20 (b) \$14,275,000 the first year and \$14,275,000
 7.21 the second year are for the agricultural growth,
 7.22 research, and innovation program in
 7.23 Minnesota Statutes, section 41A.12. Except
 7.24 as provided below, the commissioner may
 7.25 allocate the appropriation each year among
 7.26 the following areas: facilitating the start-up,
 7.27 modernization, improvement, or expansion of
 7.28 livestock operations including beginning and
 7.29 transitioning livestock operations; providing
 7.30 funding not to exceed \$450,000 each year to
 7.31 develop and enhance farm-to-school markets

- 6.21 (1) \$1,000,000 the first year and \$1,000,000
- 6.22 the second year are for distribution in equal
- 6.23 amounts to each of the state's county fairs to
- 6.24 preserve and promote Minnesota agriculture;

- 6.25 (2) \$2,500,000 the first year and \$2,500,000
- 6.26 the second year are for incentive payments
- 6.27 under Minnesota Statutes, sections 41A.16,
- 6.28 41A.17, and 41A.18. Notwithstanding

- 7.32 for Minnesota farmers by providing more
- 7.33 fruits, vegetables, meat, grain, and dairy for
- 7.34 Minnesota children in school and child care
- 7.35 settings including by reimbursing schools for
- 8.1 purchases from local farmers; assisting
- 8.2 value-added agricultural businesses to begin
- 8.3 or expand, access new markets, or diversify;
- 8.4 providing funding not to exceed \$350,000
- 8.5 each year for urban youth agricultural
- 8.6 education or urban agriculture community
- 8.7 development; providing funding not to exceed
- 8.8 \$350,000 each year for the good food access
- 8.9 program under Minnesota Statutes, section
- 8.10 17.1017; facilitating the start-up,
- 8.11 modernization, or expansion of other
- 8.12 beginning and transitioning farms including
- 8.13 by providing loans under Minnesota Statutes,
- 8.14 section 41B.056; sustainable agriculture
- 8.15 on-farm research and demonstration;
- 8.16 development or expansion of food hubs and
- 8.17 other alternative community-based food
- 8.18 distribution systems; enhancing renewable
- 8.19 energy infrastructure and use; crop research
- 8.20 including basic and applied turf seed research;
- 8.21 Farm Business Management tuition assistance;
- 8.22 and good agricultural practices/good handling
- 8.23 practices certification assistance. The
- 8.24 commissioner may use up to 6.5 percent of
- 8.25 this appropriation for costs incurred to
- 8.26 administer the program.

- 8.27 Of the amount appropriated for the agricultural
- 8.28 growth, research, and innovation program in
- 8.29 Minnesota Statutes, section 41A.12:

- 8.30 (1) \$1,000,000 the first year and \$1,000,000
- 8.31 the second year are for distribution in equal
- 8.32 amounts to each of the state's county fairs to
- 8.33 preserve and promote Minnesota agriculture;
- 8.34 and

- 9.1 (2) \$1,500,000 the first year and \$1,500,000
- 9.2 the second year are for incentive payments
- 9.3 under Minnesota Statutes, sections 41A.16,
- 9.4 41A.17, and 41A.18. Notwithstanding

6.29 Minnesota Statutes, section 16A.28, the first
 6.30 year appropriation is available until June 30,
 6.31 2021, and the second year appropriation is
 6.32 available until June 30, 2022. If this
 6.33 appropriation exceeds the total amount for
 6.34 which all producers are eligible in a fiscal
 7.1 year, the balance of the appropriation is
 7.2 available for the agricultural growth, research,
 7.3 and innovation program. If the total amount
 7.4 for which all producers are eligible in a quarter
 7.5 exceeds the amount available for payments,
 7.6 the commissioner shall make the payments on
 7.7 a pro rata basis.

7.8 (3) \$500,000 the first year and \$500,000 the
 7.9 second year are for grants to motor fuel
 7.10 wholesalers and retail motor fueling station
 7.11 operators to install the equipment necessary
 7.12 to store or dispense biofuels to the public to
 7.13 meet the biofuel requirement goals established
 7.14 under Minnesota Statutes, section 239.7911.

9.5 Minnesota Statutes, section 16A.28, the first
 9.6 year appropriation is available until June 30,
 9.7 2021, and the second year appropriation is
 9.8 available until June 30, 2022. If this
 9.9 appropriation exceeds the total amount for
 9.10 which all producers are eligible in a fiscal
 9.11 year, the balance of the appropriation is
 9.12 available for the agricultural growth, research,
 9.13 and innovation program.

9.30 (c) \$325,000 the first year is for grants to
 9.31 motor fuel wholesalers and retail motor fueling
 9.32 station operators to install the equipment
 9.33 necessary to store or dispense biofuels to the
 9.34 public to meet the biofuel requirement goals
 9.35 established under Minnesota Statutes, section
 10.1 239.7911. Motor fuel wholesalers are eligible
 10.2 for grant money under this paragraph for up
 10.3 to two storage sites if each site is located in
 10.4 Minnesota and stores, or uses tank systems to
 10.5 blend, motor fuel comprised of at least 15
 10.6 percent agriculturally derived, denatured
 10.7 ethanol by volume. A retail motor fueling
 10.8 station operator is eligible for grant money
 10.9 under this paragraph for up to and including
 10.10 15 retail motor fuel dispensing sites if each
 10.11 site is located in Minnesota and the grant
 10.12 money under this paragraph is used to modify
 10.13 or install storage and dispensing components
 10.14 that dispense gasoline blended with at least
 10.15 15 percent of agriculturally derived, denatured
 10.16 ethanol by volume for use in spark ignition
 10.17 engines. A grant award under this paragraph
 10.18 must not exceed 90 percent of the cost of the
 10.19 installation project. The commissioner must
 10.20 coordinate with stakeholders to establish grant
 10.21 criteria and distribute grants in a manner to
 10.22 more fully attain the requirements in
 10.23 Minnesota Statutes, section 239.7911. Of this
 10.24 appropriation, up to \$50,000 is for grants to

