

33.22

ARTICLE 2

33.23

AGRICULTURE STATUTORY CHANGES

40.9

ARTICLE 3

40.10

POLICY PROVISIONS

40.11 Section 1. Minnesota Statutes 2024, section 17.1017, is amended to read:

40.12 **17.1017 GOOD FOOD ACCESS RETAIL IMPROVEMENT AND**
40.13 **DEVELOPMENT PROGRAM.**

40.14 Subdivision 1. **Definitions.** (a) For purposes of this section, unless the language or
40.15 context indicates that a different meaning is intended, the following terms have the meanings
40.16 given them.

40.17 (b) "Account" means the ~~good food access~~ retail improvement and development account
40.18 established in subdivision 3.

40.19 (c) "Commissioner" means the commissioner of agriculture.

40.20 (d) "Economic or community development financial institution (ECDFI)" means a lender,
40.21 including but not limited to a community development financial institution (CDFI), an
40.22 economic development district (EDD), a political subdivision of the state, a microenterprise
40.23 firm, or a nonprofit community lending organization that has previous experience lending
40.24 to a food retailer, producer, or another healthy food enterprise ~~in an underserved community~~
40.25 ~~in a low income or moderate income area, as defined in this section, has been in existence~~
40.26 ~~and operating prior to January 1, 2014;~~ has demonstrated the ability to raise matching capital
40.27 and in-kind services to leverage appropriated money; has the demonstrated ability to
40.28 underwrite loans and grants; and has partnered previously with nonprofit healthy food
40.29 access, public health, or related governmental departments or community organizations.

40.30 (e) "Farmers' market" means an association of three or more persons who assemble at
40.31 a defined location that is open to the public for the purpose of selling directly to the consumer
40.32 the products of a farm or garden occupied and cultivated by the person selling the product.

40.33 (f) "Financing" means loans, including low-interest loans, zero-interest loans, forgivable
40.34 loans, and other types of financial assistance other than grants.

41.1 (g) "Food hub" means a centrally located facility with a business management structure
41.2 that facilitates the aggregation, storage, processing, distribution, marketing, and sale of
41.3 locally or regionally produced food products, and which may include a small-scale retail
41.4 grocery operation.

41.5 ~~(h) "Good Food Access Program Advisory Committee" means the Good Food Access~~
41.6 ~~Program Advisory Committee under section 17.1018.~~

41.7 (h) "Food Retail Improvement and Development Program Advisory Committee" means
41.8 the Food Retail Improvement and Development Program Advisory Committee under section
41.9 17.1018.

41.10 (i) "Grocery store" means a for-profit, not-for-profit, or cooperative self-service retail
 41.11 establishment that sells primarily meat, fish, seafood, fruits, vegetables, dry groceries, and
 41.12 dairy products and may also sell household products, sundries, and other products. Grocery
 41.13 store includes a supermarket or a large-, mid-, or small-scale retail grocery establishment
 41.14 and may include a mobile food market or a delivery service operation.

41.15 (j) "Low-income area" means a census tract as reported in the most recently completed
 41.16 decennial census published by the United States Bureau of the Census that has a poverty
 41.17 rate of at least 20 percent or in which the median family income does not exceed 80 percent
 41.18 of the greater of the statewide or metropolitan median family income.

41.19 (k) "Moderate-income area" means a census tract as reported in the most recently
 41.20 completed decennial census published by the United States Bureau of the Census in which
 41.21 the median family income is between 81 percent and 95 percent of the median family income
 41.22 for that area.

41.23 (l) "Mobile food market" means a self-contained for-profit, not-for-profit, or cooperative
 41.24 retail grocery operation located in a movable new or renovated truck, bus, or other vehicle
 41.25 that is used to store, prepare, display, and sell primarily meat, fish, seafood, fruits, vegetables,
 41.26 dry groceries, and dairy products and may also be used to sell a nominal supply of cooking
 41.27 utensils and equipment and other household products and sundries.

41.28 (m) "Program" means the ~~good food access~~ retail improvement and development program
 41.29 established in this section.

41.30 (n) "Small food retailer" means a small-scale retail food outlet, other than a grocery store
 41.31 as defined in this section. Small food retailer includes, but is not limited to, a corner store,
 41.32 convenience store, farmers' market, mobile food market, and a retail food outlet operated
 41.33 by an emergency food program or food hub.

42.1 (o) "Technical assistance" means needs-based project assistance provided through the
 42.2 program, including sustainability-focused individualized guidance, presentations, workshops,
 42.3 trainings, printed materials, mentorship opportunities, peer-to-peer opportunities, or other
 42.4 guidance and resources on relevant topics such as business planning, sales projections, cash
 42.5 flow, succession planning, financing, fundraising, marketing, food preparation
 42.6 demonstrations, and workforce training.

42.7 (p) "Underserved community" means a ~~census tract that is federally designated as a food~~
 42.8 ~~desert by the United States Department of Agriculture, or a census tract in a low-income or~~
 42.9 ~~moderate-income area that includes a substantial subpopulation such as the elderly or the~~
 42.10 ~~disabled that has low supermarket access, regardless of distance, due to lack of transportation~~
 42.11 geographic area or group of people whose food access needs are not met by existing retail
 42.12 options, including a low-income and moderate-income area, a census tract that is federally
 42.13 designated as a food desert by the United States Department of Agriculture, an area where
 42.14 there is a limited number of grocery stores, or a group of people with particular needs such

42.15 as the aging population, people with disabilities, or people with special dietary needs or
 42.16 preferences, or as otherwise defined by the commissioner.

42.17 Subd. 2. **Program established.** (a) A good food access retail improvement and
 42.18 development program is established within the Department of Agriculture to increase the
 42.19 availability of and access to affordable, nutritious, and culturally appropriate food, including
 42.20 fresh fruits and vegetables, for underserved communities ~~in low-income and moderate-income~~
 42.21 ~~areas~~ by providing financial support and sustainable public-private projects to open, renovate,
 42.22 or expand the operations of grocery stores and small food retailers; expanding access to
 42.23 credit and reducing barriers to investment in underserved communities ~~in low- and~~
 42.24 ~~moderate-income areas~~; and to provide technical assistance, primarily for small food retailers
 42.25 with demonstrated need, to increase availability and sustainable sales of affordable, nutritious,
 42.26 and culturally appropriate food, including fresh fruits and vegetables, to underserved
 42.27 communities in low-income and moderate-income areas. The commissioner, in cooperation
 42.28 with public and private partners, shall establish and implement the program as provided in
 42.29 this section.

42.30 (b) The good food access retail improvement and development program shall be
 42.31 comprised of state or private grants, loans, or other types of financial and technical assistance
 42.32 for the establishment, construction, expansion of operations, or renovation of grocery stores
 42.33 and small food retailers to increase the availability of and access to affordable fresh produce
 42.34 and other nutritious, culturally appropriate food to underserved communities ~~in low-income~~
 42.35 ~~and moderate-income areas~~.

43.1 Subd. 3. **Good Food access retail improvement and development account.** A good
 43.2 food access retail improvement and development account is established in the agricultural
 43.3 fund. The account consists of money appropriated by the legislature to the commissioner,
 43.4 as provided by law, and any other money donated, allotted, transferred, or otherwise provided
 43.5 to the account. Money in the account, including interest, is appropriated to the commissioner
 43.6 for the purposes of this section, and shall be used, to the extent practicable, to leverage other
 43.7 forms of public and private financing or financial assistance for the projects.

43.8 Subd. 4. **Program administration.** (a) The commissioner shall be the administrator of
 43.9 the account for auditing purposes and shall establish program requirements and a competitive
 43.10 process for projects applying for financial and technical assistance.

43.11 (b) The commissioner may receive money or other assets from any source, including
 43.12 but not limited to philanthropic foundations and financial investors, for deposit into the
 43.13 account.

43.14 (c) Through issuance of requests for proposals, the commissioner may contract with one
 43.15 or more qualified economic or community development financial institutions to manage
 43.16 the financing component of the program and with one or more qualified organizations or
 43.17 public agencies with financial or other program-related expertise to manage the provision
 43.18 of technical assistance to project grantees.

- 43.19 (d) Money in the account at the close of each fiscal year shall remain in the account and
 43.20 shall not cancel. In each biennium, the commissioner shall determine the appropriate
 43.21 proportion of money to be allocated to loans, grants, technical assistance, and any other
 43.22 types of financial assistance.
- 43.23 (e) To encourage public-private, cross-sector collaboration and investment in the account
 43.24 and program and to ensure that the program intent is maintained throughout implementation,
 43.25 the commissioner shall convene and maintain the ~~Good Food Access~~ Retail Improvement
 43.26 and Development Program Advisory Committee.
- 43.27 (f) The commissioner, in cooperation with the ~~Good Food Access~~ Retail Improvement
 43.28 and Development Program Advisory Committee, shall manage the program, establish
 43.29 program criteria, facilitate leveraging of additional public and private investment, and
 43.30 promote the program statewide.
- 43.31 (g) The commissioner, in cooperation with the ~~Good Food Access~~ Retail Improvement
 43.32 and Development Program Advisory Committee, shall establish annual monitoring and
 43.33 accountability mechanisms for all projects receiving financing or other financial or technical
 43.34 assistance through this program.
- 44.1 Subd. 5. **Eligible projects.** (a) The commissioner, in cooperation with the program
 44.2 partners and advisers, shall establish project eligibility guidelines and application processes
 44.3 to be used to review and select project applicants for financing or other financial or technical
 44.4 assistance. All projects must ~~be located in~~ serve an underserved community or must serve
 44.5 ~~primarily underserved communities in low-income and moderate-income areas.~~
- 44.6 (b) Projects eligible for financing include, but are not limited to, new construction,
 44.7 renovations, expansions of operations, and infrastructure upgrades of grocery stores and
 44.8 small food retailers to improve the availability of and access to affordable, nutritious food,
 44.9 including fresh fruits and vegetables, and build capacity in areas of greatest need.
- 44.10 (c) Projects eligible for other types of financial assistance such as grants or technical
 44.11 assistance are primarily projects throughout the state, including, but not limited to, feasibility
 44.12 studies, new construction, renovations, expansion of operations, and infrastructure upgrades
 44.13 of small food retailers.
- 44.14 Subd. 6. **Qualifications for receipt of financing and other financial or technical**
 44.15 **assistance.** (a) An applicant for receipt of financing through an economic or community
 44.16 development financial institution, or an applicant for a grant or other financial ~~or technical~~
 44.17 assistance, may be a for-profit or not-for-profit entity, including, but not limited to, a sole
 44.18 proprietorship, limited liability company, corporation, cooperative, nonprofit organization,
 44.19 or nonprofit community development organization. Each applicant must:
- 44.20 (1) demonstrate community engagement in and support for the project;
 44.21 (2) demonstrate the capacity to successfully implement the project;

- 44.22 (3) demonstrate a viable plan for long-term sustainability, including the ability to increase
 44.23 the availability of and access to affordable, nutritious, and culturally appropriate food,
 44.24 including fresh fruits and vegetables, for underserved communities ~~in low-income and~~
 44.25 ~~moderate income areas~~; and
- 44.26 (4) demonstrate the ability to repay the debt, to the extent that the financing requires
 44.27 repayment.
- 44.28 (b) Each applicant must also agree to comply with the following conditions for a period
 44.29 of at least five years, except as otherwise specified in this section:
- 44.30 (1) accept Supplemental Nutrition Assistance Program (SNAP) benefits;
- 44.31 (2) allocate at least 30 percent of retail space for the sale of affordable, nutritious, and
 44.32 culturally appropriate foods, including fruits and vegetables, low-fat and nonfat dairy,
 44.33 fortified dairy substitute beverages such as soy-based or nut-based dairy substitute beverages,
 45.1 whole grain-rich staple foods, meats, poultry, fish, seafood, and other proteins, consistent
 45.2 with nutrition standards in national guidelines described in the current United States
 45.3 Department of Agriculture Dietary Guidelines for Americans; and
- 45.4 (3) comply with all data collection and reporting requirements established by the
 45.5 commissioner; ~~and.~~
- 45.6 (4) ~~promote the hiring, training, and retention of local or regional residents from~~
 45.7 ~~low-income and moderate income areas that reflect area demographics, including~~
 45.8 ~~communities of color.~~
- 45.9 (c) A selected project that is a small food retailer is not subject to the allocation agreement
 45.10 under paragraph (b), clause (2), and may use financing, grants, or other financial or technical
 45.11 assistance for refrigeration, displays, or onetime capital expenditures for the promotion and
 45.12 sale of perishable foods, including a combination of affordable, nutritious, and culturally
 45.13 appropriate fresh or frozen dairy, dairy substitute products, produce, meats, poultry, and
 45.14 fish, consistent with nutrition standards in national guidelines described in the current United
 45.15 States Department of Agriculture Dietary Guidelines for Americans.
- 45.16 Subd. 7. **Additional selection criteria.** In determining which qualified projects to
 45.17 finance, and in determining which qualified projects to provide with grants or other types
 45.18 of financial or technical assistance, the commissioner, in cooperation with any entities with
 45.19 which the commissioner contracts for those purposes and the Good Food Access Retail
 45.20 Improvement and Development Program Advisory Committee, ~~shall~~ may also consider:
- 45.21 (1) the level of need in the area to be served;
- 45.22 (2) the degree to which the project requires an investment of public support, or technical
 45.23 assistance where applicable, to move forward, build capacity, create community impact, or
 45.24 be competitive;

- 45.25 (3) the likelihood that the project will have positive economic and health impacts on the
 45.26 underserved community, including creation and retention of jobs for local or regional
 45.27 residents ~~from low-income and moderate-income areas~~ that reflect area demographics,
 45.28 including Indigenous communities and communities of color;
- 45.29 (4) the degree to which the project will participate in state and local health department
 45.30 initiatives to educate consumers on nutrition, promote healthy eating and healthy weight,
 45.31 and support locally grown food products through programs such as Minnesota Grown; and
- 45.32 (5) any other criteria that the commissioner, in cooperation with public and private
 45.33 partners, determines to be consistent with the purposes of this chapter.
- 46.1 Subd. 8. **Eligible costs.** Financing for project loans, including low-interest, zero-interest,
 46.2 and forgivable loans, grants, and other financial or technical assistance, may be used to
 46.3 support one or more of the following purposes:
- 46.4 (1) site acquisition and preparation;
- 46.5 (2) predevelopment costs, including but not limited to feasibility studies, market studies,
 46.6 and appraisals;
- 46.7 (3) construction and build-out costs;
- 46.8 (4) equipment and furnishings;
- 46.9 (5) workforce or retailer training; and
- 46.10 (6) working capital.
- 46.11 Subd. 9. **Legislative report.** The commissioner, in cooperation with any economic or
 46.12 community development financial institution and any other entity with which it contracts,
 46.13 shall submit an annual report on the good food access program by January 15 of each year
 46.14 to the chairs and ranking minority members of the house of representatives and senate
 46.15 committees and divisions with jurisdiction over agriculture policy and finance. The annual
 46.16 report shall include, but not be limited to, a summary of the following metrics:
- 46.17 (1) the number and types of projects financed;
- 46.18 (2) the amount of dollars leveraged or matched per project;
- 46.19 (3) the geographic distribution of financed projects;
- 46.20 (4) the number and types of technical assistance recipients;
- 46.21 ~~(5) any market or commodity expansion associated with increased access;~~
- 46.22 ~~(6)~~ (5) the demographics of the areas served;
- 46.23 ~~(7)~~ (6) the costs of the program;
- 46.24 ~~(8)~~ (7) the number of SNAP ~~and WIC~~ dollars spent;

- 46.25 ~~(9)~~ (8) any increase in retail square footage;
- 46.26 ~~(10)~~ (9) the number of loans or grants to ~~minority-owned or female-owned businesses,~~
- 46.27 businesses owned by women and Black, Indigenous, or Persons of Color; and
- 46.28 ~~(11)~~ (10) measurable economic and health outcomes, including, but not limited to,
- 46.29 increases in sales and consumption of locally sourced and other fresh fruits and vegetables,
- 47.1 the number of construction and retail jobs retained or created, and any health initiatives
- 47.2 associated with the program.
- 47.3 Sec. 2. Minnesota Statutes 2024, section 17.1018, is amended to read:
- 47.4 **17.1018 GOOD FOOD ACCESS RETAIL IMPROVEMENT AND**
- 47.5 **DEVELOPMENT PROGRAM ADVISORY COMMITTEE.**
- 47.6 Subdivision 1. **Definitions.** As used in this section, the following terms have the meanings
- 47.7 given them:
- 47.8 (1) "program" means the good food access program under section 17.1017; and
- 47.9 (2) "commissioner" means the commissioner of agriculture.
- 47.10 Subd. 2. **Creation.** The ~~Good Food Access~~ Good Food Access Retail Improvement and Development
- 47.11 Program Advisory Committee consists of the following members, appointed by the
- 47.12 commissioner of agriculture, unless otherwise specified:
- 47.13 (1) the commissioners of health; employment and economic development; and ~~human~~
- 47.14 ~~services~~ children, youth, and families, or their respective designees;
- 47.15 (2) one person representing the grocery industry;
- 47.16 (3) two people representing economic or community development, one rural member
- 47.17 and one urban or suburban member;
- 47.18 (4) two people representing political subdivisions of the state;
- 47.19 (5) one person designated by the Council for Minnesotans of African Heritage;
- 47.20 (6) one person designated by the Minnesota Indian Affairs Council;
- 47.21 (7) one person designated by the Council on Asian Pacific Minnesotans;
- 47.22 (8) one person designated by the ~~Chicano-Latino Affairs~~ Chicano-Latino Affairs Council on Latino Affairs;
- 47.23 (9) one person designated by the Minnesota Farmers Union;
- 47.24 (10) one person representing public health experts;
- 47.25 (11) one person representing philanthropic foundations;
- 47.26 (12) one person representing economic or community development financial institutions;

- 47.27 (13) one person representing the University of Minnesota Regional Sustainable
47.28 Development Partnerships;
- 48.1 (14) two people representing organizations engaged in addressing food security, one
48.2 representative from a statewide hunger relief organization and one from a community-based
48.3 organization;
- 48.4 (15) one person representing immigrant farmer-led organizations;
- 48.5 (16) one person representing small business technical assistance with experience in food
48.6 retail; and
- 48.7 (17) up to four additional members with economic development, health equity, financial,
48.8 or other relevant expertise.
- 48.9 At least half of the members must reside in or their organizations must serve rural
48.10 Minnesota. The commissioner may remove members and fill vacancies as provided in
48.11 section 15.059, subdivision 4.
- 48.12 Subd. 3. **Duties.** The advisory committee must advise the commissioner of agriculture
48.13 on managing the program, establishing program criteria, establishing project eligibility
48.14 guidelines, establishing application processes and additional selection criteria, establishing
48.15 annual monitoring and accountability mechanisms, facilitating leveraging of additional
48.16 public and private investments, and promoting the program statewide.
- 48.17 Subd. 4. **Meetings.** The commissioner must convene the advisory committee at least
48.18 two times per year to achieve the committee's duties.
- 48.19 Subd. 5. **Administrative support.** The commissioner of agriculture must provide staffing,
48.20 meeting space, and administrative services for the advisory committee.
- 48.21 Subd. 6. **Chair.** The commissioner of agriculture or the commissioner's designee shall
48.22 serve as chair of the committee.
- 48.23 Subd. 7. **Compensation.** The public members of the advisory committee serve without
48.24 compensation or payment of expenses.
- 48.25 Subd. 8. **Expiration.** The advisory committee does not expire.
- 48.26 Sec. 3. Minnesota Statutes 2024, section 17.117, subdivision 1, is amended to read:
- 48.27 Subdivision 1. **Purpose.** The purpose of the agriculture best management practices loan
48.28 program is to provide low or no interest financing to farmers, agriculture supply businesses,
48.29 ~~rural~~ landowners, and water-quality cooperatives for the implementation of agriculture and
48.30 other best management practices that reduce environmental pollution.
- 49.1 Sec. 4. Minnesota Statutes 2024, section 17.117, subdivision 3, is amended to read:
- 49.2 Subd. 3. **Appropriations.** Up to ~~\$140,000,000~~ \$280,000,000 of the balance in the clean
49.3 water revolving fund in section 446A.07, as determined by the Public Facilities Authority,

49.4 is appropriated to the commissioner for the establishment of this program. In addition, the
 49.5 commissioner may receive appropriations from the legislature and grants or funds from
 49.6 other sources for implementation of the program.

49.7 Sec. 5. Minnesota Statutes 2024, section 17.118, subdivision 1, is amended to read:

49.8 Subdivision 1. **Establishment.** The commissioner may award a livestock investment
 49.9 grant to ~~a person~~ an eligible applicant who raises livestock in this state equal to ~~ten percent~~
 49.10 ~~of the first \$500,000 of qualifying expenditures, provided the person makes qualifying~~
 49.11 ~~expenditures of at least \$4,000~~ 25 percent of the first \$200,000 of qualifying expenditures.
 49.12 The commissioner may award multiple livestock investment grants to a person over the life
 49.13 of the program and shall give preference to applicants who have not previously received a
 49.14 grant under this section.

49.15 Sec. 6. Minnesota Statutes 2024, section 17.118, subdivision 2, is amended to read:

49.16 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this
 49.17 subdivision have the meanings given ~~them~~.

49.18 (b) "Livestock" means animals raised for the production of fiber, meat, and animal
 49.19 by-products for sale or as breeding stock, including but not limited to beef cattle, dairy
 49.20 cattle, swine, poultry, goats, mules, farmed Cervidae, Ratitae, bison, sheep, horses,
 49.21 aquaculture, and llamas.

49.22 (c) "Qualifying expenditures" means the amount spent for:

49.23 (1) the acquisition, construction, or improvement of buildings or facilities for the
 49.24 production of livestock or livestock products;

49.25 (2) the development of pasture for use by livestock including, but not limited to, the
 49.26 acquisition, development, or improvement of:

49.27 (i) lanes used by livestock that connect pastures to a central location;

49.28 (ii) watering systems for livestock on pasture including water lines, booster pumps, and
 49.29 well installations;

49.30 (iii) livestock stream crossing stabilization; and

49.31 (iv) fences; or

50.1 (3) the acquisition of equipment for livestock housing, confinement, feeding, and waste
 50.2 management including, but not limited to, the following:

50.3 (i) freestall barns;

50.4 (ii) watering facilities;

50.5 (iii) feed storage and handling equipment;

50.6 (iv) milking parlors;

- 50.7 (v) robotic equipment;
- 50.8 (vi) scales;
- 50.9 (vii) milk storage and cooling facilities;
- 50.10 (viii) bulk tanks;
- 50.11 (ix) computer hardware and software and associated equipment used to monitor the
- 50.12 productivity and feeding of livestock;
- 50.13 (x) manure pumping and storage facilities;
- 50.14 (xi) swine farrowing facilities;
- 50.15 (xii) swine and cattle finishing barns;
- 50.16 (xiii) calving facilities;
- 50.17 (xiv) digesters;
- 50.18 (xv) equipment used to produce energy;
- 50.19 (xvi) on-farm processing facilities equipment;
- 50.20 (xvii) fences, including but not limited to farmed Cervidae perimeter fences required
- 50.21 under section 35.155, subdivision 4; and
- 50.22 (xviii) livestock pens and corrals and sorting, restraining, and loading chutes.
- 50.23 Except for qualifying pasture development expenditures under clause (2), qualifying
- 50.24 expenditures only include amounts that are allowed to be capitalized and deducted under
- 50.25 either section 167 or 179 of the Internal Revenue Code in computing federal taxable income.
- 50.26 Qualifying expenditures do not include an amount paid to refinance existing debt.
- 50.27 Sec. 7. Minnesota Statutes 2024, section 17.118, subdivision 3, is amended to read:
- 50.28 Subd. 3. **Eligibility.** To be eligible for a livestock investment grant, ~~a person~~ an applicant
- 50.29 must:
- 51.1 (1) be a resident of Minnesota, ~~a unit of Tribal government~~, or an entity specifically
- 51.2 defined in section 500.24, subdivision 2, that is eligible to own farmland and operate a farm
- 51.3 in this state under section 500.24;
- 51.4 (2) be the principal operator of the farm;
- 51.5 (3) hold a feedlot registration, if required; and
- 51.6 (4) apply to the commissioner on forms prescribed by the commissioner including a
- 51.7 statement of the qualifying expenditures made during the qualifying period along with any
- 51.8 proof or other documentation the commissioner may require.

- 51.9 Sec. 8. Minnesota Statutes 2024, section 17.133, subdivision 1, is amended to read:
- 51.10 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
- 51.11 the meanings given.
- 51.12 (b) "Eligible farmer" means an individual who at the time that the grant is awarded:
- 51.13 (1) is a resident of Minnesota who intends to acquire farmland located within the state
- 51.14 and provide the majority of the day-to-day physical labor and management of the farm;
- 51.15 (2) grosses no more than \$250,000 per year from the sale of farm products;
- 51.16 (3) has not, and whose spouse has not, at any time had a direct or indirect ownership
- 51.17 interest in farmland; and
- 51.18 (4) is not, and whose spouse is not, ~~related by blood or marriage to an owner~~ a family
- 51.19 member of the owner of the farmland that the individual intends to acquire. "Family member"
- 51.20 has the meaning given in section 267(c)(4) of the Internal Revenue Code.
- 51.21 (c) "Farm down payment" means an initial, partial payment required by a lender or seller
- 51.22 to purchase farmland.
- 51.23 (d) "Incubator farm" means a farm where:
- 51.24 (1) individuals are given temporary, exclusive, and affordable access to small parcels
- 51.25 of land, infrastructure, and often training, for the purpose of honing skills and launching a
- 51.26 farm business; and
- 51.27 (2) a majority of the individuals farming the small parcels of land grow industrial hemp,
- 51.28 cannabis, or one or more of the following specialty crops as defined by the United States
- 51.29 Department of Agriculture for purposes of the specialty crop block grant program: fruits
- 51.30 and vegetables, tree nuts, dried fruits, medicinal plants, culinary herbs and spices, horticulture
- 51.31 crops, floriculture crops, and nursery crops.
- 52.1 (e) "Limited land access" means farming without ownership of land and:
- 52.2 (1) the individual or the individual's child rents or leases the land, with the term of each
- 52.3 rental or lease agreement not exceeding three years in duration, from a person who is not
- 52.4 related to the individual or the individual's spouse by blood or marriage; or
- 52.5 (2) the individual rents the land from an incubator farm.
- 52.6 (f) "Limited market access" means the individual has gross sales of no more than
- 52.7 \$100,000 per year from the sale of farm products.

33.24 Section 1. Minnesota Statutes 2024, section 17.133, subdivision 2, is amended to read:

33.25 Subd. 2. **Grants.** The commissioner may award farm down payment assistance grants

33.26 of up to ~~\$15,000~~ \$20,000 per eligible farmer. Each award must be matched with at least

33.27 \$8,000 of other funding. Grants under this subdivision may be awarded by a randomized

33.28 selection process after applications are collected over a period of no less than 30 calendar
 33.29 days. An eligible farmer must commit to own and farm the land purchased with assistance
 33.30 provided under this section for at least five years. For each year that a grant recipient does
 33.31 not own and farm the land during the five-year period, the grant recipient must pay a penalty
 33.32 to the commissioner equal to 20 percent of the grant amount.

34.1 Sec. 2. Minnesota Statutes 2024, section 18B.01, subdivision 1d, is amended to read:

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

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

34.4 ~~(2) preapplication activities that involve the mixing and loading of a restricted use~~
 34.5 ~~pesticide; and~~

34.6 ~~(2)~~ (2) other restricted use pesticide-related activities, including but not limited to
 34.7 transporting or storing pesticide containers that have been opened; mixing; loading; cleaning
 34.8 equipment; and disposing of excess pesticides, spray mix, equipment wash waters, pesticide
 34.9 containers, and other materials that contain pesticide.

34.10 Sec. 3. Minnesota Statutes 2024, section 18B.01, is amended by adding a subdivision to
 34.11 read:

34.12 Subd. 10c. **Handler.** "Handler" means an individual who meets all the requirements for
 34.13 noncertified applicator specified in Code of Federal Regulations, title 40, section 171.201,
 34.14 and engages in preapplication activities that involve the mixing, loading, and transporting
 34.15 of a restricted use pesticide under the supervision of a licensed pesticide applicator.

52.8 Sec. 9. Minnesota Statutes 2024, section 18.79, subdivision 3, is amended to read:

52.9 Subd. 3. **Entry upon land.** To administer and enforce sections 18.76 to 18.91, an
 52.10 inspector or county-designated employee shall contact a landowner through direct
 52.11 communication prior to entering upon the land for a noxious weed inspection. If a landowner
 52.12 cannot be contacted, an inspector or county-designated employee may enter upon land
 52.13 without consent of the owner and without being subject to an action for trespass or any
 52.14 damages. For the purposes of this subdivision, "direct communication" may include contact
 52.15 with the landowner through an in-person visit, phone call, voice mail, text message, mail,
 52.16 or email. A landowner cannot refuse an inspector or county-designated employee having
 52.17 probable cause to conduct an inspection for noxious weeds on their lands. Within five
 52.18 business days of a completed inspection, the inspector or county-designated employee shall
 52.19 provide the landowner with a copy of the inspection report, including further actions if
 52.20 applicable.

34.16 Sec. 4. Minnesota Statutes 2024, section 18B.30, is amended to read:

34.17 **18B.30 PESTICIDE USE LICENSE REQUIREMENT; INTERNET SALES**
34.18 **PROHIBITED; RESTRICTED USE PESTICIDES.**

34.19 (a) A person may not use a restricted use pesticide without a license or certification
34.20 required under sections 18B.29 to 18B.35 and the use may only be done under conditions
34.21 prescribed by the commissioner, except that a handler may engage in preapplication activities
34.22 that involve the mixing, loading, and transporting of a restricted use pesticide under the
34.23 supervision of a licensed pesticide applicator.

34.24 (b) A person shall not sell any pesticide labeled for restricted use over an Internet website
34.25 to a Minnesota resident who is not a licensed or certified pesticide applicator. A person
34.26 selling a pesticide labeled for restricted use over an Internet website to a Minnesota resident
34.27 must verify that the purchaser is a licensed or certified pesticide applicator under sections
34.28 18B.29 to 18B.35.

52.21 Sec. 10. Minnesota Statutes 2024, section 18B.26, subdivision 8, is amended to read:

52.22 Subd. 8. **PFAS prohibitions.** (a) Beginning January 1, 2026, the commissioner may not
52.23 register a ~~cleaning~~ product in the categories listed in section 116.943, subdivision 5, paragraph
52.24 (a), if the product contains intentionally added PFAS unless the commissioner determines
52.25 that the use of PFAS is a currently unavoidable use.

52.26 (b) Beginning January 1, 2032, the commissioner may not register a pesticide product
52.27 that contains intentionally added PFAS unless the commissioner determines that the use of
52.28 PFAS is a currently unavoidable use.

52.29 Sec. 11. Minnesota Statutes 2024, section 18B.37, subdivision 6, is amended to read:

52.30 Subd. 6. **Access to pesticide application information.** (a) A physician ~~licensed to~~
52.31 ~~practice in Minnesota,~~ physician assistant, or nurse practitioner, or a Minnesota licensed
53.1 veterinarian, may submit a request to the commissioner for access to available information
53.2 on the application of pesticides by a commercial or noncommercial pesticide applicator
53.3 related to a course of diagnosis, care, or treatment of a patient under the care of the physician
53.4 or veterinarian. For purposes of this subdivision, the physician, physician assistant, or nurse
53.5 practitioner making the request must be licensed to practice in Minnesota.

53.6 (b) A request for pesticide application information under this subdivision must include
53.7 available details as to the specific location of a known or suspected application that occurred
53.8 on one or more specified dates and times. The request must also include information on
53.9 symptoms displayed by the patient that prompted the physician or veterinarian to suspect
53.10 pesticide exposure. The request must indicate that any information discovered will become
53.11 part of the confidential patient record and will not be released publicly.

34.29 Sec. 5. **[18C.113] BIOFERTILIZER INNOVATION AND EFFICIENCY PROGRAM.**

34.30 Subdivision 1. **Program established.** In consultation with the commissioner of natural
 34.31 resources and soil and water conservation districts in Minnesota, the commissioner of
 35.1 agriculture must develop and administer a biofertilizer innovation and efficiency program
 35.2 to address water quality by incentivizing Minnesota farmers to improve nitrogen management
 35.3 and incorporate innovative technologies into the farmers' crop nutrient management plans.
 35.4 The commissioner must determine which products qualify for the program, including soil
 35.5 amendments, fertilizers with nitrogen-fixing properties, biological sources of nitrogen, and
 35.6 other biofertilizers.

35.7 Subd. 2. **Payments to qualified farmers.** (a) In consultation with farmers and the
 35.8 fertilizer industry, the commissioner must establish a per-acre payment rate, not less than
 35.9 \$5 per acre, for payments provided to a qualifying farmer. The program must provide an
 35.10 annual per-acre incentive payment to a qualifying farmer who verifies through documentation
 35.11 that the farmer has reduced commercial nitrogen fertilizer rates by using a qualifying product
 35.12 in the farmer's crop nutrient management plans by the lesser of:

35.13 (1) 15 percent; or

35.14 (2) 30 pounds per acre.

35.15 (b) The Department of Agriculture must annually review and may adjust the per-acre
 35.16 payment rate based on inflation and emerging fertilizer technology.

35.17 Subd. 3. **Qualifications.** To qualify for the biofertilizer water preservation program, a
 35.18 farmer must:

35.19 (1) be a Minnesota resident operating farmland located in Minnesota;

53.12 (c) Upon receipt of a request under paragraph (a), the commissioner, in consultation
 53.13 with the commissioner of health, shall promptly review the information contained in the
 53.14 request and determine if release of information held by the department may be beneficial
 53.15 for the medical diagnosis, care, and treatment of the patient.

53.16 (d) The commissioner may release to the requester available information on the pesticide.
 53.17 The commissioner shall withhold nonessential information such as total acres treated, the
 53.18 specific amount of pesticides applied, and the identity of the applicator or property owner.

53.19 Sec. 12. Minnesota Statutes 2024, section 18C.111, is amended by adding a subdivision
 53.20 to read:

53.21 Subd. 6. **Fertilizers and fertilizer by-products.** The commissioner may coordinate the
 53.22 protection of public health and the environment from the unreasonable adverse effects of
 53.23 fertilizers and fertilizer by-products among state agencies and local governments and may
 53.24 assist other state agencies and local governments in providing such protection.