7.15 (4) \$2,000,000 the first year and \$2,000,000
 7.16 the second year are for livestock investment
 7.17 grants under Minnesota Statutes, section
 7.18 17.118;

7.19 (5) \$3,500,000 the first year and \$3,500,000
 7.20 the second year are for value-added grants.
 7.21 The commissioner may use up to \$2,000,000
 7.22 per year of the funds to award value-added
 7.23 agriculture grants of between \$200,000 and
 7.24 \$1,000,000 per grant for new or expanding
 7.25 agricultural production or processing facilities
 7.26 that provide significant economic benefit to
 7.27 the region;

7.28 (6) \$600,000 the first year and \$600,000 the
 7.29 second year are for Farm Business
 7.30 Management tuition assistance;

7.31 (7) \$500,000 the first year and \$500,000 the
 7.32 second year are for new market development
 7.33 grants;

8.1 (8) \$2,000,000 the first year is for the dairy
 8.2 producer margin coverage premium assistance
 8.3 program under section 5; and

8.4 (9) \$3,000,000 the first year is for dairy
 8.5 modernization and innovation grants, and for

10.25 create greater awareness among motorists of
 10.26 the availability of motor fuel comprised of 15
 10.27 percent agriculturally derived, denatured
 10.28 ethanol by volume for use in spark ignition
 10.29 engines. Notwithstanding Minnesota Statutes,
 10.30 section 16A.28, the appropriation in this
 10.31 paragraph is available until June 30, 2023. The
 10.32 commissioner must report to the legislative
 10.33 committees and divisions with jurisdiction
 10.34 over agriculture policy and finance by
 10.35 February 1 of each year in which funds are
 10.36 available, detailing the number of grants
 11.1 awarded and the projected effect of the grant
 11.2 program on meeting the biofuel replacement
 11.3 goals under Minnesota Statutes, section
 11.4 239.7911.

9.14 The commissioner may use up to \$2,000,000
 9.15 per year of the funds appropriated under this
 9.16 subdivision to award value-added agriculture
 9.17 grants of between \$200,000 and \$1,000,000
 9.18 per grant for new or expanding agricultural
 9.19 production, aquaponics, or processing facilities
 9.20 that provide significant economic impact to
 9.21 the region.

8.6 buying down interest costs under the dairy
8.7 modernization and innovation loan program
8.8 under Minnesota Statutes, section 41B.0455.

8.9 The commissioner may allocate the remaining
8.10 amounts each year among the following areas:
8.11 developing new markets for Minnesota
8.12 farmers by providing more fruits, vegetables,
8.13 meat, grain, and dairy for Minnesota school
8.14 children; grants for urban youth agricultural
8.15 education or urban agriculture community
8.16 development; the good food access program
8.17 under Minnesota Statutes, section 17.1017;
8.18 facilitating the start-up, modernization, or
8.19 expansion of other beginning and transitioning
8.20 farms including by providing loans under
8.21 Minnesota Statutes, section 41B.056; crop
8.22 research grants; development or expansion of
8.23 food hubs and other alternative
8.24 community-based food distribution systems;
8.25 and good agricultural practices and good
8.26 handling practices certification assistance.

8.27 The commissioner may use up to 3.5 percent
8.28 of this appropriation for costs incurred to
8.29 administer the program.

8.30 The appropriation in paragraph (b), clauses
8.31 (8) and (9), is onetime. Any unencumbered
8.32 balance does not cancel at the end of the first
8.33 year and is available for the second year.
8.34 Notwithstanding Minnesota Statutes, section
8.35 16A.28, appropriations encumbered under
9.1 contract on or before June 30, 2021, for
9.2 agricultural growth, research, and innovation
9.3 grants are available until June 30, 2022.

9.4 The base budget for the agricultural growth,
9.5 research, and innovation program is
9.6 \$14,710,000 for fiscal years 2022 and 2023,
9.7 and includes funding for incentive payments
9.8 under Minnesota Statutes, sections 41A.16,
9.9 41A.17, 41A.18, and 41A.20.

9.10 The commissioner must consult with the
9.11 commissioner of transportation, the

9.22 Notwithstanding Minnesota Statutes, section
9.23 16A.28, any unencumbered balance does not
9.24 cancel at the end of the first year and is
9.25 available for the second year and
9.26 appropriations encumbered under contract on
9.27 or before June 30, 2021, for agricultural
9.28 growth, research, and innovation grants are
9.29 available until June 30, 2024.

9.12 commissioner of administration, and local
 9.13 units of government to identify at least ten
 9.14 parcels of publicly owned land that are suitable
 9.15 for urban agriculture.

9.16 (c) \$25,000 the first year and \$25,000 the
 9.17 second year are for grants to the Southern
 9.18 Minnesota Initiative Foundation to promote
 9.19 local foods through an annual event that raises
 9.20 public awareness of local foods and connects
 9.21 local food producers and processors with
 9.22 potential buyers. These appropriations are
 9.23 onetime.

9.24 **Subd. 5. Administration and Financial**
 9.25 **Assistance**

7,409,000

7,307,000

9.26 (a) \$474,000 the first year and \$474,000 the
 9.27 second year are for payments to county and
 9.28 district agricultural societies and associations
 9.29 under Minnesota Statutes, section 38.02,
 9.30 subdivision 1. Aid payments to county and
 9.31 district agricultural societies and associations
 9.32 shall be disbursed no later than July 15 of each
 9.33 year. These payments are the amount of aid
 9.34 from the state for an annual fair held in the
 9.35 previous calendar year.

10.1 (b) \$2,000 the first year is for a grant to the
 10.2 Minnesota State Poultry Association. This is
 10.3 a onetime appropriation, and is available until
 10.4 June 30, 2021.

10.5 (c) \$108,000 the first year and \$108,000 the
 10.6 second year are for annual grants to the
 10.7 Minnesota Turf Seed Council for basic and
 10.8 applied research on: (1) the improved
 10.9 production of forage and turf seed related to
 10.10 new and improved varieties; and (2) native
 10.11 plants, including plant breeding, nutrient
 10.12 management, pest management, disease
 10.13 management, yield, and viability. The grant
 10.14 recipient may subcontract with a qualified
 10.15 third party for some or all of the basic or
 10.16 applied research. Any unencumbered balance

11.7 (a) \$25,000 the first year and \$25,000 the
 11.8 second year are for grants to the Southern
 11.9 Minnesota Initiative Foundation to promote
 11.10 local foods through an annual event that raises
 11.11 public awareness of local foods and connects
 11.12 local food producers and processors with
 11.13 potential buyers.

11.5 **Subd. 5. Administration and Financial**
 11.6 **Assistance**

7,684,000

7,519,000

11.23 (d) \$474,000 the first year and \$474,000 the
 11.24 second year are for payments to county and
 11.25 district agricultural societies and associations
 11.26 under Minnesota Statutes, section 38.02,
 11.27 subdivision 1. Aid payments to county and
 11.28 district agricultural societies and associations
 11.29 shall be disbursed no later than July 15 of each
 11.30 year. These payments are the amount of aid
 11.31 from the state for an annual fair held in the
 11.32 previous calendar year.

12.1 (e) \$1,000 the first year and \$1,000 the second
 12.2 year are for grants to the Minnesota State
 12.3 Poultry Association.

10.17 does not cancel at the end of the first year and
 10.18 is available for the second year. These are
 10.19 onetime appropriations.

10.20 (d) \$18,000 the first year and \$18,000 the
 10.21 second year are for grants to the Minnesota
 10.22 Livestock Breeders Association. These are
 10.23 onetime appropriations.

10.24 (e) \$47,000 the first year and \$47,000 the
 10.25 second year are for the Northern Crops
 10.26 Institute. These appropriations may be spent
 10.27 to purchase equipment. These are onetime
 10.28 appropriations.

10.29 (f) \$267,000 the first year and \$267,000 the
 10.30 second year are for farm advocate services.
 10.31 Of the amount appropriated in this paragraph,
 10.32 \$47,000 each year is onetime.

10.33 (g) \$17,000 the first year and \$17,000 the
 10.34 second year are for grants to the Minnesota
 11.1 Horticultural Society. These are onetime
 11.2 appropriations.

11.3 (h) \$238,000 the first year and \$238,000 the
 11.4 second year are for transfer to the Board of
 11.5 Trustees of the Minnesota State Colleges and
 11.6 Universities for statewide mental health
 11.7 counseling support to farm families and
 11.8 business operators. South Central College shall
 11.9 serve as the fiscal agent. Of the amount
 11.10 appropriated in this paragraph, \$125,000 each
 11.11 year is onetime.

11.12 (i) \$550,000 the first year and \$550,000 the
 11.13 second year are for grants to Second Harvest
 11.14 Heartland on behalf of Minnesota's six

11.18 (c) \$25,000 the first year and \$25,000 the
 11.19 second year are for grants to a nonprofit
 11.20 organization to provide a legal assistance
 11.21 hotline for farmers. These are onetime
 11.22 appropriations.

12.4 (f) \$18,000 the first year and \$18,000 the
 12.5 second year are for grants to the Minnesota
 12.6 Livestock Breeders Association.

12.7 (g) \$47,000 the first year and \$47,000 the
 12.8 second year are for the Northern Crops
 12.9 Institute. These appropriations may be spent
 12.10 to purchase equipment.

12.11 (h) \$267,000 the first year and \$267,000 the
 12.12 second year are for farm advocate services.

12.13 (i) \$17,000 the first year and \$17,000 the
 12.14 second year are for grants to the Minnesota
 12.15 Horticultural Society.

12.16 (j) \$250,000 the first year and \$250,000 the
 12.17 second year are for transfer to the Board of
 12.18 Trustees of the Minnesota State Colleges and
 12.19 Universities for statewide mental health
 12.20 counseling support to farm families and
 12.21 business operators through the Minnesota State
 12.22 Agricultural Centers of Excellence. South
 12.23 Central College and Central Lakes College
 12.24 shall serve as the fiscal agents.

12.25 (k) \$1,700,000 the first year and \$1,700,000
 12.26 the second year are for grants to Second
 12.27 Harvest Heartland on behalf of Minnesota's

11.15 Feeding America food banks for the purchase
 11.16 of milk for distribution to Minnesota's food
 11.17 shelves and other charitable organizations that
 11.18 are eligible to receive food from the food
 11.19 banks. Milk purchased under the grants must
 11.20 be acquired from Minnesota milk processors
 11.21 and based on low-cost bids. The milk must be
 11.22 allocated to each Feeding America food bank
 11.23 serving Minnesota according to the formula
 11.24 used in the distribution of United States
 11.25 Department of Agriculture commodities under
 11.26 The Emergency Food Assistance Program
 11.27 (TEFAP). Second Harvest Heartland must
 11.28 submit quarterly reports to the commissioner
 11.29 on forms prescribed by the commissioner. The
 11.30 reports must include, but are not limited to,
 11.31 information on the expenditure of funds, the
 11.32 amount of milk purchased, and the
 11.33 organizations to which the milk was
 11.34 distributed. Second Harvest Heartland may
 11.35 enter into contracts or agreements with food
 12.1 banks for shared funding or reimbursement of
 12.2 the direct purchase of milk. Each food bank
 12.3 receiving money from this appropriation may
 12.4 use up to two percent of the grant for
 12.5 administrative expenses. Any unencumbered
 12.6 balance does not cancel at the end of the first
 12.7 year and is available for the second year.