- 35.20 (2) submit documentation to the commissioner, including a crop nutrient management
 35.21 plan that will reduce the use of commercial nitrogen fertilizers at the reduction rate required
 35.22 under subdivision 2 by using a qualifying product determined by the commissioner under
 35.23 subdivision 1; and
- 35.24 (3) enroll a minimum of 40 eligible acres.
- 35.25 Subd. 4. **Review required.** Every two years, the commissioner must review:
- 35.26 (1) the program's required minimum commercial nitrogen fertilizer reduction rate under
 35.27 subdivision 2 and determine whether an increase in the minimum reduction rate is necessary;
 35.28 and
- 35.29 (2) additional qualifying products that may be used by farmers in the program. When
 35.30 making this determination, the commissioner must consider newly available technologies
 35.31 and products capable of reducing commercial nitrogen fertilizer applications.
- 36.1 Subd. 5. **Rulemaking required.** The commissioner must adopt rules using rulemaking
 36.2 authority under section 18C.121, subdivision 1, to implement this section.
- 36.3 Subd. 6. **Program study.** The commissioner must conduct an evaluation of the practice
 36.4 performance and economic performance of the biofertilizer innovation and efficiency
 36.5 program. The evaluation must look at environmental outcomes, include a cost-benefit
 36.6 analysis, and be submitted to the chairs and ranking minority members of the legislative
 36.7 committees and divisions with jurisdiction over agriculture policy and finance by June 1,
 36.8 2027. The commissioner may contract with an independent third party to conduct the
 36.9 evaluation.

53.25 Sec. 13. Minnesota Statutes 2024, section 25.391, subdivision 1, is amended to read:

53.26 Subdivision 1. **Exemption.** The provisions of this chapter do not apply to ~~an individual~~
 53.27 a person who prepares and sells home-processed pet treats for dogs and cats, provided the
 53.28 following conditions are met:

53.29 (1) the person is an individual, a sole proprietorship, a single-member limited liability
 53.30 company owned by one individual, or a limited liability company owned by two individuals
 53.31 residing at the same residence;

53.32 (2) the person does not hold a commercial feed license under section 25.341;

54.1 (3) ~~the individual~~ person is registered with the commissioner under section 28A.152,
 54.2 subdivision 4;

54.3 ~~(2)~~ (4) the pet treats are not potentially hazardous food, as defined in Minnesota Rules,
 54.4 part 4626.0020, subpart 62, that is safe for human consumption and for consumption by the
 54.5 intended species;

- 54.6 ~~(5)~~ (5) the pet treats are baked or dehydrated;
- 54.7 ~~(4)~~ (6) the ~~individual~~ person displays at the point of sale a clearly legible sign or placard
- 54.8 stating, "These products are homemade and not subject to state inspection."; and
- 54.9 ~~(5)~~ (7) each individual pet treat package is labeled with the following: (i) the name and
- 54.10 registration number or address of the individual preparing the pet treat; (ii) the date on which
- 54.11 the pet treat was prepared; (iii) the ingredients listed; and (iv) the statement "These products
- 54.12 are homemade and not subject to state inspection."
- 54.13 Sec. 14. Minnesota Statutes 2024, section 25.391, subdivision 2, is amended to read:
- 54.14 Subd. 2. **Direct sales to consumers.** ~~An individual~~ A person qualifying for the exemption
- 54.15 under subdivision 1 may sell the exempt pet treats to consumers in accordance with section
- 54.16 28A.152, except that pet treats may also be delivered by mail or commercial delivery.
- 54.17 Sec. 15. Minnesota Statutes 2024, section 32D.01, is amended by adding a subdivision to
- 54.18 read:
- 54.19 Subd. 12a. **Milk marketer.** "Milk marketer" means any person who collects or procures
- 54.20 milk from dairy producers in Minnesota or markets milk on behalf of Minnesota dairy
- 54.21 producers. Milk marketer does not include:
- 54.22 (1) a person who only brokers a contract between a milk producer and a milk contractor
- 54.23 but does not become a party to the contract, take control of the milk, or accept payment on
- 54.24 behalf of the milk producer;
- 54.25 (2) a person who only buys or sells milk on a board of trade or commodity exchange;
- 54.26 (3) a person who collects milk solely from their own farm, for use in their own dairy
- 54.27 plant; or
- 54.28 (4) a person who only sells milk direct to the end consumer, from their own farm.
- 55.1 Sec. 16. **[32D.31] MILK MARKETING LICENSE.**
- 55.2 Subdivision 1. **License requirement and eligibility.** A current milk marketing license
- 55.3 is required for any milk marketer who procures more than 700,000 pounds of milk annually
- 55.4 from Minnesota farms. Before a milk marketing license is issued, the commissioner must
- 55.5 determine that the applicant meets the relevant licensing requirements.
- 55.6 Subd. 2. **Application.** An applicant for a milk marketing license must apply on a form
- 55.7 provided by the commissioner. An applicant must also submit:
- 55.8 (1) a report of the total milk payroll obligations that the applicant incurred during the
- 55.9 applicant's last completed fiscal year. If the applicant has not yet operated as a milk marketer
- 55.10 in Minnesota, the applicant shall estimate the total milk payroll obligations that the applicant
- 55.11 will incur during the applicant's first complete fiscal year;

- 55.12 (2) a report of any milk payroll obligations to dairy producers that were unpaid during
55.13 the applicant's last completed fiscal year and the payroll amount; and
- 55.14 (3) the total amount of hundredweights procured, collected, or marketed from Minnesota
55.15 milk producers during the applicant's last completed fiscal year.
- 55.16 Subd. 3. **Term of license; transferability.** A milk marketing license issued by the
55.17 commissioner expires on December 31 of each year, must be renewed annually, and is not
55.18 transferable.
- 55.19 Subd. 4. **Fees and penalties.** (a) The fee for a milk marketing license is:
- 55.20 (1) \$100 for an initial license; and
- 55.21 (2) \$250 annually for a license renewal.
- 55.22 (b) The fee must be paid to the commissioner before the commissioner issues an initial
55.23 or renewal license. If a person has not applied for a milk marketing license renewal before
55.24 January 1, a late fee of \$100 must be imposed. After January 1, 2026, any person who
55.25 requires a milk marketing license and conducts activities subject to licensing within 365
55.26 days prior to obtaining a milk marketing license must pay a penalty of \$250 to receive the
55.27 person's initial license.
- 55.28 Subd. 5. **License requirements.** An applicant for a milk marketing license must:
- 55.29 (1) complete monthly procurement payments under section 32D.11, if applicable;
- 55.30 (2) provide, upon request of the commissioner, a list of dairy producers from whom the
55.31 applicant collects milk;
- 56.1 (3) provide dairy field service as described in section 32D.02, subdivision 6;
- 56.2 (4) submit associated farm inspection fees as required under sections 32D.06 and 32D.08;
- 56.3 (5) provide, upon the request of the commissioner, a financial statement to demonstrate
56.4 that sufficient financial resources are available to satisfy payroll obligations for milk that
56.5 is procured or collected from Minnesota dairy producers; and
- 56.6 (6) satisfy all contractual payments and agreements made with any Minnesota dairy
56.7 producer that maintains a permit or certification as required under section 32D.05 or 32D.07.
56.8 A person's failure to pay dairy producers in accordance with contracts may result in the
56.9 revocation or suspension of the person's milk marketing license.
- 56.10 Subd. 6. **Permit requirement.** (a) A person conducting the following activities must
56.11 hold a valid milk marketing permit:
- 56.12 (1) any activities subject to a milk marketing license; or

- 56.13 (2) if the person is a Minnesota milk producer, marketing milk on the producer's own
56.14 behalf.
- 56.15 (b) An applicant must apply for a milk marketing permit on a form provided by the
56.16 commissioner. A milk marketing permit must be issued to an applicant in conjunction with
56.17 the initial license issued and must contain a milk marketing permit number. An applicant
56.18 for a milk marketing permit must not be required to pay a fee to the commissioner when
56.19 applying. A milk marketing permit is valid if the holder of the permit maintains a current
56.20 milk marketing license or continues to market the permit holder's own milk, with no renewals
56.21 required.
- 56.22 Sec. 17. Minnesota Statutes 2024, section 35.155, subdivision 12, is amended to read:
- 56.23 Subd. 12. **Importation.** (a) A person must not import live Cervidae into the state from
56.24 a state or province where chronic wasting disease has been detected in the farmed or wild
56.25 cervid population in the last five years unless the animal has tested not detected for chronic
56.26 wasting disease with a validated live-animal test.
- 56.27 (b) Live Cervidae or Cervidae semen must originate from a herd that has been subject
56.28 to a state-, federal-, or provincial-approved chronic wasting disease herd certification program
56.29 and that has reached a status equivalent to the highest certification.
- 56.30 (c) Cervidae imported in violation of this section may be seized and destroyed by the
56.31 commissioner of natural resources.
- 57.1 (d) This subdivision does not apply to the interstate transfer of animals between two
57.2 facilities accredited by the Association of Zoos and Aquariums.
- 57.3 (e) Notwithstanding this subdivision, the commissioner of natural resources may issue
57.4 a permit allowing the importation of orphaned wild cervid species that are not susceptible
57.5 to chronic wasting disease from another state to an Association of Zoos and Aquariums
57.6 accredited institution in Minnesota following a joint risk-based assessment conducted by
57.7 the commissioner and the institution.
- 57.8 (f) Notwithstanding this subdivision, the state veterinarian may issue a permit to a zoo
57.9 that is a United States Department of Agriculture licensed exhibitor of regulated animals
57.10 to import live Cervidae from another state if the Cervidae are part of a herd that is:
- 57.11 (1) in the United States Department of Agriculture Herd Certification Program; or
57.12 (2) subject to similar equivalent disease surveillance at the discretion of the state
57.13 veterinarian.
- 57.14 Sec. 18. Minnesota Statutes 2024, section 41A.09, subdivision 2a, is amended to read:
- 57.15 Subd. 2a. **Definitions.** For the purposes of this section, the terms defined in this
57.16 subdivision have the meanings given them.

- 57.17 (a) "Ethanol" means fermentation ethyl alcohol derived from agricultural products,
 57.18 including potatoes, cereal grains, cheese whey, and sugar beets; forest products; or other
 57.19 renewable resources, including residue and waste generated from the production, processing,
 57.20 and marketing of agricultural products, forest products, and other renewable resources, that:
- 57.21 (1) meets all of the specifications in ASTM specification ~~D4806-04a~~ D4806-21a; and
 57.22 (2) is denatured as specified in Code of Federal Regulations, title 27, parts 20 and 21.
- 57.23 (b) "Ethanol plant" means a plant at which ethanol is produced.
- 57.24 (c) "Commissioner" means the commissioner of agriculture.
- 57.25 (d) "Rural economic infrastructure" means the development of activities that will enhance
 57.26 the value of agricultural crop or livestock commodities or by-products or waste from farming
 57.27 operations through new and improved value-added conversion processes and technologies,
 57.28 the development of more timely and efficient infrastructure delivery systems, and the
 57.29 enhancement of marketing opportunities. "Rural economic infrastructure" also means land,
 57.30 buildings, structures, fixtures, and improvements located or to be located in Minnesota and
 57.31 used or operated primarily for the processing or the support of production of marketable
 57.32 products from agricultural commodities or wind energy produced in Minnesota.
- 58.1 Sec. 19. Minnesota Statutes 2024, section 41A.16, subdivision 7, is amended to read:
- 58.2 Subd. 7. **Eligibility for participants after April 1, 2023.** (a) A facility eligible for
 58.3 payment under this section must source at least 80 percent raw materials from Minnesota.
 58.4 If a facility is sited 50 miles or less from the state border, raw materials may be sourced
 58.5 from within a 100-mile radius. Raw materials must be from agricultural or forestry sources
 58.6 or from solid waste. The facility must be located in Minnesota, must begin production at a
 58.7 specific location after April 1, 2023, and before June 30, 2025, and must not begin operating
 58.8 above 23,750 MMbtu of quarterly advanced biofuel production before July 1, 2015. Eligible
 58.9 facilities include existing companies and facilities that are adding advanced biofuel
 58.10 production capacity, or retrofitting existing capacity, as well as new companies and facilities.
 58.11 Production of conventional corn ethanol and conventional biodiesel is not eligible. Eligible
 58.12 advanced biofuel facilities must produce at least 23,750 MMbtu of biofuel quarterly.
- 58.13 (b) No payments shall be made for advanced biofuel production that occurs after June
 58.14 30, 2035, for those eligible biofuel producers under paragraph (a).
- 58.15 (c) An eligible producer of advanced biofuel shall not transfer the producer's eligibility
 58.16 for payments under this section to an advanced biofuel facility at a different location.
- 58.17 (d) A producer that ceases production for any reason is ineligible to receive payments
 58.18 under this section until the producer resumes production.
- 58.19 (e) Renewable chemical production for which payment has been received under section
 58.20 41A.17, and biomass thermal production for which payment has been received under section
 58.21 41A.18, are not eligible for payment under this section.

- 58.22 (f) Biobutanol is eligible under this section.
- 58.23 Sec. 20. Minnesota Statutes 2024, section 41A.30, subdivision 1, is amended to read:
- 58.24 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
58.25 the meanings given.
- 58.26 (b) "Aircraft" has the meaning given in section 296A.01, subdivision 3.
- 58.27 (c) "Aviation gasoline" has the meaning given in section 296A.01, subdivision 7.
- 58.28 (d) "Commissioner" means the commissioner of agriculture.
- 58.29 (e) "Jet fuel" has the meaning given in section 296A.01, subdivision 8.
- 58.30 (f) "Qualifying taxpayer" means a taxpayer, as defined in section 290.01, subdivision
58.31 6, that is engaged in the business of:
- 59.1 (1) producing sustainable aviation fuel; or
- 59.2 (2) blending sustainable aviation fuel with aviation gasoline or jet fuel.
- 59.3 (g) "Sustainable aviation fuel" means liquid fuel that:
- 59.4 (1) is derived from biomass, as defined in section 41A.15, subdivision 2e, or gaseous
59.5 carbon oxides;
- 59.6 (2) is not derived from palm fatty acid distillates; and
- 59.7 (3) achieves at least a 50 percent life cycle greenhouse gas emissions reduction in
59.8 comparison with petroleum-based aviation gasoline, aviation turbine fuel, and jet fuel as
59.9 determined by a test that shows:
- 59.10 (i) that the fuel production pathway achieves at least a 50 percent life cycle greenhouse
59.11 gas emissions reduction in comparison with petroleum-based aviation gasoline, aviation
59.12 turbine fuel, and jet fuel utilizing the most recent version of Argonne National Laboratory's
59.13 Greenhouse Gases, Regulated Emissions, and Energy Use in Technologies (GREET) model
59.14 that accounts for reduced emissions throughout the fuel production process; or
- 59.15 (ii) that the fuel production pathway achieves at least a 50 percent reduction of the
59.16 aggregate attributional core life cycle emissions and the positive induced land use change
59.17 values under the life cycle methodology for sustainable aviation fuels adopted by the
59.18 International Civil Aviation Organization with the agreement of the United States.
- 59.19 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
59.20 after December 31, 2023, for sustainable aviation fuel sold after June 30, 2024.
- 59.21 Sec. 21. Minnesota Statutes 2024, section 41B.039, subdivision 2, is amended to read:
- 59.22 Subd. 2. **State participation.** The state may participate in a new real estate loan with
59.23 an eligible lender to a beginning farmer to the extent of 45 percent of the principal amount

- 59.24 of the loan ~~or~~. Individual loans must be no less than \$50,000 and no more than \$500,000;
 59.25 ~~whichever is less~~. The interest rates and repayment terms of the authority's participation
 59.26 interest may be different than the interest rates and repayment terms of the lender's retained
 59.27 portion of the loan.
- 59.28 Sec. 22. Minnesota Statutes 2024, section 41B.0391, subdivision 1, is amended to read:
- 59.29 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
 59.30 the meanings given.
- 60.1 (b) "Agricultural assets" means agricultural land, livestock, facilities, buildings, and
 60.2 machinery used for farming in Minnesota.
- 60.3 (c) "Beginning farmer" means an individual ~~who~~, a single-member limited liability
 60.4 company owned by one individual, or a limited liability company owned by two individuals
 60.5 who are family members. Each individual must:
- 60.6 (1) ~~is~~ be a resident of Minnesota;
- 60.7 (2) ~~is~~ be seeking entry, or ~~has~~ have entered within the last ten years, into farming;
- 60.8 (3) ~~intends~~ intend to farm land located within the state borders of Minnesota;
- 60.9 (4) except as provided in subdivision 2, paragraph (f), ~~is not and whose spouse is not~~
 60.10 ~~not be, nor may their spouse be~~, a family member of the owner of the agricultural assets
 60.11 from whom the beginning farmer is seeking to purchase or rent agricultural assets;
- 60.12 (5) except as provided in subdivision 2, paragraph (f), ~~is not and whose spouse is not~~
 60.13 ~~not be, nor may their spouse be~~, a family member of a partner, member, shareholder, or
 60.14 trustee of the owner of agricultural assets from whom the beginning farmer is seeking to
 60.15 purchase or rent agricultural assets; and
- 60.16 (6) ~~meets~~ meet the following eligibility requirements as determined by the authority:
- 60.17 (i) ~~has~~ have a net worth that does not exceed the limit provided under section 41B.03,
 60.18 subdivision 3, paragraph (a), clause (2);
- 60.19 (ii) ~~provides~~ provide the majority of the day-to-day physical labor and management of
 60.20 the farm;
- 60.21 (iii) ~~has~~ have, by the judgment of the authority, adequate farming experience or
 60.22 demonstrates knowledge in the type of farming for which the beginning farmer seeks
 60.23 assistance from the authority;
- 60.24 (iv) ~~demonstrates~~ demonstrate to the authority a profit potential by submitting projected
 60.25 earnings statements;
- 60.26 (v) ~~asserts~~ assert to the satisfaction of the authority that farming will be a significant
 60.27 source of income for the beginning farmer;