12.8 (j) \$1,100,000 the first year and \$1,100,000
 12.9 the second year are for grants to Second
 12.10 Harvest Heartland on behalf of the six Feeding
 12.11 America food banks that serve Minnesota to
 12.12 compensate agricultural producers and
 12.13 processors for costs incurred to harvest and
 12.14 package for transfer surplus fruits, vegetables,
 12.15 and other agricultural commodities that would
 12.16 otherwise go unharvested, be discarded, or
 12.17 sold in a secondary market. Surplus
 12.18 commodities must be distributed statewide to
 12.19 food shelves and other charitable organizations
 12.20 that are eligible to receive food from the food

12.28 six Feeding America food banks for the
 12.29 following:

12.30 (1) to purchase milk for distribution to
 12.31 Minnesota's food shelves and other charitable
 12.32 organizations that are eligible to receive food
 12.33 from the food banks. Milk purchased under
 12.34 the grants must be acquired from Minnesota
 13.1 milk processors and based on low-cost bids.
 13.2 The milk must be allocated to each Feeding
 13.3 America food bank serving Minnesota
 13.4 according to the formula used in the
 13.5 distribution of United States Department of
 13.6 Agriculture commodities under The
 13.7 Emergency Food Assistance Program. Second
 13.8 Harvest Heartland may enter into contracts or
 13.9 agreements with food banks for shared funding
 13.10 or reimbursement of the direct purchase of
 13.11 milk. Each food bank that receives funding
 13.12 under this clause may use up to two percent
 13.13 for administrative expenses; and

13.14 (2) to compensate agricultural producers and
 13.15 processors for costs incurred to harvest and
 13.16 package for transfer surplus fruits, vegetables,
 13.17 and other agricultural commodities that would
 13.18 otherwise go unharvested, be discarded, or
 13.19 sold in a secondary market. Surplus
 13.20 commodities must be distributed statewide to
 13.21 food shelves and other charitable organizations
 13.22 that are eligible to receive food from the food
 13.23 banks. Surplus food acquired under this clause
 13.24 must be from Minnesota producers and
 13.25 processors. Second Harvest Heartland may
 13.26 use up to 15 percent of each grant awarded

12.21 banks. Surplus food acquired under this
 12.22 appropriation must be from Minnesota
 12.23 producers and processors. Second Harvest
 12.24 Heartland must report in the form prescribed
 12.25 by the commissioner. Second Harvest
 12.26 Heartland may use up to 15 percent of each
 12.27 grant for matching administrative and
 12.28 transportation expenses. Any unencumbered
 12.29 balance does not cancel at the end of the first
 12.30 year and is available for the second year.

12.31 (k) \$50,000 the first year and \$50,000 the
 12.32 second year are for grants to the Center for
 12.33 Rural Policy and Development. These are
 12.34 onetime appropriations.

13.1 (l) \$250,000 the first year and \$250,000 the
 13.2 second year are for grants to the Minnesota
 13.3 Agricultural Education and Leadership
 13.4 Council for programs of the council under
 13.5 Minnesota Statutes, chapter 41D.

13.27 under this clause to match administrative and
 13.28 transportation expenses.

13.29 Of the amount appropriated under this
 13.30 paragraph, at least \$600,000 each year must
 13.31 be allocated under clause (1). Notwithstanding
 13.32 Minnesota Statutes, section 16A.28, any
 13.33 unencumbered balance the first year does not
 13.34 cancel and is available in the second year.
 13.35 Second Harvest Heartland must submit
 14.1 quarterly reports to the commissioner in the
 14.2 form prescribed by the commissioner. The
 14.3 reports must include but are not limited to
 14.4 information on the expenditure of funds, the
 14.5 amount of milk or other commodities
 14.6 purchased, and the organizations to which this
 14.7 food was distributed. The base for this
 14.8 appropriation is \$1,650,000 in fiscal year 2022
 14.9 and \$1,650,000 in fiscal year 2023.

14.10 (l) \$175,000 the first year and \$150,000 the
 14.11 second year are for grants to the Center for
 14.12 Rural Policy and Development.

14.13 (m) \$275,000 the first year and \$235,000 the
 14.14 second year are for grants to the Minnesota
 14.15 Agricultural Education and Leadership
 14.16 Council for programs of the council under
 14.17 Minnesota Statutes, chapter 41D. Of the first
 14.18 year appropriation, \$40,000 is to facilitate
 14.19 development of a farm transitions curriculum.
 14.20 Notwithstanding Minnesota Statutes, section
 14.21 16A.28, the first year appropriation is
 14.22 available until June 30, 2021.

13.6 (m) \$100,000 the first year is for a grant to
 13.7 Greater Mankato Growth, Inc. for assistance
 13.8 to agricultural-related businesses to promote
 13.9 jobs, innovation, and development of a
 13.10 synergy. Grant recipients shall report to the
 13.11 commissioner by February 1 of each year, and
 13.12 include information on the number of
 13.13 customers served in each county; the number
 13.14 of businesses started, stabilized, or expanded;
 13.15 the number of jobs created and retained; and
 13.16 business success rates in each county. By April
 13.17 1 of each year, the commissioner shall report
 13.18 the information submitted by grant recipients
 13.19 to the chairs of the standing committees of the
 13.20 house of representatives and the senate having
 13.21 jurisdiction over agriculture and rural
 13.22 development issues. This is a onetime
 13.23 appropriation.

13.24 (n) The commissioner shall continue to
 13.25 increase connections with ethnic minority and
 13.26 immigrant farmers to farming opportunities
 13.27 and farming programs throughout the state.

13.28 Sec. 3. BOARD OF ANIMAL HEALTH \$ 5,477,000 \$ 5,477,000

11.14 (b) \$75,000 the first year is for a grant to
 11.15 Greater Mankato Growth, Inc. for assistance
 11.16 to agricultural-related businesses to promote
 11.17 jobs, innovation, and synergy development.

14.23 (n) \$25,000 the first year is to study solar
 14.24 energy as it relates to Minnesota's farmers and
 14.25 rural economy.

14.26 Sec. 3. BOARD OF ANIMAL HEALTH \$ 5,757,000 \$ 6,077,000

14.27 (a) \$30,000 the first year and \$350,000 the
 14.28 second year are to improve oversight of
 14.29 farmed Cervidae.

14.30 (b) \$250,000 the first year and \$250,000 the
 14.31 second year are for agricultural emergency
 14.32 preparedness and response.