- 60.28 (vi) ~~is~~ be enrolled in or ~~has~~ have completed within ten years of their first year of farming
60.29 a financial management program approved by the authority or the commissioner of
60.30 agriculture;
- 61.1 (vii) ~~agrees~~ agree to notify the authority if the beginning farmer no longer meets the
61.2 eligibility requirements within the three-year certification period, in which case the beginning
61.3 farmer is no longer eligible for credits under this section; and
- 61.4 (viii) ~~has~~ have other qualifications as specified by the authority.
- 61.5 The authority may waive the requirement in item (vi) if the participant requests a waiver
61.6 and has a four-year degree in an agricultural program or related field, reasonable agricultural
61.7 job-related experience, or certification as an adult farm management instructor.
- 61.8 ~~(d) "Emerging farmer" means an emerging farmer within the meaning of section 17.055,~~
61.9 ~~subdivision 1.~~
- 61.10 ~~(d)~~ (d) "Family member" means a family member within the meaning of the Internal
61.11 Revenue Code, section 267(c)(4).
- 61.12 ~~(c)~~ (c) "Farm product" means plants and animals useful to humans and includes, but is
61.13 not limited to, forage and sod crops, oilseeds, grain and feed crops, dairy and dairy products,
61.14 poultry and poultry products, livestock, fruits, and vegetables.
- 61.15 ~~(f)~~ (f) "Farming" means the active use, management, and operation of real and personal
61.16 property for the production of a farm product.
- 61.17 (g) "Limited land access farmer" means a farmer experiencing limited land access as
61.18 defined in section 17.133, subdivision 1.
- 61.19 (h) "Owner of agricultural assets" means an individual, trust, or pass-through entity that
61.20 is the owner in fee of agricultural land or has legal title to any other agricultural asset. Owner
61.21 of agricultural assets does not mean an equipment dealer, livestock dealer defined in section
61.22 17A.03, subdivision 7, or comparable entity that is engaged in the business of selling
61.23 agricultural assets for profit and that is not engaged in farming as its primary business
61.24 activity. An owner of agricultural assets approved and certified by the authority under
61.25 subdivision 4 must notify the authority if the owner no longer meets the definition in this
61.26 paragraph within the three year certification period and is then no longer eligible for credits
61.27 under this section.
- 61.28 (i) "Resident" has the meaning given in section 290.01, subdivision 7.
- 61.29 (j) "Share rent agreement" means a rental agreement in which the principal consideration
61.30 given to the owner of agricultural assets is a predetermined portion of the production of
61.31 farm products produced from the rented agricultural assets and which provides for sharing
61.32 production costs or risk of loss, or both.

- 62.1 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
62.2 31, 2024.
- 62.3 Sec. 23. Minnesota Statutes 2024, section 41B.0391, subdivision 2, is amended to read:
- 62.4 Subd. 2. **Tax credit for owners of agricultural assets.** (a) An owner of agricultural
62.5 assets may take a credit against the tax due under chapter 290 for the sale or rental of
62.6 agricultural assets to a beginning farmer in the amount allocated by the authority under
62.7 subdivision 4. An owner of agricultural assets is eligible for allocation of a credit equal to:
- 62.8 (1) eight percent of the lesser of the sale price or the fair market value of the agricultural
62.9 asset, up to a maximum of \$50,000;
- 62.10 (2) ten percent of the gross rental income in each of the first, second, and third years of
62.11 a rental agreement, up to a maximum of \$7,000 per year; or
- 62.12 (3) 15 percent of the cash equivalent of the gross rental income in each of the first,
62.13 second, and third years of a share rent agreement, up to a maximum of \$10,000 per year.
- 62.14 (b) A qualifying rental agreement includes cash rent of agricultural assets or a share rent
62.15 agreement. The agricultural asset must be rented at prevailing community rates as determined
62.16 by the authority.
- 62.17 (c) The credit may be claimed only after approval and certification by the authority, and
62.18 is limited to the amount stated on the certificate issued under subdivision 4. An owner of
62.19 agricultural assets must apply to the authority for certification ~~and allocation~~ of a credit, in
62.20 a form and manner prescribed by the authority. Applications for credits allowed under
62.21 paragraph (a), clause (1), are due by November 1, 2025, and each year thereafter.
62.22 Applications for credits allowed under paragraph (a), clauses (2) and (3), are due by July
62.23 1, 2025, and each year thereafter.
- 62.24 (d) An owner of agricultural assets or beginning farmer may terminate a rental agreement,
62.25 including a share rent agreement, for reasonable cause upon approval of the authority. If a
62.26 rental agreement is terminated without the fault of the owner of agricultural assets, the tax
62.27 credits shall not be retroactively disallowed. In determining reasonable cause, the authority
62.28 must look at which party was at fault in the termination of the agreement. If the authority
62.29 determines the owner of agricultural assets did not have reasonable cause, the owner of
62.30 agricultural assets must repay all credits received as a result of the rental agreement to the
62.31 commissioner of revenue. The repayment is additional income tax for the taxable year in
62.32 which the authority makes its decision or when a final adjudication under subdivision 5,
62.33 paragraph (a), is made, whichever is later.
- 63.1 (e) The credit is limited to the liability for tax as computed under chapter 290 for the
63.2 taxable year. If the amount of the credit determined under this section for any taxable year
63.3 exceeds this limitation, the excess is a beginning farmer incentive credit carryover according
63.4 to section 290.06, subdivision 37.

- 63.5 (f) For purposes of the credit for the sale of agricultural land only, the family member
 63.6 definitional exclusions in subdivision 1, paragraph (c), clauses (4) and (5), do not apply.
 63.7 For a sale to a family member to qualify for the credit, the sales price of the agricultural
 63.8 land must equal or exceed the assessed value of the land as of the date of the sale. For
 63.9 purposes of this paragraph, "sale to a family member" means a sale to a beginning farmer
 63.10 in which the beginning farmer or the beginning farmer's spouse is a family member of:
- 63.11 (1) the owner of the agricultural land; or
 63.12 (2) a partner, member, shareholder, or trustee of the owner of the agricultural land.
- 63.13 (g) For a sale to ~~an emerging~~ a limited land access farmer, the credit rate under paragraph
 63.14 (a), clause (1), is twelve percent rather than eight percent.
- 63.15 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
 63.16 31, 2024.
- 63.17 Sec. 24. Minnesota Statutes 2024, section 41B.0391, subdivision 4, is amended to read:
- 63.18 Subd. 4. **Authority duties.** (a) The authority shall:
- 63.19 (1) approve and certify or recertify beginning farmers as eligible for the program under
 63.20 this section;
- 63.21 (2) approve and certify or recertify owners of agricultural assets as eligible for the tax
 63.22 credit under subdivision 2 subject to the allocation limits in paragraph (c);
- 63.23 (3) provide necessary and reasonable assistance and support to beginning farmers for
 63.24 qualification and participation in financial management programs approved by the authority;
- 63.25 (4) refer beginning farmers to agencies and organizations that may provide additional
 63.26 pertinent information and assistance; and
- 63.27 (5) notwithstanding section 41B.211, the Rural Finance Authority must share information
 63.28 with the commissioner of revenue to the extent necessary to administer provisions under
 63.29 this subdivision and section 290.06, subdivisions 37 and 38. The Rural Finance Authority
 63.30 must annually notify the commissioner of revenue of approval and certification or
 63.31 recertification of beginning farmers and owners of agricultural assets under this section.
- 64.1 For credits under subdivision 2, the notification must include the amount of credit approved
 64.2 by the authority and stated on the credit certificate.
- 64.3 (b) The certification of a beginning farmer or an owner of agricultural assets under this
 64.4 section is valid for the year of the certification and the two following years, after which
 64.5 time the beginning farmer or owner of agricultural assets must apply to the authority for
 64.6 recertification.
- 64.7 (c) For credits for owners of agricultural assets allowed under subdivision 2, the authority
 64.8 must not allocate more than \$6,500,000 for taxable years beginning after December 31,
 64.9 2022, and before January 1, 2024, and \$4,000,000 for taxable years beginning after December

- 64.10 31, 2023. The authority must allocate credits on a first-come, first-served basis beginning
 64.11 on January 1 of each year, except that recertifications for the second and third years of
 64.12 credits under subdivision 2, paragraph (a), clauses (1) and (2), have first priority. Any
 64.13 amount authorized but not allocated for taxable years ending before January 1, 2023, is
 64.14 canceled and is not allocated for future taxable years. For taxable years beginning after
 64.15 December 31, 2022, any amount authorized but not allocated in any taxable year does not
 64.16 cancel and is added to the allocation for the next taxable year. For each taxable year, 50
 64.17 percent of newly allocated credits must be allocated to emerging farmers. Any portion of a
 64.18 taxable year's newly allocated credits that is reserved for emerging farmers that is not
 64.19 allocated by ~~September 30~~ June 1 of the taxable year is available for allocation to other
 64.20 credit allocations beginning on ~~October 1~~ June 2.
- 64.21 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
 64.22 31, 2024.
- 64.23 Sec. 25. Minnesota Statutes 2024, section 41B.0391, subdivision 6, is amended to read:
- 64.24 Subd. 6. **Report to legislature.** (a) No later than February 1, ~~2024~~, each year the Rural
 64.25 Finance Authority, in consultation with the commissioner of revenue, must provide a report
 64.26 to the chairs and ranking minority members of the legislative committees having jurisdiction
 64.27 over agriculture, economic development, rural development, and taxes, in compliance with
 64.28 sections 3.195 and 3.197, on the beginning farmer tax credits under this section ~~issued in~~
 64.29 ~~tax years beginning after December 31, 2017, and before January 1, 2024.~~
- 64.30 (b) The report must include background information on beginning farmers in Minnesota
 64.31 and any other information the commissioner and authority find relevant to evaluating the
 64.32 effect of the credits on increasing opportunities for and the number of beginning farmers.
- 65.1 (c) For credits issued under subdivision 2, paragraph (a), clauses (1) to (3), the report
 65.2 must include:
- 65.3 (1) the number and amount of credits issued under each clause;
- 65.4 (2) the geographic distribution of credits issued under each clause;
- 65.5 (3) the type of agricultural assets for which credits were issued under clause (1);
- 65.6 (4) the number and geographic distribution of beginning farmers whose purchase or
 65.7 rental of assets resulted in credits for the seller or owner of the asset;
- 65.8 (5) the number and amount of credits disallowed under subdivision 2, paragraph (d);
 65.9 and
- 65.10 (6) data on the number of beginning farmers by geographic region ~~in calendar years~~
 65.11 ~~2017 through 2023~~, including:
- 65.12 (i) the number of beginning farmers by race and ethnicity, as those terms are applied in
 65.13 the 2020 United States Census; and

65.14 (ii) to the extent available, the number of beginning farmers who are ~~emerging limited~~
65.15 ~~land access farmers; and.~~

65.16 ~~(7) the number and amount of credit applications that exceeded the allocation available~~
65.17 ~~in each year.~~

65.18 (d) For credits issued under subdivision 3, the report must include:

65.19 (1) the number and amount of credits issued;

65.20 (2) the geographic distribution of credits;

65.21 (3) a listing and description of each approved financial management program for which
65.22 credits were issued; and

65.23 (4) a description of the approval procedure for financial management programs not on
65.24 the list maintained by the authority, as provided in subdivision 3, paragraph (a).

65.25 **EFFECTIVE DATE.** This section is effective for reports due for credits issued for
65.26 taxable years beginning after December 31, 2025. The changes to paragraph (c), clause (6),
65.27 item (ii), are effective for reports due for credits issued for taxable years beginning after
65.28 December 31, 2026.

66.1 Sec. 26. Minnesota Statutes 2024, section 41B.04, subdivision 8, is amended to read:

66.2 Subd. 8. **State participation.** With respect to loans that are eligible for restructuring
66.3 under sections 41B.01 to 41B.23 and upon acceptance by the authority, the authority shall
66.4 enter into a participation agreement or other financial arrangement whereby it shall participate
66.5 in a restructured loan to the extent of 45 percent of the primary principal ~~or. Individual loans~~
66.6 ~~must be no less than \$50,000 and no more than \$625,000, whichever is less.~~ The authority's
66.7 portion of the loan must be protected during the authority's participation by the first mortgage
66.8 held by the eligible lender to the extent of its participation in the loan.

66.9 Sec. 27. Minnesota Statutes 2024, section 41B.042, subdivision 4, is amended to read:

66.10 Subd. 4. **Participation limit; interest.** The authority may participate in new
66.11 seller-sponsored loans to the extent of 45 percent of the principal amount of the loan ~~or.~~
66.12 ~~Individual loans must be no less than \$50,000 and no more than \$500,000, whichever is~~
66.13 ~~less.~~ The interest rates and repayment terms of the authority's participation interest may be
66.14 different than the interest rates and repayment terms of the seller's retained portion of the
66.15 loan.

66.16 Sec. 28. Minnesota Statutes 2024, section 41B.043, subdivision 1b, is amended to read:

66.17 Subd. 1b. **Loan participation.** The authority may participate in an agricultural
66.18 improvement loan with an eligible lender to a farmer who meets the requirements of section
66.19 41B.03, subdivision 1, clauses (1) and (2), and who is actively engaged in farming.
66.20 Participation is limited to 45 percent of the principal amount of the loan ~~or. Individual loans~~
66.21 ~~must be no less than \$50,000 and no more than \$500,000, whichever is less.~~ The interest

66.22 rates and repayment terms of the authority's participation interest may be different than the
66.23 interest rates and repayment terms of the lender's retained portion of the loan.

66.24 Sec. 29. Minnesota Statutes 2024, section 41B.045, subdivision 2, is amended to read:

66.25 Subd. 2. **Loan participation.** The authority may participate in a livestock expansion
66.26 and modernization loan with an eligible lender to a livestock farmer who meets the
66.27 requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who are actively
66.28 engaged in a livestock operation. A prospective borrower must have a total net worth,
66.29 including assets and liabilities of the borrower's spouse and dependents, of less than
66.30 \$1,700,000 in 2017 and an amount in subsequent years which is adjusted for inflation by
66.31 multiplying that amount by the cumulative inflation rate as determined by the United States
66.32 All-Items Consumer Price Index.

67.1 Participation is limited to 45 percent of the principal amount of the loan ~~or. Individual~~
67.2 loans must be no less than \$50,000 and no more than \$625,000, whichever is less. The
67.3 interest rates and repayment terms of the authority's participation interest may be different
67.4 from the interest rates and repayment terms of the lender's retained portion of the loan.

67.5 Sec. 30. Minnesota Statutes 2024, section 41B.047, subdivision 3, is amended to read:

67.6 Subd. 3. **Eligibility.** To be eligible for this program, a borrower must:

67.7 (1) meet the requirements of section 41B.03, subdivision 1;

67.8 (2) certify that the damage or loss was: (i) sustained within a county that was the subject
67.9 of a state or federal disaster declaration; (ii) due to the confirmed presence of a highly
67.10 contagious animal disease in Minnesota; (iii) due to an infectious human disease for which
67.11 the governor has declared a peacetime emergency; or (iv) due to an emergency as determined
67.12 by the authority;

67.13 (3) demonstrate an ability to repay the loan; ~~and~~

67.14 (4) have received at least 25 percent of annual gross income from farming in the past
67.15 year; and

67.16 (5) have a total net worth, including assets and liabilities of the borrower's spouse and
67.17 dependents, of less than \$5,000,000.

67.18 Sec. 31. Minnesota Statutes 2024, section 41B.056, subdivision 1, is amended to read:

67.19 Subdivision 1. **Establishment.** The authority shall establish and implement ~~a pilot~~ an
67.20 agricultural microloan program to help finance the purchase of agricultural land or the
67.21 production of specialty crops or eligible livestock. The authority may contract with an
67.22 intermediary to provide an efficient delivery system for this program.

67.23 Sec. 32. Minnesota Statutes 2024, section 41B.057, subdivision 1, is amended to read:

67.24 Subdivision 1. **Establishment.** The authority shall establish a farm opportunity loan
67.25 program to provide loans that enable farmers to:

67.26 (1) add value to crops or livestock produced in Minnesota; or

67.27 ~~(2) adopt best management practices that emphasize sufficiency and self-sufficiency;~~

67.28 ~~(3) reduce or improve management of agricultural inputs resulting in environmental~~
67.29 ~~improvements; or~~

67.30 ~~(4)~~ (2) increase production of on-farm energy.

68.1 Sec. 33. Minnesota Statutes 2024, section 41B.057, subdivision 3, is amended to read:

68.2 Subd. 3. **Loan participation.** The authority may participate in a farm opportunity loan
68.3 with an eligible lender, as defined in section 41B.02, subdivision 8, to a farmer or a group
68.4 of farmers on joint projects who are eligible under subdivision 2, paragraph (c), and who
68.5 are actively engaged in farming. Participation is limited to 45 percent of the principal amount
68.6 of the loan or \$100,000 per individual, whichever is less. For loans to a group made up of
68.7 four or more individuals, participation is limited to 45 percent of the principal amount of
68.8 the loan or \$250,000, whichever is less. The interest rate on the loans must not exceed six
68.9 percent. A borrower must have a total net worth, including assets and liabilities of the
68.10 borrower's spouse and dependents, of less than \$1,700,000 in 2017 and an amount in
68.11 subsequent years that is adjusted for inflation by multiplying that amount by the cumulative
68.12 inflation rate as determined by the United States All-Items Consumer Price Index.

68.13 Sec. 34. Minnesota Statutes 2024, section 223.17, subdivision 3, is amended to read:

68.14 Subd. 3. **Grain buyers and storage account; fees.** (a) The commissioner shall set the
68.15 ~~fees for inspections under sections 223.15 to 223.22~~ examination fees at levels necessary
68.16 to pay the expenses of administering and enforcing sections 223.15 to 223.22. The fee for
68.17 any license issued or renewed after June 30, 2005, ~~shall be set according to the following~~
68.18 ~~schedule:~~ 2025, is \$500 for each licensed location.

68.19 ~~(1) \$140 plus \$110 for each additional location for grain buyers whose gross annual~~
68.20 ~~purchases are less than \$100,000;~~

68.21 ~~(2) \$275 plus \$110 for each additional location for grain buyers whose gross annual~~
68.22 ~~purchases are at least \$100,000, but not more than \$750,000;~~

68.23 ~~(3) \$415 plus \$220 for each additional location for grain buyers whose gross annual~~
68.24 ~~purchases are more than \$750,000 but not more than \$1,500,000;~~

68.25 ~~(4) \$550 plus \$220 for each additional location for grain buyers whose gross annual~~
68.26 ~~purchases are more than \$1,500,000 but not more than \$3,000,000; and~~

68.27 ~~(5) \$700 plus \$220 for each additional location for grain buyers whose gross annual~~
 68.28 ~~purchases are more than \$3,000,000.~~

68.29 (b) In addition to the license fee required under paragraph (a), a grain buyer must pay
 68.30 to the commissioner an annual examination fee for each licensed location, as follows:

68.31	Bushel Capacity	Examination
68.32		Fee
68.33	Examinations without a grain measure	\$ 100
69.1	Less than 150,001	\$ 300
69.2	150,001 to 250,000	\$ 425
69.3	250,001 to 500,000	\$ 545
69.4	500,001 to 750,000	\$ 700
69.5	750,001 to 1,000,000	\$ 865
69.6	1,000,001 to 1,200,000	\$ 1,040
69.7	1,200,001 to 1,500,000	\$ 1,205
69.8	1,500,001 to 2,000,000	\$ 1,380
69.9	More than 2,000,000	\$ 1,555

69.10 (1) examination fees must be calculated based on bushel capacity of each licensed
 69.11 location with a charge of \$0.0035 per bushel of capacity;

69.12 (2) examination fees must not be less than \$350 and must not exceed \$4,000; and

69.13 (3) a licensed location with no grain bin capacity must be charged a \$350 examination
 69.14 fee.

69.15 (c) The fee for any supplemental examination required by the commissioner under section
 69.16 223.23 is ~~\$55~~ \$110 per hour per examiner.

69.17 (d) A licensed grain buyer meeting the annual examination requirements under section
 69.18 223.23 is exempt from the fees under paragraph (b) if the annual examination is conducted
 69.19 by the Agricultural Marketing Service of the United State Department of Agriculture.

69.20 (e) A penalty amount not to exceed ten percent of the fees due may be imposed by the
 69.21 commissioner for each month for which the fees are delinquent.

69.22 (f) There is created the grain buyers and storage account in the agricultural fund. Money
 69.23 collected pursuant to sections 223.15 to 223.23 shall be paid into the state treasury and

69.24 credited to the grain buyers and storage account. Money in the account, including interest,
69.25 is appropriated to the commissioner for the administration and enforcement of sections
69.26 223.15 to 223.23.

69.27 **EFFECTIVE DATE.** This section is effective July 1, 2025.

69.28 Sec. 35. Minnesota Statutes 2024, section 232.22, subdivision 3, is amended to read:

69.29 Subd. 3. **Fees; grain buyers and storage account.** (a) There is created in the agricultural
69.30 fund an account known as the grain buyers and storage account. The commissioner shall
69.31 set the fees for examinations, certifications, and licenses under sections 232.20 to 232.24
69.32 at levels necessary to pay the costs of administering and enforcing sections 232.20 to 232.24.
69.33 All money collected pursuant to sections 232.20 to 232.24 shall be paid by the commissioner
70.1 into the state treasury and credited to the grain buyers and storage account. Money in the
70.2 account, including interest, is appropriated to the commissioner for the administration and
70.3 enforcement of sections 232.20 to 232.24.

70.4 (b) All money collected pursuant to chapter 231 shall be paid by the commissioner into
70.5 the grain buyers and storage account. Money in the account is appropriated to the
70.6 commissioner for the administration and enforcement of chapter 231.

70.7 (c) The fees for a license to store grain are as follows:

70.8 (1) for a license to store grain, ~~\$110~~ \$300 for each home rule charter or statutory city or
70.9 town in which a public grain warehouse is operated; and

70.10 ~~(2) in addition to the license fee required under clause (1), a person with a license to~~
70.11 ~~store grain in a public grain warehouse is subject to an examination fee for each licensed~~
70.12 ~~location, as follows:~~

70.13	Bushel Capacity	Examination
70.14		Fee
70.15	Less than 150,001	\$ 300
70.16	150,001 to 250,000	\$ 425
70.17	250,001 to 500,000	\$ 545
70.18	500,001 to 750,000	\$ 700
70.19	750,001 to 1,000,000	\$ 865
70.20	1,000,001 to 1,200,000	\$ 1,040
70.21	1,200,001 to 1,500,000	\$ 1,205

70.22 ~~1,500,001 to 2,000,000~~ \$ ~~1,380~~

70.23 ~~More than 2,000,000~~ \$ ~~1,555~~

70.24 ~~(3)~~ (2) the fee for supplemental examinations required by the commissioner under section

70.25 232.24 is ~~\$55~~ \$110 per hour per examiner.

70.26 (d) A penalty amount not to exceed ten percent of the fees due may be imposed by the

70.27 commissioner for each month for which the fees are delinquent.

70.28 **EFFECTIVE DATE.** This section is effective July 1, 2025.

70.29 Sec. 36. Minnesota Statutes 2024, section 239.761, subdivision 3, is amended to read:

70.30 Subd. 3. **Gasoline.** (a) Gasoline that is not blended with biofuel must not be contaminated

70.31 with water or other impurities and must comply with ASTM specification ~~D4814-11b~~

70.32 D4814-24a. Gasoline that is not blended with biofuel must also comply with the volatility

70.33 requirements in Code of Federal Regulations, title 40, part 1090.

71.1 (b) After gasoline is sold, transferred, or otherwise removed from a refinery or terminal,

71.2 a person responsible for the product:

71.3 (1) may blend the gasoline with agriculturally derived ethanol as provided in subdivision

71.4 4;

71.5 (2) shall not blend the gasoline with any oxygenate other than biofuel;

71.6 (3) shall not blend the gasoline with other petroleum products that are not gasoline or

71.7 biofuel;

71.8 (4) shall not blend the gasoline with products commonly and commercially known as

71.9 casinghead gasoline, absorption gasoline, condensation gasoline, drip gasoline, or natural

71.10 gasoline; and

71.11 (5) may blend the gasoline with a detergent additive, an antiknock additive, or an additive

71.12 designed to replace tetra-ethyl lead, that is registered by the EPA.

71.13 Sec. 37. Minnesota Statutes 2024, section 239.761, subdivision 4, is amended to read:

71.14 Subd. 4. **Gasoline blended with ethanol; general.** (a) Gasoline may be blended with

71.15 agriculturally derived, denatured ethanol that complies with the requirements of subdivision

71.16 5.

71.17 (b) A gasoline-ethanol blend must:

71.18 (1) comply with the volatility requirements in Code of Federal Regulations, title 40, part

71.19 1090;

- 71.20 (2) comply with ASTM specification ~~D4814-11b~~ D4814-24a, or the gasoline base stock
 71.21 from which a gasoline-ethanol blend was produced must comply with ASTM specification
 71.22 ~~D4814-11b~~ D4814-24a; and
- 71.23 (3) not be blended with casinghead gasoline, absorption gasoline, condensation gasoline,
 71.24 drip gasoline, or natural gasoline after the gasoline-ethanol blend has been sold, transferred,
 71.25 or otherwise removed from a refinery or terminal.
- 71.26 Sec. 38. Minnesota Statutes 2024, section 239.761, subdivision 5, is amended to read:
- 71.27 Subd. 5. **Denatured ethanol.** Denatured ethanol that is to be blended with gasoline must
 71.28 be agriculturally derived and must comply with ASTM specification ~~D4806-11a~~ D4806-21a.
 71.29 This includes the requirement that ethanol may be denatured only as specified in Code of
 71.30 Federal Regulations, title 27, parts 20 and 21.
- 72.1 Sec. 39. Minnesota Statutes 2024, section 239.761, subdivision 6, is amended to read:
- 72.2 Subd. 6. **Gasoline blended with nonethanol oxygenate.** (a) A person responsible for
 72.3 the product shall comply with the following requirements:
- 72.4 (1) after July 1, 2000, gasoline containing in excess of one-third of one percent, in total,
 72.5 of nonethanol oxygenates listed in paragraph (b) must not be sold or offered for sale at any
 72.6 time in this state; and
- 72.7 (2) after July 1, 2005, gasoline containing any of the nonethanol oxygenates listed in
 72.8 paragraph (b) must not be sold or offered for sale in this state.
- 72.9 (b) The oxygenates prohibited under paragraph (a) are:
- 72.10 (1) methyl tertiary butyl ether, as defined in section 296A.01, subdivision 34;
 72.11 (2) ethyl tertiary butyl ether, as defined in section 296A.01, subdivision 18; or
 72.12 (3) tertiary amyl methyl ether.
- 72.13 (c) Gasoline that is blended with a nonethanol oxygenate must comply with ASTM
 72.14 specification ~~D4814-11b~~ D4814-24a. Nonethanol oxygenates must not be blended into
 72.15 gasoline after the gasoline has been sold, transferred, or otherwise removed from a refinery
 72.16 or terminal.
- 72.17 Sec. 40. Minnesota Statutes 2024, section 296A.01, subdivision 20, is amended to read:
- 72.18 Subd. 20. **Ethanol, denatured.** "Ethanol, denatured" means ethanol that is to be blended
 72.19 with gasoline, has been agriculturally derived, and complies with ASTM specification
 72.20 ~~D4806-11a~~ D4806-21a. This includes the requirement that ethanol may be denatured only
 72.21 as specified in Code of Federal Regulations, title 27, parts 20 and 21.
- 72.22 Sec. 41. Minnesota Statutes 2024, section 296A.01, subdivision 23, is amended to read:
- 72.23 Subd. 23. **Gasoline.** (a) "Gasoline" means:

- 72.24 (1) all products commonly or commercially known or sold as gasoline regardless of
 72.25 their classification or uses, except casinghead gasoline, absorption gasoline, condensation
 72.26 gasoline, drip gasoline, or natural gasoline that under the requirements of section 239.761,
 72.27 subdivision 3, must not be blended with gasoline that has been sold, transferred, or otherwise
 72.28 removed from a refinery or terminal; and
- 72.29 (2) any liquid prepared, advertised, offered for sale or sold for use as, or commonly and
 72.30 commercially used as, a fuel in spark-ignition, internal combustion engines, and that when
 73.1 tested by the Weights and Measures Division meets the specifications in ASTM specification
 73.2 ~~D4814-11b~~ D4814-24a.
- 73.3 (b) Gasoline that is not blended with ethanol must not be contaminated with water or
 73.4 other impurities and must comply with both ASTM specification ~~D4814-11b~~ D4814-24a
 73.5 and the volatility requirements in Code of Federal Regulations, title 40, part 1090.
- 73.6 (c) After gasoline is sold, transferred, or otherwise removed from a refinery or terminal,
 73.7 a person responsible for the product:
- 73.8 (1) may blend the gasoline with agriculturally derived ethanol, as provided in subdivision
 73.9 24;
- 73.10 (2) must not blend the gasoline with any oxygenate other than denatured, agriculturally
 73.11 derived ethanol;
- 73.12 (3) must not blend the gasoline with other petroleum products that are not gasoline or
 73.13 denatured, agriculturally derived ethanol;
- 73.14 (4) must not blend the gasoline with products commonly and commercially known as
 73.15 casinghead gasoline, absorption gasoline, condensation gasoline, drip gasoline, or natural
 73.16 gasoline; and
- 73.17 (5) may blend the gasoline with a detergent additive, an antiknock additive, or an additive
 73.18 designed to replace tetra-ethyl lead, that is registered by the EPA.
- 73.19 Sec. 42. Minnesota Statutes 2024, section 296A.01, subdivision 24, is amended to read:
- 73.20 Subd. 24. **Gasoline blended with nonethanol oxygenate.** "Gasoline blended with
 73.21 nonethanol oxygenate" means gasoline blended with ETBE, MTBE, or other alcohol or
 73.22 ether, except denatured ethanol, that is approved as an oxygenate by the EPA, and that
 73.23 complies with ASTM specification ~~D4814-11b~~ D4814-24a. Oxygenates, other than denatured
 73.24 ethanol, must not be blended into gasoline after the gasoline has been sold, transferred, or
 73.25 otherwise removed from a refinery or terminal.
- 73.26 Sec. 43. **[343.256] ELECTIVE DECLAWING PROHIBITED.**
- 73.27 Subdivision 1. **Definitions.** (a) For purposes of this section, the terms in this subdivision
 73.28 have the meanings given.

- 73.29 (b) "Cat" means an animal of the taxonomic family *Felidae*.
- 74.1 (c) "Declawing" means an onychectomy or any other surgical procedure to amputate or
 74.2 modify a portion of a cat's paw in order to remove the cat's claws. Declawing does not
 74.3 include the trimming of nonviable claw husk or placing nonpermanent nail caps.
- 74.4 (d) "Procedure performed solely for a therapeutic purpose" means a medically necessary
 74.5 procedure to address an existing or recurring infection, disease, injury, or abnormal condition
 74.6 in the claws, nail bed, or toe bone that jeopardizes the cat's health. Procedure performed
 74.7 solely for a therapeutic purpose does not include a procedure performed for a cosmetic or
 74.8 aesthetic purpose or to make a cat more convenient to keep or handle.
- 74.9 (e) "Tendonectomy" means a procedure in which the tendons to a cat's limbs, paws, or
 74.10 toes are cut or modified so that the normal functioning of the claws is impaired.
- 74.11 Subd. 2. **Prohibited acts.** Except as provided in subdivision 3, a person must not perform
 74.12 surgical claw removal, declawing, or a tendonectomy on any cat or otherwise alter a cat's
 74.13 toes, claws, or paws in a manner that prevents or impairs the normal function of the cat's
 74.14 toes, claws, or paws.
- 74.15 Subd. 3. **Therapeutic purpose.** The prohibition in subdivision 2 does not apply to a
 74.16 procedure performed solely for a therapeutic purpose.

ARTICLE 3, SECTION 44 IS IN THE AG APPROPRIATIONS ART 1 SIDE BY SIDE.

- 75.12 Sec. 45. **REPEALER.**
- 75.13 (a) Minnesota Statutes 2024, section 239.77, subdivision 5, is repealed.
- 75.14 (b) Minnesota Statutes 2024, sections 35.68; and 35.830, are repealed.
- 75.15 Sec. 46. **EFFECTIVE DATE.**
- 75.16 Except as otherwise provided, this article is effective August 1, 2025.

ARTICLE 4

- 75.18 **LIVESTOCK MARKET AGENCY AND DEALER LICENSING PROVISIONS**
- 75.19 Section 1. Minnesota Statutes 2024, section 17A.03, subdivision 8, is amended to read:
- 75.20 Subd. 8. **Livestock dealer agent.** "Livestock dealer agent" means any individual who
 75.21 is engaged by a livestock dealer to act as the dealer's representative.
- 75.22 Sec. 2. Minnesota Statutes 2024, section 17A.03, subdivision 10, is amended to read:
- 75.23 Subd. 10. **Meat packing plants companies, packers, and slaughtering houses.** "Meat
 75.24 packing plants companies," "packers," and "slaughtering houses" ~~means~~ mean places of

75.25 business ~~where livestock purchased or acquired is slaughtered~~ that have the meaning given
75.26 to "packers" as defined in section 31B.02, subdivision 8.

76.1 Sec. 3. Minnesota Statutes 2024, section 17A.03, subdivision 11, is amended to read:

76.2 Subd. 11. **Buying station.** "Buying station" means any stockyard or concentration point,
76.3 other than a public stockyard, at which livestock is bought and sold or assembled for shipment
76.4 to a meat packing plant company or a public stockyard, or graded or weighed for the purpose
76.5 of establishing a basis for sale or reshipment.

76.6 Sec. 4. Minnesota Statutes 2024, section 17A.03, is amended by adding a subdivision to
76.7 read:

76.8 Subd. 16. **Meat packing company agent.** "Meat packing company agent" means an
76.9 individual who is engaged by a meat packing company to act as the company's representative.

76.10 Sec. 5. Minnesota Statutes 2024, section 17A.04, subdivision 1, is amended to read:

76.11 Subdivision 1. **Licensing provisions.** (a) Licenses shall be issued to livestock market
76.12 agencies and public stockyards annually and shall expire on December 31 each year,
76.13 renewable annually thereafter. A separate license must be obtained for each separate
76.14 geographical location even though operated under the same management or same person,
76.15 partnership, firm, corporation, or livestock market. The license issued to a livestock market
76.16 agency ~~and~~ or public stockyard shall be conspicuously posted at the licensee's place of
76.17 business.