14.33 (c) \$6,000 the first year and \$6,000 the second
 14.34 year are from the Cervidae inspection account
 15.1 in the special revenue fund to develop
 15.2 electronic forms to better track farmed

13.29 Sec. 4. **AGRICULTURAL UTILIZATION**
 13.30 **RESEARCH INSTITUTE** \$ **3,895,000** \$ **3,895,000**

13.31 Sec. 5. **DAIRY PRODUCER MARGIN COVERAGE PREMIUM ASSISTANCE**
 13.32 **PROGRAM.**

13.33 Subdivision 1. **Program.** The commissioner must administer a dairy producer margin
 13.34 coverage premium assistance program for premiums paid by Minnesota dairy producers
 14.1 participating in the federal dairy margin coverage program authorized in the Agriculture
 14.2 Improvement Act of 2018.

14.3 Subd. 2. **Eligibility.** A dairy producer who participates in the federal dairy margin
 14.4 coverage program and satisfies the requirements in this section is eligible to receive financial
 14.5 assistance from the commissioner under this section.

14.6 Subd. 3. **Payment rates.** The commissioner must reimburse an eligible producer at a
 14.7 rate up to six cents per hundredweight of milk up to the first 5,000,000 pounds of milk
 14.8 enrolled in the federal dairy margin coverage program. The commissioner shall determine
 14.9 the payment rate under this subdivision by dividing available funding by the number of
 14.10 eligible applicants.

14.11 Subd. 4. **Procedure.** A dairy producer must submit a completed application to the
 14.12 commissioner in a form required by the commissioner. As part of the application, the dairy
 14.13 producer must submit proof of participation in the federal dairy margin coverage program
 14.14 in the form of a valid premium payment receipt or other documentation as approved by the
 14.15 commissioner.

15.3 Cervidae movement and record keeping. These
 15.4 are onetime appropriations.

15.5 Sec. 4. **AGRICULTURAL UTILIZATION**
 15.6 **RESEARCH INSTITUTE** \$ **3,897,000** \$ **3,900,000**

15.7 \$104,000 the first year and \$107,000 the
 15.8 second year are to maintain the current level
 15.9 of service delivery.

22.18 Sec. 19. Laws 2015, First Special Session chapter 4, article 1, section 2, subdivision 4, as
 22.19 amended by Laws 2016, chapter 184, section 11, Laws 2016, chapter 189, article 2, section
 22.20 26, and Laws 2017, chapter 88, article 1, section 5, is amended to read:

22.21 Subd. 4. **Agriculture, Bioenergy, and Bioproduct**
 22.22 **Advancement** 14,993,000 18,316,000

22.23 \$4,483,000 the first year and \$8,500,000 the
 22.24 second year are for transfer to the agriculture
 22.25 research, education, extension, and technology

22.26 transfer account under Minnesota Statutes,
 22.27 section 41A.14, subdivision 3. The transfer in
 22.28 this paragraph includes money for plant
 22.29 breeders at the University of Minnesota for
 22.30 wild rice, potatoes, and grapes. Of these
 22.31 amounts, at least \$600,000 each year is for the
 22.32 Minnesota Agricultural Experiment Station's
 22.33 Agriculture Rapid Response Fund under
 23.1 Minnesota Statutes, section 41A.14,
 23.2 subdivision 1, clause (2). Of the amount
 23.3 appropriated in this paragraph, \$1,000,000
 23.4 each year is for transfer to the Board of
 23.5 Regents of the University of Minnesota for
 23.6 research to determine (1) what is causing avian
 23.7 influenza, (2) why some fowl are more
 23.8 susceptible, and (3) prevention measures that
 23.9 can be taken. Of the amount appropriated in
 23.10 this paragraph, \$2,000,000 each year is for
 23.11 grants to the Minnesota Agriculture Education
 23.12 Leadership Council to enhance agricultural
 23.13 education with priority given to Farm Business
 23.14 Management challenge grants. The
 23.15 commissioner shall transfer the remaining
 23.16 grant funds in this appropriation each year to
 23.17 the Board of Regents of the University of
 23.18 Minnesota for purposes of Minnesota Statutes,
 23.19 section 41A.14.
 23.20 To the extent practicable, funds expended
 23.21 under Minnesota Statutes, section 41A.14,
 23.22 subdivision 1, clauses (1) and (2), must
 23.23 supplement and not supplant existing sources
 23.24 and levels of funding. The commissioner may
 23.25 use up to 4.5 percent of this appropriation for
 23.26 costs incurred to administer the program. Any
 23.27 unencumbered balance does not cancel at the
 23.28 end of the first year and is available for the
 23.29 second year.
 23.30 \$10,235,000 the first year and \$9,541,000 the
 23.31 second year are for the agricultural growth,
 23.32 research, and innovation program in
 23.33 Minnesota Statutes, section 41A.12. No later
 23.34 than February 1, 2016, and February 1, 2017,

23.35 the commissioner must report to the legislative
 24.1 committees with jurisdiction over agriculture
 24.2 policy and finance regarding the
 24.3 commissioner's accomplishments and
 24.4 anticipated accomplishments in the following
 24.5 areas: facilitating the start-up, modernization,
 24.6 or expansion of livestock operations including
 24.7 beginning and transitioning livestock
 24.8 operations; developing new markets for
 24.9 Minnesota farmers by providing more fruits,
 24.10 vegetables, meat, grain, and dairy for
 24.11 Minnesota school children; assisting
 24.12 value-added agricultural businesses to begin
 24.13 or expand, access new markets, or diversify
 24.14 products; developing urban agriculture;
 24.15 facilitating the start-up, modernization, or
 24.16 expansion of other beginning and transitioning
 24.17 farms including loans under Minnesota
 24.18 Statutes, section 41B.056; sustainable
 24.19 agriculture on farm research and
 24.20 demonstration; development or expansion of
 24.21 food hubs and other alternative
 24.22 community-based food distribution systems;
 24.23 incentive payments under Minnesota Statutes,
 24.24 sections 41A.16, 41A.17, and 41A.18; and
 24.25 research on bioenergy, biobased content, or
 24.26 biobased formulated products and other
 24.27 renewable energy development. The
 24.28 commissioner may use up to 4.5 percent of
 24.29 this appropriation for costs incurred to
 24.30 administer the program. Any unencumbered
 24.31 balance does not cancel at the end of the first
 24.32 year and is available for the second year.
 24.33 Notwithstanding Minnesota Statutes, section
 24.34 16A.28, the appropriations encumbered under
 24.35 contract on or before June 30, 2017, for
 25.1 agricultural growth, research, and innovation
 25.2 grants are available until June 30, ~~2019~~ 2020.
 25.3 The commissioner may use funds appropriated
 25.4 for the agricultural growth, research, and
 25.5 innovation program as provided in this
 25.6 paragraph. The commissioner may award
 25.7 grants to owners of Minnesota facilities

25.8 producing bioenergy, biobased content, or a
 25.9 biobased formulated product; to organizations
 25.10 that provide for on-station, on-farm field scale
 25.11 research and outreach to develop and test the
 25.12 agronomic and economic requirements of
 25.13 diverse strands of prairie plants and other
 25.14 perennials for bioenergy systems; or to certain
 25.15 nongovernmental entities. For the purposes of
 25.16 this paragraph, "bioenergy" includes
 25.17 transportation fuels derived from cellulosic
 25.18 material, as well as the generation of energy
 25.19 for commercial heat, industrial process heat,
 25.20 or electrical power from cellulosic materials
 25.21 via gasification or other processes. Grants are
 25.22 limited to 50 percent of the cost of research,
 25.23 technical assistance, or equipment related to
 25.24 bioenergy, biobased content, or biobased
 25.25 formulated product production or \$500,000,
 25.26 whichever is less. Grants to nongovernmental
 25.27 entities for the development of business plans
 25.28 and structures related to community ownership
 25.29 of eligible bioenergy facilities together may
 25.30 not exceed \$150,000. The commissioner shall
 25.31 make a good-faith effort to select projects that
 25.32 have merit and, when taken together, represent
 25.33 a variety of bioenergy technologies, biomass
 25.34 feedstocks, and geographic regions of the
 25.35 state. Projects must have a qualified engineer
 25.36 provide certification on the technology and
 26.1 fuel source. Grantees must provide reports at
 26.2 the request of the commissioner.

26.3 Of the amount appropriated for the agricultural
 26.4 growth, research, and innovation program in
 26.5 this subdivision, \$1,000,000 the first year and
 26.6 \$1,000,000 the second year are for distribution
 26.7 in equal amounts to each of the state's county
 26.8 fairs to preserve and promote Minnesota
 26.9 agriculture.

26.10 Of the amount appropriated for the agricultural
 26.11 growth, research, and innovation program in
 26.12 this subdivision, \$500,000 in fiscal year 2016
 26.13 and \$806,000 in fiscal year 2017 are for

26.14 incentive payments under Minnesota Statutes,
 26.15 sections 41A.16, 41A.17, and 41A.18. If the
 26.16 appropriation exceeds the total amount for
 26.17 which all producers are eligible in a fiscal
 26.18 year, the balance of the appropriation is
 26.19 available to the commissioner for the
 26.20 agricultural growth, research, and innovation
 26.21 program. Notwithstanding Minnesota Statutes,
 26.22 section 16A.28, the first year appropriation is
 26.23 available until June 30, 2017, and the second
 26.24 year appropriation is available until June 30,
 26.25 2018. The commissioner may use up to 4.5
 26.26 percent of the appropriation for administration
 26.27 of the incentive payment programs.

26.28 Of the amount appropriated for the agricultural
 26.29 growth, research, and innovation program in
 26.30 this subdivision, \$250,000 the first year is for
 26.31 grants to communities to develop or expand
 26.32 food hubs and other alternative
 26.33 community-based food distribution systems.
 26.34 Of this amount, \$50,000 is for the
 26.35 commissioner to consult with existing food
 27.1 hubs, alternative community-based food
 27.2 distribution systems, and University of
 27.3 Minnesota Extension to identify best practices
 27.4 for use by other Minnesota communities. No
 27.5 later than December 15, 2015, the
 27.6 commissioner must report to the legislative
 27.7 committees with jurisdiction over agriculture
 27.8 and health regarding the status of emerging
 27.9 alternative community-based food distribution
 27.10 systems in the state along with
 27.11 recommendations to eliminate any barriers to
 27.12 success. Any unencumbered balance does not
 27.13 cancel at the end of the first year and is
 27.14 available for the second year. This is a onetime
 27.15 appropriation.

27.16 \$250,000 the first year and \$250,000 the
 27.17 second year are for grants that enable retail
 27.18 petroleum dispensers to dispense biofuels to
 27.19 the public in accordance with the biofuel
 27.20 replacement goals established under

27.21 Minnesota Statutes, section 239.7911. A retail
 27.22 petroleum dispenser selling petroleum for use
 27.23 in spark ignition engines for vehicle model
 27.24 years after 2000 is eligible for grant money
 27.25 under this paragraph if the retail petroleum
 27.26 dispenser has no more than 15 retail petroleum
 27.27 dispensing sites and each site is located in
 27.28 Minnesota. The grant money received under
 27.29 this paragraph must be used for the installation
 27.30 of appropriate technology that uses fuel
 27.31 dispensing equipment appropriate for at least
 27.32 one fuel dispensing site to dispense gasoline
 27.33 that is blended with 15 percent of
 27.34 agriculturally derived, denatured ethanol, by
 27.35 volume, and appropriate technical assistance
 27.36 related to the installation. A grant award must
 28.1 not exceed 85 percent of the cost of the
 28.2 technical assistance and appropriate
 28.3 technology, including remetering of and
 28.4 retrofits for retail petroleum dispensers and
 28.5 replacement of petroleum dispenser projects.
 28.6 The commissioner may use up to \$35,000 of
 28.7 this appropriation for administrative expenses.
 28.8 The commissioner shall cooperate with biofuel
 28.9 stakeholders in the implementation of the grant
 28.10 program. The commissioner must report to
 28.11 the legislative committees with jurisdiction
 28.12 over agriculture policy and finance by
 28.13 February 1 each year, detailing the number of
 28.14 grants awarded under this paragraph and the
 28.15 projected effect of the grant program on
 28.16 meeting the biofuel replacement goals under
 28.17 Minnesota Statutes, section 239.7911. These
 28.18 are onetime appropriations.
 28.19 \$25,000 the first year and \$25,000 the second
 28.20 year are for grants to the Southern Minnesota
 28.21 Initiative Foundation to promote local foods
 28.22 through an annual event that raises public
 28.23 awareness of local foods and connects local
 28.24 food producers and processors with potential
 28.25 buyers.