76.18 (b) Licenses shall be required for livestock dealers ~~and their agents~~, livestock dealer
76.19 agents, meat packing companies, and meat packing company agents for the period beginning
76.20 July 1 each year and ending June 30. A license issued under this subdivision is renewable
76.21 annually thereafter. The license issued to a livestock dealer ~~or the agent of a~~, livestock dealer
76.22 agent, meat packing company, or meat packing company agent shall be carried by the person
76.23 ~~so who is licensed.~~ The A livestock dealer or meat packing company shall be responsible
76.24 for the acts of the dealer's agents, livestock dealer agent or meat packing company agent.
76.25 Licensed livestock market agencies, public stockyards, and livestock dealers shall be
76.26 responsible for the faithful performance of duty of the public livestock weighers at their
76.27 places of business. The license issued to a livestock market agency, public stockyard ~~or,~~
76.28 meat packing company, meat packing company agent, livestock dealer, or agent of a livestock
76.29 dealer agent is not transferable. The operation of livestock market agencies, livestock dealers,
76.30 agents, and ~~packers~~ meat packing companies at a public stockyard are exempt from sections
76.31 17A.01 to 17A.09 and 17A.12 to 17A.17.

77.1 Sec. 6. Minnesota Statutes 2024, section 17A.04, subdivision 2, is amended to read:

77.2 Subd. 2. **Application.** Any person desiring to carry on the business of a livestock market
77.3 agency or livestock dealer, or both, or a public stockyard, livestock dealer agent, meat
77.4 packing company, or meat packing company agent shall make application to the
77.5 commissioner on a form or forms provided by the commissioner.

77.6 Sec. 7. Minnesota Statutes 2024, section 17A.04, subdivision 4, is amended to read:

77.7 Subd. 4. **Surety bonds required.** Each livestock market agency and livestock dealer
 77.8 applying for a license ~~under Laws 1974, chapter 347~~ shall file with the commissioner a
 77.9 valid and effective bond issued by a surety company licensed to do business in this state,
 77.10 or meeting the requirements of section 17A.05, in the form and amount set forth in section
 77.11 17A.05. No bond shall be required of a public stockyard or any agent of a bonded livestock
 77.12 dealer. The commissioner may at any time raise or lower bond requirements if it appears
 77.13 that a modification of such bond requirements is justified and will protect the public. The
 77.14 bonds of livestock market agencies and dealers whose residence or principal place of business
 77.15 is within the state of Minnesota shall name the commissioner as the trustee. ~~Any A~~ license
 77.16 ~~issued under Laws 1974, chapter 347~~ shall automatically become void upon the termination
 77.17 of the surety bond covering the licensed operations.

77.18 Sec. 8. Minnesota Statutes 2024, section 17A.04, subdivision 6, is amended to read:

77.19 Subd. 6. **Refusal to license.** The commissioner shall refuse to issue or renew a livestock
 77.20 market agency, meat packing company, or livestock dealer license if the applicant has not
 77.21 filed a surety bond in the form and amount required under this section and section 17A.05;
 77.22 the commissioner may refuse to issue or renew a license if the applicant: (1) has not
 77.23 satisfactorily demonstrated by a current balance sheet and financial statement that the
 77.24 applicant's assets exceed liabilities; (2) has been found by the department to have failed to
 77.25 pay, without reasonable cause, obligations incurred in connection with livestock transactions;
 77.26 (3) has failed to maintain and operate livestock or monorail scales in a manner to ensure
 77.27 accurate and correct weights; or (4) has failed to comply with other statutes, rules, or
 77.28 regulations enforced by the commissioner, the Board of Animal Health, the Division of
 77.29 Weights and Measures of the Department of Commerce, or the federal Packers and
 77.30 Stockyards Administration.

78.1 Sec. 9. Minnesota Statutes 2024, section 17A.04, subdivision 7, is amended to read:

78.2 Subd. 7. **Revocation of license.** Whenever the commissioner finds that any livestock
 78.3 market agency, meat packing company, or livestock dealer has violated the provisions of
 78.4 this chapter, or has failed to comply with other laws, rules, or regulations enforced by the
 78.5 Board of Animal Health, the Division of Weights and Measures of the Department of
 78.6 Commerce, or the federal Packers and Stockyards Administration, the commissioner may,
 78.7 by order, pursuant to the provisions of chapter 14, and this subdivision, revoke the license
 78.8 of the offender. ~~Before any such license shall be revoked, the licensee shall be furnished~~
 78.9 ~~with a statement of the complaints made against the licensee, and a hearing shall be had~~
 78.10 ~~before the commissioner upon at least ten days' notice to the licensee to determine whether~~
 78.11 ~~such license shall be revoked, which notice may be served either by certified mail addressed~~
 78.12 ~~to the address of the licensee as shown in the license application or in the manner provided~~
 78.13 ~~by law for the service of a summons. At the time and place fixed for hearing, the~~
 78.14 ~~commissioner or any official, employee or agent of the department authorized by the~~
 78.15 ~~commissioner, shall receive evidence, administer oaths, examine witnesses, hear the~~

78.16 ~~testimony and thereafter file an order either dismissing the proceedings or revoking the~~
78.17 ~~license.~~

78.18 Sec. 10. Minnesota Statutes 2024, section 17A.04, subdivision 8, is amended to read:

78.19 Subd. 8. **Suspension of license.** Whenever the commissioner finds that the licensee has
78.20 violated provisions of this chapter, or has failed to comply with other laws, rules, or
78.21 regulations enforced by the Board of Animal Health, the Division of Weights and Measures
78.22 of the Department of Commerce, or the federal Packers and Stockyards Administration,
78.23 and that the continued activity of a licensee may cause irreparable injury or loss to persons
78.24 engaged in business with the licensee, the commissioner may, without hearing, suspend the
78.25 license of the licensee, provided that when a license is so suspended, the commissioner shall
78.26 immediately initiate procedures to afford the licensee a hearing pursuant to subdivision 7
78.27 ~~except that the ten days' notice required in subdivision 7 may be waived by the licensee.~~

78.28 Sec. 11. Minnesota Statutes 2024, section 17A.06, subdivision 2, is amended to read:

78.29 Subd. 2. **Hearing on claims.** In case of default by the licensee, the commissioner shall
78.30 have the power to have the matter heard as a contested case pursuant to procedures outlined
78.31 in chapter 14. ~~No hearing shall be required if all affected parties to a bond claim proceeding~~
78.32 ~~waive their right to a hearing and agree to accept the commissioner's determination as to~~
78.33 ~~the validity of the claim and the allocation of the proceeds of the bond. The commissioner~~
79.1 must first determine whether a claim is valid. If the commissioner determines that a claim
79.2 is valid, the commissioner must notify the licensee of the determination and that the licensee
79.3 has 15 days to either pay the claim or appeal the determination. If the licensee does not
79.4 respond within 15 days, the determination must be considered a final order by the
79.5 commissioner. If the commissioner determines that a claim is not valid, the commissioner
79.6 must notify the claimant of the determination and that the claimant has 15 days to appeal
79.7 the determination. If the claimant does not respond within 15 days, the determination must
79.8 be considered a final order by the commissioner.

79.9 Sec. 12. Minnesota Statutes 2024, section 17A.06, subdivision 3, is amended to read:

79.10 Subd. 3. **Public notice.** ~~Prior to a hearing~~ After the commissioner determines that a
79.11 claim is valid, the commissioner shall publish a notice setting forth the default of the licensee
79.12 and requiring all claimants to file proof of claim with the commissioner within 45 days of
79.13 the date such notice is published or be barred from participating in the proceeds of the bond.
79.14 Such publication shall be made in a newspaper published in the county in which the licensee's
79.15 principal place of business is located. The commissioner shall also fulfill any notice
79.16 requirements prescribed by chapter 14 and rules of the Office of Administrative Hearings.
79.17 No claim shall be allowed unless it is filed with the commissioner within one year of the
79.18 date of the transaction. If a livestock market agency, meat packing company, or livestock
79.19 dealer has on file a Packers and Stockyards Act bond and is registered with the Packers and
79.20 Stockyards Administration, the terms of the bond or that federal agency's regulations will
79.21 control.

79.22 Sec. 13. Minnesota Statutes 2024, section 17A.07, is amended to read:

79.23 **17A.07 PROHIBITED CONDUCT.**

79.24 It shall be unlawful for any person to: (1) carry on the business of a livestock market
79.25 agency, livestock dealer, livestock dealer agent, meat packing company, meat packing
79.26 company agent, or public stockyard without a valid and effective license issued by the
79.27 commissioner under the provisions of section 17A.04; (2) carry on the business of a livestock
79.28 market agency, meat packing company, or livestock dealer without filing and maintaining
79.29 a valid and effective surety bond in conformity with sections 17A.04 and 17A.05; (3) carry
79.30 on the business of a livestock market agency, meat packing company, or livestock dealer
79.31 if the person cannot pay debts as they become due or ceases to pay debts in the ordinary
79.32 course of business as they become due; (4) use or allow to be used any livestock scale or
79.33 monorail scale which has not been certified and approved for official use or has been found
80.1 to be inaccurate; (5) fail to maintain and operate livestock or monorail scales in a manner
80.2 to ensure accurate and correct weights; (6) weigh livestock or carcasses at other than true
80.3 and correct weights or issue accounts and records on the basis of inaccurate or incorrect
80.4 weights; (7) engage in or use any unfair or deceptive practice or device in connection with
80.5 marketing of livestock; (8) willfully make or cause to be made any false entry or statement
80.6 of fact in any application, financial statement or report filed with the department under this
80.7 chapter.

80.8 Sec. 14. Minnesota Statutes 2024, section 17A.08, is amended to read:

80.9 **17A.08 RECORD KEEPING.**

80.10 Every person shall make and retain such accounts, records, and memoranda necessary
80.11 to fully and correctly disclose all transactions involved in the person's business, including
80.12 the true ownership of such business by stockholding or otherwise. Whenever the
80.13 commissioner finds that the accounts, records, and memoranda of any such person do not
80.14 fully and correctly disclose all transactions involved in the person's business, the
80.15 commissioner may ~~prescribe~~ take enforcement actions in addition to prescribing the manner
80.16 or form and length of time for retention which such accounts, records, and memoranda shall
80.17 be kept. The commissioner shall at all reasonable times have access to, for the purpose of
80.18 examination, and the right to copy any documentary evidence of any person being
80.19 investigated or proceeded against.

80.20 Sec. 15. Minnesota Statutes 2024, section 17A.15, is amended to read:

80.21 **17A.15 POWERS AND DUTIES OF COMMISSIONER.**

80.22 The commissioner shall enforce the provisions of ~~Laws 1974, chapter 347~~ this chapter
80.23 and shall promulgate, in the manner provided by law, such rules as the commissioner deems
80.24 necessary or desirable, and may cooperate with any department of state or government, to
80.25 carry out the provisions of sections 17A.01 to 17A.15. The commissioner or a duly authorized
80.26 agent shall have the power to issue subpoenas, administer oaths and affirmations, examine
80.27 witnesses, receive evidence, and shall have the power to require by subpoena the attendance

- 80.28 and testimony of witnesses and the production of all such documentary evidence relating
80.29 to any matter under investigation or administrative proceeding.
- 80.30 Sec. 16. **EFFECTIVE DATE.**
- 80.31 This article is effective August 1, 2025.
- 81.1 **ARTICLE 5**
- 81.2 **SEED POTATO PROVISIONS**
- 81.3 Section 1. Minnesota Statutes 2024, section 18J.01, is amended to read:
- 81.4 **18J.01 DEFINITIONS.**
- 81.5 (a) The definitions in this section; chapters 18G, 18H, 18K, 27, 223, 231, and 232; and
81.6 sections ~~18G.02, 18H.02, 18K.02, 27.01, 223.16, 231.01, and 232.21~~ 21.111 to 21.125 and
81.7 21.80 to 21.92 apply to this chapter.
- 81.8 (b) For purposes of this chapter, "associated rules" means rules adopted under this
81.9 chapter, chapter 18G, 18H, 18K, 27, 223, 231, or 232, or sections ~~21.80~~ 21.111 to 21.92,
81.10 21.125.
- 81.11 Sec. 2. Minnesota Statutes 2024, section 18J.02, is amended to read:
- 81.12 **18J.02 DUTIES OF COMMISSIONER.**
- 81.13 The commissioner shall administer and enforce this chapter, chapters 18G, 18H, 18K,
81.14 27, 223, 231, and 232; sections 21.111 to 21.125, and 21.80 to 21.92; and associated rules.
- 81.15 Sec. 3. Minnesota Statutes 2024, section 18J.03, is amended to read:
- 81.16 **18J.03 CIVIL LIABILITY.**
- 81.17 A person regulated by this chapter, chapter 18G, 18H, 18K, 27, 223, 231, or 232, or
81.18 sections 21.111 to 21.125 or 21.80 to 21.92, is civilly liable for any violation of one of those
81.19 statutes or associated rules by the person's employee or agent.
- 81.20 Sec. 4. Minnesota Statutes 2024, section 18J.04, subdivision 1, is amended to read:
- 81.21 Subdivision 1. **Access and entry.** The commissioner, upon presentation of official
81.22 department credentials, must be granted immediate access at reasonable times to sites where
81.23 a person manufactures, distributes, uses, handles, disposes of, stores, or transports seeds,
81.24 plants, grain, household goods, general merchandise, produce, or other living or nonliving
81.25 products or other objects regulated under chapter 18G, 18H, 18K, 27, 223, 231, or 232;
81.26 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules.
- 81.27 Sec. 5. Minnesota Statutes 2024, section 18J.04, subdivision 2, is amended to read:
- 81.28 Subd. 2. **Purpose of entry.** (a) The commissioner may enter sites for:

- 82.1 (1) inspection of inventory and equipment for the manufacture, storage, handling,
82.2 distribution, disposal, or any other process regulated under chapter 18G, 18H, 18K, 27, 223,
82.3 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;
- 82.4 (2) sampling of sites, seeds, plants, products, grain, household goods, general
82.5 merchandise, produce, or other living or nonliving objects that are manufactured, stored,
82.6 distributed, handled, or disposed of at those sites and regulated under chapter 18G, 18H,
82.7 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;
- 82.8 (3) inspection of records related to the manufacture, distribution, storage, handling, or
82.9 disposal of seeds, plants, products, grain, household goods, general merchandise, produce,
82.10 or other living or nonliving objects regulated under chapter 18G, 18H, 18K, 27, 223, 231,
82.11 or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;
- 82.12 (4) investigating compliance with chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections
82.13 21.111 to 21.125 or 21.80 to 21.92; or associated rules; or
- 82.14 (5) other purposes necessary to implement chapter 18G, 18H, 18K, 27, 223, 231, or 232;
82.15 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules.
- 82.16 (b) The commissioner may enter any public or private premises during or after regular
82.17 business hours without notice of inspection when a suspected violation of chapter 18G,
82.18 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
82.19 rules may threaten public health or the environment.
- 82.20 Sec. 6. Minnesota Statutes 2024, section 18J.04, subdivision 3, is amended to read:
- 82.21 Subd. 3. **Notice of inspection samples and analyses.** (a) The commissioner shall provide
82.22 the owner, operator, or agent in charge with a receipt describing any samples obtained. If
82.23 requested, the commissioner shall split any samples obtained and provide them to the owner,
82.24 operator, or agent in charge. If an analysis is made of the samples, a copy of the results of
82.25 the analysis must be furnished to the owner, operator, or agent in charge within 30 days
82.26 after an analysis has been performed. If an analysis is not performed, the commissioner
82.27 must notify the owner, operator, or agent in charge within 30 days of the decision not to
82.28 perform the analysis.
- 82.29 (b) The sampling and analysis must be done according to methods provided for under
82.30 applicable provisions of chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to
82.31 21.125 or 21.80 to 21.92; or associated rules. In cases not covered by those sections and
82.32 methods or in cases where methods are available in which improved applicability has been
82.33 demonstrated the commissioner may adopt appropriate methods from other sources.
- 83.1 Sec. 7. Minnesota Statutes 2024, section 18J.04, subdivision 4, is amended to read:
- 83.2 Subd. 4. **Inspection requests by others.** (a) A person who believes that a violation of
83.3 chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92;
83.4 or associated rules has occurred may request an inspection by giving notice to the

- 83.5 commissioner of the violation. The notice must be in writing, state with reasonable
83.6 particularity the grounds for the notice, and be signed by the person making the request.
- 83.7 (b) If after receiving a notice of violation the commissioner reasonably believes that a
83.8 violation has occurred, the commissioner shall make a special inspection in accordance with
83.9 the provisions of this section as soon as practicable, to determine if a violation has occurred.
- 83.10 (c) An inspection conducted pursuant to a notice under this subdivision may cover an
83.11 entire site and is not limited to the portion of the site specified in the notice. If the
83.12 commissioner determines that reasonable grounds to believe that a violation occurred do
83.13 not exist, the commissioner must notify the person making the request in writing of the
83.14 determination.
- 83.15 Sec. 8. Minnesota Statutes 2024, section 18J.05, subdivision 1, is amended to read:
- 83.16 Subdivision 1. **Enforcement required.** (a) A violation of chapter 18G, 18H, 18K, 27,
83.17 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or an associated rule is a
83.18 violation of this chapter.
- 83.19 (b) Upon the request of the commissioner, county attorneys, sheriffs, and other officers
83.20 having authority in the enforcement of the general criminal laws must take action to the
83.21 extent of their authority necessary or proper for the enforcement of chapter 18G, 18H, 18K,
83.22 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules or
83.23 valid orders, standards, stipulations, and agreements of the commissioner.
- 83.24 Sec. 9. Minnesota Statutes 2024, section 18J.05, subdivision 2, is amended to read:
- 83.25 Subd. 2. **Commissioner's discretion.** If minor violations of chapter 18G, 18H, 18K,
83.26 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules occur
83.27 or the commissioner believes the public interest will be best served by a suitable notice of
83.28 warning in writing, this section does not require the commissioner to:
- 83.29 (1) report the violation for prosecution;
- 83.30 (2) institute seizure proceedings; or
- 83.31 (3) issue a withdrawal from distribution, stop-sale, or other order.
- 84.1 Sec. 10. Minnesota Statutes 2024, section 18J.05, subdivision 6, is amended to read:
- 84.2 Subd. 6. **Agent for service of process.** All persons licensed, permitted, registered, or
84.3 certified under chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or
84.4 21.80 to 21.92; or associated rules must appoint the commissioner as the agent upon whom
84.5 all legal process may be served and service upon the commissioner is deemed to be service
84.6 on the licensee, permittee, registrant, or certified person.

84.7 Sec. 11. Minnesota Statutes 2024, section 18J.06, is amended to read:

84.8 **18J.06 FALSE STATEMENT OR RECORD.**

84.9 A person must not knowingly make or offer a false statement, record, or other information
84.10 as part of:

84.11 (1) an application for registration, license, certification, or permit under chapter 18G,
84.12 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
84.13 rules;

84.14 (2) records or reports required under chapter 18G, 18H, 18K, 27, 223, 231, or 232;
84.15 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules; or

84.16 (3) an investigation of a violation of chapter 18G, 18H, 18K, 27, 223, 231, or 232;
84.17 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules.

84.18 Sec. 12. Minnesota Statutes 2024, section 18J.07, subdivision 3, is amended to read:

84.19 Subd. 3. **Cancellation of registration, permit, license, certification.** The commissioner
84.20 may cancel or revoke a registration, permit, license, or certification provided for under
84.21 chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92;
84.22 or associated rules or refuse to register, permit, license, or certify under provisions of chapter
84.23 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or
84.24 associated rules if the registrant, permittee, licensee, or certified person has used fraudulent
84.25 or deceptive practices in the evasion or attempted evasion of a provision of chapter 18G,
84.26 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
84.27 rules.

84.28 Sec. 13. Minnesota Statutes 2024, section 18J.07, subdivision 4, is amended to read:

84.29 Subd. 4. **Service of order or notice.** (a) If a person is not available for service of an
84.30 order, the commissioner may attach the order to the facility, site, seed or seed container,
84.31 plant or other living or nonliving object regulated under chapter 18G, 18H, 18K, 27, 223,
85.1 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules and notify the
85.2 owner, custodian, other responsible party, or registrant.

85.3 (b) The seed, seed container, plant, or other living or nonliving object regulated under
85.4 chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92;
85.5 or associated rules may not be sold, used, tampered with, or removed until released under
85.6 conditions specified by the commissioner, by an administrative law judge, or by a court.

85.7 Sec. 14. Minnesota Statutes 2024, section 18J.07, subdivision 5, is amended to read:

85.8 Subd. 5. **Unsatisfied judgments.** (a) An applicant for a license, permit, registration, or
85.9 certification under provisions of this chapter, chapter 18G, 18H, 18K, 27, 223, 231, or 232;
85.10 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules may not allow a final

85.11 judgment against the applicant for damages arising from a violation of those statutes or
85.12 rules to remain unsatisfied for a period of more than 30 days.

85.13 (b) Failure to satisfy, within 30 days, a final judgment resulting from a violation of this
85.14 chapter results in automatic suspension of the license, permit, registration, or certification.

85.15 Sec. 15. Minnesota Statutes 2024, section 18J.09, is amended to read:

85.16 **18J.09 CREDITING OF PENALTIES, FEES, AND COSTS.**

85.17 Penalties, cost reimbursements, fees, and other money collected under this chapter must
85.18 be deposited into the state treasury and credited to the appropriate nursery and phytosanitary
85.19 account under section 18H.17, industrial hemp account under section 18K.07, ~~or seed potato~~
85.20 inspection account under section 21.115, seed inspection account under section 21.92, or
85.21 grain buyers and storage account under sections 223.17 and 232.22.

85.22 Sec. 16. Minnesota Statutes 2024, section 21.111, is amended to read:

85.23 **21.111 DEFINITIONS.**

85.24 Subdivision 1. **Scope.** When used in sections 21.111 to ~~21.122~~ 21.125 the terms defined
85.25 in this section shall have the meanings ascribed to them.

85.26 ~~Subd. 2. **Inspected.** "Inspected" means that the potato plants are examined in the field~~
85.27 ~~and that the harvested potatoes produced by the potato plants are examined by or under the~~
85.28 ~~authority of the commissioner. For seed potatoes produced in a lab, inspected means that~~
85.29 ~~the lab's records, including records related to the lab's procedures and protocols, as well as~~
85.30 ~~the seed potatoes, have been examined under the authority of the commissioner.~~

86.1 Subd. 3. **Certified.** "Certified" means that the potatoes were inspected while growing
86.2 in the field and, when possible, again after being harvested, and were thereafter duly certified
86.3 by or under the authority of the commissioner, as provided in sections 21.111 to ~~21.122~~,
86.4 ~~and as provided by rules adopted and published by the commissioner 21.125.~~ For seed
86.5 potatoes produced in a lab, certified means that:

86.6 (1) the seed potato lab facilities and the lab's procedures and protocols have been
86.7 examined under the authority of the commissioner; and

86.8 (2) the seed potatoes have been inspected after they have been harvested, removed, or
86.9 released from the lab, and were duly certified by or under the authority of the commissioner,
86.10 as provided in sections 21.111 to ~~21.122~~ 21.125.

86.11 ~~Subd. 3a. **Interstate cooperation.** In order to best use state resources, the commissioner~~
86.12 ~~may enter into agreements with other seed potato certification entities to carry out the~~
86.13 ~~purposes of sections 21.111 to 21.122. Any agreement may provide for field inspections,~~
86.14 ~~shipping point inspections, winter tests, and other certification functions to be carried out~~
86.15 ~~by personnel employed by either entity according to methods determined by the certification~~
86.16 ~~entities of the respective areas. The commissioner may extend seed potato certification~~

- 86.17 ~~services to states where growers wish to grow certified seed potatoes and the state does not~~
 86.18 ~~have a seed potato certification program. Any agreement must be reported to the chairs of~~
 86.19 ~~the legislative committees responsible for the budget or policy of the seed potato inspection~~
 86.20 ~~program and to the commissioner of management and budget.~~
- 86.21 Subd. 3b. **Certified seed potatoes.** "Certified seed potatoes" means potatoes that have
 86.22 been produced, graded, sacked or placed in bulk, inspected, and certified in accordance with
 86.23 this chapter.
- 86.24 Subd. 3c. **Class.** "Class" means the seed quality level related to compliance with
 86.25 tolerances for diseases and varietal purity.
- 86.26 Subd. 3d. **Clone.** "Clone" means a unit of seed potatoes that is the progeny of one plant,
 86.27 which has been tested to become eligible to produce Generation 1 class seed potatoes.
- 86.28 Subd. 3e. **Commissioner.** "Commissioner" means the commissioner of agriculture or
 86.29 the commissioner's designee.
- 86.30 Subd. 3f. **Crop.** "Crop" means all lots produced on a farm in one year.
- 86.31 Subd. 3g. **Department.** "Department" means the Department of Agriculture.
- 87.1 Subd. 3h. **Explant.** "Explant" means an in vitro potato plant or a plantlet that is produced
 87.2 by rooting an excised tip of a tuber sprout or an axillary bud from a growing plant and that
 87.3 serves as a parent for a whole clone or accession of micropropagated plants or plantlets.
- 87.4 Subd. 3i. **Farm.** "Farm" means a potato-growing enterprise. Farm includes all land,
 87.5 equipment, storage facilities, and laborers used to produce potatoes.
- 87.6 Subd. 3j. **Field.** "Field" means a plot of land on a farm where potatoes are grown.
- 87.7 Subd. 3k. **Inspected.** (a) For plants growing in a field, "inspected" means that the
 87.8 commissioner has examined the plants in the field where the plants are grown and has
 87.9 visually assessed the plants for disease and factors impacting quality.
- 87.10 (b) For harvested potatoes, inspected means that the commissioner has observed the
 87.11 tubers and, when requested, the commissioner has evaluated the tubers for quality and
 87.12 conditions described in section 21.125.
- 87.13 (c) For seed potatoes produced by a laboratory, inspected means that the commissioner
 87.14 has examined the seed potatoes and the laboratory's records, including records related to
 87.15 the laboratory's procedures and protocols.
- 87.16 Subd. 3l. **Lot.** "Lot" means a group of seed potatoes of one variety, planted in one
 87.17 continuous plot, grown on the same farm, and physically separated from other lots while
 87.18 being grown and stored.

- 87.19 Subd. 3m. **Material in maintenance.** "Material in maintenance" means propagative
87.20 material, plantlets, or tubers that are maintained, not multiplied, under controlled laboratory
87.21 conditions.
- 87.22 Subd. 3n. **Roguing.** "Roguing" is the process of removing infected plants from a field
87.23 of certified seed potatoes.
- 87.24 Subd. 3o. **Stand.** "Stand" is the live plant population in a certified seed potato lot.
- 87.25 Subd. 5. **Seed potatoes.** "Seed potatoes" means potatoes used, sold, offered or exposed
87.26 for sale, or held with intent to sell or as a sample representing any lot or stock of potatoes
87.27 offered or exposed for sale or held with intent to sell within this state, for the purpose of
87.28 planting.
- 87.29 Subd. 6. **Person.** "Person" includes an individual, partnership, corporation, company,
87.30 society, association, and firms.
- 87.31 Subd. 7. **Physically separated.** "Physically separated" means separated by at least the
87.32 width of one row and markings such as flags at every corner of the lot.
- 88.1 Subd. 8. **Rejected.** "Rejected" means that a field or lot fails to meet the certification
88.2 standards in this chapter.
- 88.3 Subd. 9. **Tuber units.** "Tuber units" means the separate pieces of one tuber that are
88.4 planted consecutively in two or more hills in a row.
- 88.5 Subd. 10. **Winter testing.** "Winter testing" means growing out and visually inspecting
88.6 a representative sample of tubers from each seed lot for stand, vigor, varietal purity, and
88.7 disease.
- 88.8 Sec. 17. Minnesota Statutes 2024, section 21.112, is amended by adding a subdivision to
88.9 read:
- 88.10 Subd. 1a. **Interstate cooperation.** In order to best use state resources, the commissioner
88.11 may enter into agreements with other seed potato certification entities to carry out the
88.12 purposes of sections 21.111 to 21.125. An agreement under this subdivision may provide
88.13 for field inspections, shipping point inspections, winter testing, and other certification
88.14 functions to be carried out by personnel employed by either the commissioner or other seed
88.15 potato certification entities according to methods determined by the seed potato certification
88.16 entities. The commissioner may extend seed potato certification services to a state where
88.17 growers wish to grow certified seed potatoes and where the state does not have a seed potato
88.18 certification program. Any agreement under this subdivision must be reported to the chairs
88.19 and ranking minority members of the legislative committees responsible for the budget or
88.20 policy of the seed potato inspection program and to the commissioner of management and
88.21 budget.

88.22 Sec. 18. Minnesota Statutes 2024, section 21.113, is amended to read:

88.23 **21.113 SHIPPING POINT CERTIFICATES OF INSPECTION; CERTIFICATES**
88.24 **OF ORIGIN; AND BULK CERTIFICATES.**

88.25 Subdivision 1. **Shipping point inspections.** (a) The commissioner shall issue shipping
88.26 point certificates of inspection only when seed potatoes have been inspected while growing
88.27 in the field and again after being harvested.

88.28 (b) For seed potatoes produced in a lab or greenhouse, the commissioner shall issue
88.29 certificates of inspection only after:

88.30 (1) the seed potato ~~lab~~ growth facility and the ~~lab's~~ growth facility's records have been
88.31 inspected; and

89.1 (2) the seed potatoes have been inspected after they have been harvested, removed, or
89.2 released from the lab or greenhouse.

89.3 (c) Certificates of inspection under this section shall show the varietal purity and the
89.4 freedom from disease and physical injury of such potatoes and any other information as
89.5 may be prescribed by ~~rules adopted and published under~~ sections 21.111 to ~~21.122~~ 21.125.

89.6 Subd. 2. **Other certificates.** (a) The use of a certificate of origin requires the approval
89.7 of the seller and the purchaser and must only be used for intrastate shipments between
89.8 certified seed potato producers. The certificate of origin must contain information considered
89.9 necessary by the commissioner and must at a minimum identify the producer, receiver,
89.10 variety, classification, quantity, date of shipment, and lot of the seed potatoes. The limitation
89.11 of warranty as described in paragraph (c) must not include any representation of the condition
89.12 of the potatoes at the time of shipment. A certificate of origin must only be used for intrastate
89.13 shipment if a shipping point inspection is not available. Use of a certificate of origin must
89.14 be approved by the commissioner prior to shipment.

89.15 (b) A bulk certificate must include the date of issuance, class, grade, lot number, and
89.16 approximate weight of the load.

89.17 (c) A certification does not represent a warranty of any kind, express or implied, including
89.18 merchantability, as to the quality of the crop produced from the certified seed potatoes. A
89.19 certification must only represent that the seed potatoes were produced, graded, sacked or
89.20 placed in bulk, and inspected in accordance with this chapter. A certification under this
89.21 subdivision must not include any representation of the condition of the potatoes at the time
89.22 of shipment.

89.23 Sec. 19. Minnesota Statutes 2024, section 21.115, is amended to read:

89.24 **21.115 FEES; SEED POTATO INSPECTION ACCOUNT.**

89.25 The commissioner shall fix the fees for all inspections and certifications in such amounts
89.26 as from time to time may be found necessary to pay the expenses of carrying out and

89.27 enforcing the purposes of sections 21.111 to ~~21.122~~ 21.125, with a reasonable reserve, and
 89.28 shall require the same to be paid before such inspections or certifications are made. All
 89.29 moneys collected as fees or as penalties for violations of any of the provisions of such
 89.30 sections shall be paid into the agricultural fund and credited to the seed potato inspection
 89.31 account of the commissioner, which account is hereby created and appropriated for carrying
 89.32 out the purposes of sections 21.111 to ~~21.122~~ 21.125. Interest, if any, received on deposits
 89.33 of these moneys shall be credited to the account, and there shall be paid into this fund any
 90.1 sum provided by the legislature for the purpose of carrying out the provisions of such
 90.2 sections.

90.3 Sec. 20. Minnesota Statutes 2024, section 21.117, is amended to read:

90.4 **21.117 APPLICATIONS FOR INSPECTIONS; WITHDRAWALS;**
 90.5 **AMENDMENTS.**

90.6 (a) Any person may make application to the commissioner for inspection or certification
 90.7 of seed potatoes growing or to be grown. Upon receiving such application and the required
 90.8 fee and such other information as may be required, the commissioner shall cause such
 90.9 potatoes to be inspected or certified in accordance with the provisions of sections 21.111
 90.10 to ~~21.122~~ and the rules adopted and published thereunder 21.125.

90.11 (b) If a grower wishes to withdraw ~~a field or lab~~ an application after having made a
 90.12 timely application for inspection and such withdrawal is requested before the field or lab
 90.13 inspection has been made, the fee paid shall be refunded to said grower. A grower must
 90.14 submit a withdrawal request in writing and include a reason for withdrawal. A grower must
 90.15 remove withdrawn acres from production before the first field inspection.

90.16 (c) If a grower wishes to amend an application after submitting a timely application for
 90.17 inspection, the grower must submit the request in writing, including a reason for the
 90.18 amendment.

90.19 Sec. 21. Minnesota Statutes 2024, section 21.119, is amended to read:

90.20 **21.119 USE OF CERTAIN TERMS FORBIDDEN; EXCEPTIONS.**

90.21 It shall be unlawful to use or employ the term "certified" or the term "inspected," or any
 90.22 term or terms conveying a meaning substantially equivalent to the meaning of either of
 90.23 these terms, either orally or in writing, printing, marking, or otherwise in reference to or in
 90.24 connection with, or in advertising or characterizing or labeling seed potatoes or the containers
 90.25 thereof, unless such potatoes shall have been duly inspected and certified pursuant to the
 90.26 provisions of sections 21.111 to ~~21.122~~ 21.125.

90.27 Sec. 22. Minnesota Statutes 2024, section 21.1195, is amended to read:

90.28 **21.1195 MINIMUM STANDARDS FOR PLANTING.**

90.29 (a) ~~Seed~~ Potatoes may not be planted in the state in lots of ten or more acres unless the
 90.30 seed meets the minimum disease standards prescribed by the commissioner. ~~Seed~~ Potatoes

90.31 may meet the standards by being certified in accordance with this chapter and rules adopted
 91.1 by the commissioner, or under the certification program of another state or province which,
 91.2 in the judgment of the commissioner, provides equivalent assurances of seed potato quality.
 91.3 ~~Seed~~ Potatoes may be planted without certification if they have had at least field inspection
 91.4 as required for certified seed potatoes, have passed the field inspection standards of disease
 91.5 tolerance, and are free from ring rot. ~~A person that plants seed potatoes in violation of this~~
 91.6 ~~section is subject to a civil penalty of \$20 per acre for each acre or part of an acre planted~~
 91.7 ~~in violation of this section.~~ Failure to maintain complete and accurate records in accordance
 91.8 with this section ~~or rules adopted by the commissioner is an additional violation resulting~~
 91.9 ~~in a separate civil penalty of \$200 for each failure~~ is a violation and subject to enforcement
 91.10 under chapter 18J.