28.26	EFFECTIVE DATE. This section is effective the day following final enactment.		
28.27	Sec. 20. Laws 2017, chapter 88, article 1, section 2, subdivision 2, is amended to read:		
28.28	Subd. 2. Protection Services	17,821,000	17,825,000
28.29	Appropriations by Fund		
28.30		2018	2019
28.31	General	17,428,000	17,428,000
28.32	Remediation	393,000	397,000
28.33	(a) \$25,000 the first year and \$25,000 the		
28.34	second year are to develop and maintain		
29.1	cottage food license exemption outreach and		
29.2	training materials.		
29.3	(b) \$75,000 the first year and \$75,000 the		
29.4	second year are to coordinate the correctional		
29.5	facility vocational training program and to		
29.6	assist entities that have explored the feasibility		
29.7	of establishing a USDA-certified or state		
29.8	"equal to" food processing facility within 30		
29.9	miles of the Northeast Regional Corrections		
29.10	Center.		
29.11	(c) \$125,000 the first year and \$125,000 the		
29.12	second year are for additional funding for the		
29.13	noxious weed and invasive plant program.		
29.14	These are onetime appropriations.		
29.15	(d) \$250,000 the first year and \$250,000 the		
29.16	second year are for transfer to the pollinator		
29.17	habitat and research account in the agricultural		
29.18	fund. These are onetime transfers.		
29.19	(e) \$393,000 the first year and \$397,000 the		
29.20	second year are from the remediation fund for		
29.21	administrative funding for the voluntary		
29.22	cleanup program.		
29.23	(f) \$200,000 the first year and \$200,000 the		
29.24	second year are for the industrial hemp pilot		

29.25 program under Minnesota Statutes, section
 29.26 18K.09. These are onetime appropriations.

29.27 (g) \$175,000 the first year and \$175,000 the
 29.28 second year are for compensation for
 29.29 destroyed or crippled livestock under
 29.30 Minnesota Statutes, section 3.737. This
 29.31 appropriation may be spent to compensate for
 29.32 livestock that were destroyed or crippled
 29.33 during fiscal year 2017. If the amount in the
 29.34 first year is insufficient, the amount in the
 30.1 second year is available in the first year. The
 30.2 commissioner may use up to \$5,000 of this
 30.3 appropriation the second year to reimburse
 30.4 expenses incurred by university extension
 30.5 educators to provide fair market values of
 30.6 destroyed or crippled livestock.

30.7 (h) \$155,000 the first year and \$155,000 the
 30.8 second year are for compensation for crop
 30.9 damage under Minnesota Statutes, section
 30.10 3.7371. If the amount in the first year is
 30.11 insufficient, the amount in the second year is
 30.12 available in the first year. The commissioner
 30.13 may use up to \$30,000 of the appropriation
 30.14 each year to reimburse expenses incurred by
 30.15 the commissioner or the commissioner's
 30.16 approved agent to investigate and resolve
 30.17 claims.

30.18 If the commissioner determines that claims
 30.19 made under Minnesota Statutes, section 3.737
 30.20 or 3.7371, are unusually high, amounts
 30.21 appropriated for either program may be
 30.22 transferred to the appropriation for the other
 30.23 program.

30.24 (i) \$250,000 the first year and \$250,000 the
 30.25 second year are to expand current capabilities
 30.26 for rapid detection, identification, containment,
 30.27 control, and management of high priority plant
 30.28 pests and pathogens. These are onetime
 30.29 appropriations.

30.30 (j) \$300,000 the first year and \$300,000 the
 30.31 second year are for transfer to the noxious

30.32 weed and invasive plant species assistance
 30.33 account in the agricultural fund to award
 30.34 grants to local units of government under
 30.35 Minnesota Statutes, section 18.90, with
 31.1 preference given to local units of government
 31.2 responding to Palmer amaranth or other weeds
 31.3 on the eradicate list. These are onetime
 31.4 transfers.

31.5 (k) \$120,000 the first year and \$120,000 the
 31.6 second year are for wolf-livestock conflict
 31.7 prevention grants under article 2, section 89.
 31.8 The commissioner must submit a report to the
 31.9 chairs and ranking minority members of the
 31.10 legislative committees with jurisdiction over
 31.11 agriculture policy and finance by January 15,
 31.12 2020, on the outcomes of the wolf-livestock
 31.13 conflict prevention grants and whether
 31.14 livestock compensation claims were reduced
 31.15 in the areas that grants were awarded. These
 31.16 are onetime appropriations.

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

31.18 Sec. 21. Laws 2017, chapter 88, article 1, section 2, subdivision 4, is amended to read:

31.19 Subd. 4. **Agriculture, Bioenergy, and Bioproduct**
 31.20 **Advancement** 22,581,000 22,636,000

31.21 (a) \$9,300,000 the first year and \$9,300,000
 31.22 the second year are for transfer to the
 31.23 agriculture research, education, extension, and
 31.24 technology transfer account under Minnesota
 31.25 Statutes, section 41A.14, subdivision 3. Of
 31.26 these amounts: at least \$600,000 the first year
 31.27 and \$600,000 the second year are for the
 31.28 Minnesota Agricultural Experiment Station's
 31.29 agriculture rapid response fund under
 31.30 Minnesota Statutes, section 41A.14,
 31.31 subdivision 1, clause (2); \$2,000,000 the first
 31.32 year and \$2,000,000 the second year are for
 31.33 grants to the Minnesota Agriculture Education
 31.34 Leadership Council to enhance agricultural
 32.1 education with priority given to Farm Business
 32.2 Management challenge grants; \$350,000 the

32.3 first year and \$350,000 the second year are
32.4 for potato breeding; and \$450,000 the first
32.5 year and \$450,000 the second year are for the
32.6 cultivated wild rice breeding project at the
32.7 North Central Research and Outreach Center
32.8 to include a tenure track/research associate
32.9 plant breeder. The commissioner shall transfer
32.10 the remaining funds in this appropriation each
32.11 year to the Board of Regents of the University
32.12 of Minnesota for purposes of Minnesota
32.13 Statutes, section 41A.14. Of the amount
32.14 transferred to the Board of Regents, up to
32.15 \$1,000,000 each year is for research on avian
32.16 influenza, including prevention measures that
32.17 can be taken.

32.18 To the extent practicable, funds expended
32.19 under Minnesota Statutes, section 41A.14,
32.20 subdivision 1, clauses (1) and (2), must
32.21 supplement and not supplant existing sources
32.22 and levels of funding. The commissioner may
32.23 use up to one percent of this appropriation for
32.24 costs incurred to administer the program.

32.25 (b) \$13,256,000 the first year and \$13,311,000
32.26 the second year are for the agricultural growth,
32.27 research, and innovation program in
32.28 Minnesota Statutes, section 41A.12. Except
32.29 as provided below, the commissioner may
32.30 allocate the appropriation each year among
32.31 the following areas: facilitating the start-up,
32.32 modernization, or expansion of livestock
32.33 operations including beginning and
32.34 transitioning livestock operations; developing
32.35 new markets for Minnesota farmers by
33.1 providing more fruits, vegetables, meat, grain,
33.2 and dairy for Minnesota school children;
33.3 assisting value-added agricultural businesses
33.4 to begin or expand, access new markets, or
33.5 diversify; providing funding not to exceed
33.6 \$250,000 each year for urban youth
33.7 agricultural education or urban agriculture
33.8 community development; providing funding
33.9 not to exceed \$250,000 each year for the good

33.10 food access program under Minnesota
 33.11 Statutes, section 17.1017; facilitating the
 33.12 start-up, modernization, or expansion of other
 33.13 beginning and transitioning farms including
 33.14 by providing loans under Minnesota Statutes,
 33.15 section 41B.056; sustainable agriculture
 33.16 on-farm research and demonstration;
 33.17 development or expansion of food hubs and
 33.18 other alternative community-based food
 33.19 distribution systems; enhancing renewable
 33.20 energy infrastructure and use; crop research;
 33.21 Farm Business Management tuition assistance;
 33.22 good agricultural practices/good handling
 33.23 practices certification assistance; establishing
 33.24 and supporting farmer-led water management
 33.25 councils; and implementing farmer-led water
 33.26 quality improvement practices. The
 33.27 commissioner may use up to 6.5 percent of
 33.28 this appropriation for costs incurred to
 33.29 administer the program.

33.30 Of the amount appropriated for the agricultural
 33.31 growth, research, and innovation program in
 33.32 Minnesota Statutes, section 41A.12:

33.33 (1) \$1,000,000 the first year and \$1,000,000
 33.34 the second year are for distribution in equal
 33.35 amounts to each of the state's county fairs to
 34.1 preserve and promote Minnesota agriculture;
 34.2 and

34.3 (2) \$1,500,000 the first year and \$1,500,000
 34.4 the second year are for incentive payments
 34.5 under Minnesota Statutes, sections 41A.16,
 34.6 41A.17, and 41A.18. Notwithstanding
 34.7 Minnesota Statutes, section 16A.28, the first
 34.8 year appropriation is available until June 30,
 34.9 2019, and the second year appropriation is
 34.10 available until June 30, 2020. If this
 34.11 appropriation exceeds the total amount for
 34.12 which all producers are eligible in a fiscal
 34.13 year, the balance of the appropriation is
 34.14 available for the agricultural growth, research,
 34.15 and innovation program.

34.16 The commissioner may use funds appropriated
34.17 under this subdivision to award up to two
34.18 value-added agriculture grants per year of up
34.19 to \$1,000,000 per grant for new or expanding
34.20 agricultural production or processing facilities
34.21 that provide significant economic impact to
34.22 the region. The commissioner may use funds
34.23 appropriated under this subdivision for
34.24 additional value-added agriculture grants for
34.25 awards between \$1,000 and \$200,000 per
34.26 grant.

34.27 Appropriations in clauses (1) and (2) are
34.28 onetime. Any unencumbered balance does not
34.29 cancel at the end of the first year and is
34.30 available for the second year. Notwithstanding
34.31 Minnesota Statutes, section 16A.28,
34.32 appropriations encumbered under contract on
34.33 or before June 30, 2019, for agricultural
34.34 growth, research, and innovation grants are
34.35 available until June 30, ~~2021~~ 2022.

35.1 The base budget for the agricultural growth,
35.2 research, and innovation program is
35.3 \$14,275,000 for fiscal years 2020 and 2021
35.4 and includes funding for incentive payments
35.5 under Minnesota Statutes, sections 41A.16,
35.6 41A.17, 41A.18, and 41A.20.

35.7 The commissioner must develop additional
35.8 innovative production incentive programs to
35.9 be funded by the agricultural growth, research,
35.10 and innovation program.

35.11 The commissioner must consult with the
35.12 commissioner of transportation, the
35.13 commissioner of administration, and local
35.14 units of government to identify parcels of
35.15 publicly owned land that are suitable for urban
35.16 agriculture.

35.17 (c) \$25,000 the first year and \$25,000 the
35.18 second year are for grants to the Southern
35.19 Minnesota Initiative Foundation to promote
35.20 local foods through an annual event that raises
35.21 public awareness of local foods and connects

35.22 local food producers and processors with

35.23 potential buyers.

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