91.11 (b) If there is not available to be planted in this state, in any year, a sufficient volume
 91.12 of potato seed meeting certified seed potato disease standards, in any or all varieties, the
 91.13 commissioner may, upon application by one or more growers, permit seed that does not
 91.14 comply with this section to be planted for that growing season if the seed does not pose a
 91.15 serious disease threat.

91.16 (c) Each grower shall keep records of each lot of ~~seed~~ potatoes planted. For each growing
 91.17 season, the records must include, by field, the variety, planting location, and source of the
 91.18 seed potatoes. Each grower shall register fields and file records as prescribed by the
 91.19 commissioner. All records must be made available for inspection by the commissioner or
 91.20 the commissioner's agents during normal business hours.

91.21 (d) In addition to the enforcement powers and penalties in this section, the commissioner
 91.22 may issue a subpoena to a grower in order to compel delivery of records which are required
 91.23 under this section. These subpoenas are enforceable by any court of competent jurisdiction.

91.24 Sec. 23. Minnesota Statutes 2024, section 21.1196, subdivision 2, is amended to read:

91.25 Subd. 2. **Restriction.** (a) ~~The seed potato certification requirements under sections 21.111~~
 91.26 ~~to 21.122 apply to potatoes grown in plots of ten acres or more in the restricted seed potato~~
 91.27 ~~growing area. Qualifying potatoes grown in the restricted seed potato growing area must~~
 91.28 ~~be certified as seed potatoes. A grower who seeks to plant potatoes in the restricted seed~~
 91.29 ~~potato growing area and who does not intend to have the potatoes certified as seed potatoes~~
 91.30 must meet the following requirements:

91.31 (1) seed potatoes planted in the restricted seed potato growing area must have been
 91.32 certified before planting. For seed potatoes to be certified, the seed potatoes must meet the
 91.33 standards of this chapter or the standards of a certification program of another state or
 92.1 province that, in the judgment of the commissioner, provides equivalent assurances of seed
 92.2 potato quality;

92.3 (2) certification documentation for all lots planted on a farm must be filed with the
 92.4 Department of Agriculture;

- 92.5 (3) planted lots must meet tolerances for certified class seed potatoes; and
- 92.6 (4) the potato plants must be inspected by the commissioner during a site visit.
- 92.7 (b) The commissioner may enter and inspect plots subject to paragraph (a) during the
- 92.8 growing season.
- 92.9 (c) Potatoes grown in the restricted seed potato growing area that have not met the
- 92.10 requirements for certification must not be labeled, marketed, or sold as certified seed potatoes.
- 92.11 (d) If, in any year, a sufficient volume of potato seed that meets certification standards
- 92.12 related to disease, in any or all varieties, is not available to be planted in Minnesota, the
- 92.13 commissioner may, upon application by one or more growers, permit potato seed that does
- 92.14 not comply with this section to be planted for that growing season if the seed does not pose
- 92.15 a serious threat of disease to the public.
- 92.16 Sec. 24. **[21.123] SEED POTATO CERTIFICATION.**
- 92.17 Subdivision 1. Eligibility. In order to produce certified seed potatoes, a grower must
- 92.18 comply with the following requirements:
- 92.19 (1) a grower must ensure that potatoes meet the tolerances prescribed by this chapter
- 92.20 and the potatoes have been inspected by the commissioner while growing in a field;
- 92.21 (2) a grower must ensure that all potatoes planted on the grower's farm have been entered
- 92.22 for certification by the commissioner;
- 92.23 (3) a grower must ensure that each lot is grown while physically separated from other
- 92.24 lots. Markers must be visible to an inspector from anywhere in the area of separation;
- 92.25 (4) a grower must submit an application for certification before June 16 each year on
- 92.26 forms provided by the commissioner. The commissioner must charge a ten percent late
- 92.27 registration fee to a grower who submitted an application postmarked after June 15 and
- 92.28 before July 1. The commissioner may extend the deadline due to special circumstances,
- 92.29 such as a natural disaster, that make it impractical or impossible for planting to be completed
- 92.30 by the deadline and that affect an area or large number of growers. A grower must make a
- 92.31 request for an extension in writing before June 16;
- 93.1 (5) an application for certification must include a North American Health Certificate
- 93.2 and a shipping point certificate, bulk seed certificate, or certificate of origin. The
- 93.3 commissioner must not accept an incomplete application for certification;
- 93.4 (6) an application for recertification must demonstrate that the seed potatoes being
- 93.5 entered for recertification originated from a class system in Minnesota or another state or
- 93.6 province under the supervision of another certifying agency; and
- 93.7 (7) a grower must comply with sections 21.111 to 21.125. A grower's violation of sections
- 93.8 21.111 to 21.125 is cause for the commissioner to reject the grower's field or lot. A grower

- 93.9 must not sell or label potatoes as certified seed potatoes when the potatoes were grown in
 93.10 a rejected field or lot.
- 93.11 **Subd. 2. Certification process.** (a) As part of the certification process, the commissioner
 93.12 must visually inspect sample plants and tubers from each field and lot belonging to the
 93.13 grower, except that the commissioner is not required to visually inspect sample plants and
 93.14 tubers when certifying prenuclear class potatoes.
- 93.15 (b) For seed potato varieties that do not exhibit visible symptoms of a specific pathogen,
 93.16 the commissioner must subject the seed potatoes to laboratory tests to determine the level
 93.17 of a pathogen in a seed lot. Testing under this paragraph may occur during the growing
 93.18 season, the storage season, or winter testing.
- 93.19 (c) The commissioner must not accept an application for certification from a grower in
 93.20 a community or county without sufficient acreage for total inspection fee charges to cover
 93.21 the cost of wages and expenses of the commissioner to complete an inspection. The
 93.22 commissioner must make a determination of sufficient acreage under this paragraph before
 93.23 conducting an inspection as part of the certification process.
- 93.24 (d) The commissioner must not inspect a field for certification unless both the planted
 93.25 seed potato variety and the particular planted lot have been authorized by the commissioner.
 93.26 When considering the authorization of a particular seed potato variety for planting as certified
 93.27 seed potatoes, the commissioner must consider scientific evidence and the expert opinions
 93.28 of inspectors.
- 93.29 (e) The following classes of seed potatoes are eligible for planting as certified seed
 93.30 potatoes: Prenuclear (PN), Generation 1 (G1), Generation 2 (G2), Generation 3 (G3),
 93.31 Generation 4 (G4), Generation 5 (G5), and experimental class seed potatoes. The
 93.32 commissioner may authorize the planting of Certified (C) class or Generation 6 (G6) class
 93.33 seed potatoes if the commissioner determines that the seeds do not pose a serious threat of
 93.34 disease to the public.
- 94.1 **Subd. 3. Bacterial ring rot or potato spindle tuber viroid.** If the commissioner finds
 94.2 the presence of bacterial ring rot or potato spindle tuber viroid in a field or lot, the
 94.3 commissioner must reject the entire field or lot. If the commissioner discovers a single plant
 94.4 in a field or a tuber in storage that is infected with bacterial ring rot or potato spindle tuber
 94.5 viroid, the commissioner must reject the entire field or lot where the plant was grown. If
 94.6 the commissioner has not found bacterial ring rot or potato spindle tuber viroid in a field
 94.7 or lot, the field or lot is not necessarily free from either disease.
- 94.8 **Subd. 4. Winter testing.** (a) In order to detect certain virus diseases, the commissioner
 94.9 must conduct winter testing of a sample from each class seeking eligibility for recertification,
 94.10 except PN, G1, and experimental classes. The commissioner must grow out and visually
 94.11 inspect a representative sample of tubers from each seed lot for stand, vigor, varietal purity,
 94.12 and disease. If, during a visual inspection, a plant shows signs of potato virus Y or potato
 94.13 leafroll virus, or if the plant is of a variety that does not express visual symptoms of infection,

- 94.14 the commissioner must ensure that a sample of the plant is lab tested for potato virus Y and
 94.15 potato leafroll virus. The commissioner must determine whether a field or lot contains the
 94.16 threshold amount of disease permitted under section 21.124, subdivision 9. The commissioner
 94.17 must include any lot that passes winter testing in the approved list of certified seed lots
 94.18 eligible for recertification.
- 94.19 (b) If the commissioner determines that a winter test of a lot or field has a serious
 94.20 malfunction, the commissioner must base classification of the lot or field on summer field
 94.21 readings from the previous year or lab testing.
- 94.22 (c) Instead of winter testing a sample of winter grow out, the commissioner may accept
 94.23 comprehensive lab testing if the commissioner determines that special circumstances exist,
 94.24 such as a natural disaster, that would make submission of samples for inclusion in winter
 94.25 testing impractical or impossible.
- 94.26 (d) The commissioner must reject a field or lot if the commissioner determines that a
 94.27 large number of plants are missing from the field or lot due to disease.
- 94.28 (e) The commissioner must reject a field or lot if the commissioner determines that the
 94.29 field or lot contains a large number of weak plants.
- 94.30 (f) The commissioner may reject a field or lot if the field or lot contains a large number
 94.31 of plants that have a mixture of variety.
- 94.32 Subd. 5. Seed potato certification classes. Seed potato certification classes must be
 94.33 differentiated by the potatoes' compliance with disease tolerances, varietal purity, and seed
 95.1 origin. Seed potato certification classes are: Prenuclear, Generation 1, Generation 2,
 95.2 Generation 3, Generation 4, Generation 5, Generation 6, and Certified.
- 95.3 Subd. 6. Experimental status. (a) Lots from a breeder's seed that have not been tested
 95.4 and have not been determined to be virus-free are considered experimental. The commissioner
 95.5 must designate seedlings or numbered selections in experimental status as a class and
 95.6 determine requirements of that class.
- 95.7 (b) To obtain experimental status under this subdivision, an applicant must submit a
 95.8 written statement from the seedlings' or numbered selections' breeder, originator, or
 95.9 originator's designee verifying that the applicant has full and unrestricted rights to introduce
 95.10 the seedlings or numbered selections into the commercial market and that the applicant may
 95.11 apply to enter the seedlings or numbered selections into the certification system. The written
 95.12 statement must accompany the certification application submitted by the applicant.
- 95.13 (c) After reviewing the applicant's written statement and certification application, the
 95.14 commissioner may designate seedlings or numbered selections described in the application
 95.15 as having experimental status.

95.16 (d) After an applicant is notified by the commissioner that the seedlings or numbered
 95.17 selections have experimental status, the applicant must ensure that the seedlings or numbered
 95.18 selections are tagged with the word "EXPERIMENTAL."

95.19 Subd. 7. **Protected varieties.** If an applicant seeks to enter a seed potato variety protected
 95.20 under the Plant Variety Protection Act Amendments of 1994 into the certification system,
 95.21 the applicant must submit a written statement from the breeder, originator, or originator's
 95.22 designee that the applicant has full and unrestricted rights to introduce the protected variety
 95.23 into the certification system. The applicant must ensure that the written statement
 95.24 accompanies the certification application for any protected seed potato variety.

95.25 Subd. 8. **Certification factors; field inspection.** (a) The commissioner must consider
 95.26 the following factors when conducting a field inspection pursuant to a certification
 95.27 application:

95.28 (1) the commissioner must reject a field or lot if a large number of plants are missing
 95.29 due to disease;

95.30 (2) the commissioner must reject a field or lot if the field or lot contains a large number
 95.31 of weak plants;

95.32 (3) the commissioner must inspect a field or lot for bacterial ring rot. The commissioner
 95.33 must reject a field or lot if the commissioner finds the presence of bacterial ring rot. If
 96.1 bacterial ring rot is present in a field or lot, the remaining crop is not eligible for certification
 96.2 planting;

96.3 (4) the commissioner must reject a field or lot if the field or lot contains potatoes with
 96.4 a level of disease higher than the acceptable tolerance for the disease for the potatoes' seed
 96.5 potato certification class according to section 21.124, subdivision 9;

96.6 (5) the commissioner must reject a field or lot if the field or lot contains a percentage
 96.7 of diseased plants that exceeds the acceptable percentage of disease listed in section 21.124
 96.8 for the seed potato certification class;

96.9 (6) the commissioner must reject a field or lot if any of the following are present in the
 96.10 field or lot to such an extent that the commissioner is unable to complete a satisfactory
 96.11 inspection for diseases: early or late blight, blackleg or wilt of any kind, weeds, plant injury
 96.12 from insects, or chemical damage; and

96.13 (7) the commissioner must reject a field or lot if any other conditions are present to such
 96.14 an extent that the commissioner is unable to make a satisfactory inspection for diseases.

96.15 (b) The commissioner must determine that a field is ineligible for certification if cull
 96.16 piles are in such close vicinity to the field that it is likely that the field is contaminated.

96.17 (c) The commissioner must make at least two field inspections of a field during the
 96.18 growing season. The commissioner must conduct a final inspection of a field for bacterial
 96.19 ring rot during the time of year that symptoms of bacterial ring rot are most likely to be

- 96.20 observed. If the commissioner is unable to conduct a final inspection under this paragraph
 96.21 due to management practices of the grower or for a reason that is out of the grower's control,
 96.22 such as a natural disaster, the grower must ensure that laboratory testing is conducted to
 96.23 maintain eligibility for certification. An additional inspection or additional laboratory testing
 96.24 may be necessary to meet phytosanitary requirements in established markets in another state
 96.25 or in a Canadian province.
- 96.26 Subd. 9. **Roguing.** If any of the diseases listed in section 21.124, subdivision 1, are
 96.27 present in a field in amounts greater than the maximum disease tolerance level, the grower
 96.28 must rogue the field and remove the infected plants before the final inspection by the
 96.29 commissioner. If a grower has completed roguing a field after tubers have formed, the
 96.30 grower must remove and destroy all tubers from rogued plants.
- 96.31 Subd. 10. **Storage.** (a) A grower must ensure that a lot is stored under conditions that
 96.32 prevent disease contamination. A grower must not store a lot in any warehouse where other
 96.33 potatoes are stored, unless the grower labels the lot according to paragraph (b).
- 97.1 (b) If more than one grower stores lots in the same warehouse, each grower must identify
 97.2 the grower's lots by labeling the bin containing the lot with the grower's name, the grower's
 97.3 address, the variety of potatoes in the bin, and the number of potatoes in the bin.
- 97.4 (c) If a grower plans to store a lot in a public warehouse or storage unit that is not directly
 97.5 under the grower's control, the grower must send a complete record of storage to the
 97.6 commissioner prior to storing the lot. The record must include the address and location of
 97.7 the public warehouse or storage unit, the variety of potatoes in each bin, and the number of
 97.8 potatoes in each bin. If a warehouse receipt for the lot is available, the grower must submit
 97.9 a copy of the warehouse receipt to the commissioner. If more than one grower stores lots
 97.10 in the same public warehouse or storage unit, the grower must label each lot according to
 97.11 paragraph (b).
- 97.12 (d) A grower must not use the same equipment for grading and handling lots of certified
 97.13 seed potatoes and other potatoes. If a grower has used the same equipment for grading and
 97.14 handling certified seed potatoes and other potatoes, the commissioner must reject the grower's
 97.15 lots.
- 97.16 (e) A firm that handles lots under contract must label each bin containing a lot with the
 97.17 name of the grower whose lots are being stored. A firm handling lots under contract must
 97.18 properly label and handle bins containing lots. A certification tag or bulk certificate must
 97.19 not be issued unless all bins are properly labeled according to this paragraph.
- 97.20 (f) By November 1 of each crop year, a grower must submit to the commissioner a
 97.21 completed storage and yield report for each lot on a form prescribed by the commissioner.
 97.22 The commissioner may extend the deadline after November 1 due to special circumstances,
 97.23 such as a natural disaster, that would make it impractical or impossible for a grower to
 97.24 complete harvesting and storage by November 1 and that affect an area or a large number

97.25 of growers. A grower must submit a written request for an extension to the commissioner
 97.26 before November 1 of the crop year for which the extension is sought.

97.27 Subd. 11. **Tags; bulk certificates.** (a) Once the commissioner has informed a grower
 97.28 that the grower's potatoes meet the certification requirements in sections 21.111 to 21.125,
 97.29 a grower may tag the potatoes using an approved tag indicating the grade of potatoes as
 97.30 blue-tag-certified seed potato grade, yellow-tag-certified seed potato grade, or
 97.31 white-tag-certified seed potato grade. A grower's name, the city where the farm is located,
 97.32 the potato variety, and the crop year must be printed on a tag under this subdivision.

97.33 (b) When fastening a tag to a potato sack, a grower must fasten the tag to the sack to
 97.34 form a seal at the time that the lot is prepared for shipment.

98.1 (c) A bulk certificate must include the date that the certificate was issued, class, grade,
 98.2 lot number, and approximate weight of the lot.

98.3 (d) If a grower wishes to tag the grower's own potatoes, the grower must order the tags
 98.4 for the grower's own potatoes.

98.5 (e) A grower may print a tag for potatoes if the grower has provided proof of each lot
 98.6 to the commissioner for review before using the tag. A tag printed by a grower must contain
 98.7 the following statement: "The quality and condition of each lot is only confirmed through
 98.8 a shipping point inspection certificate. This tag, without an accompanying shipping point
 98.9 inspection certificate, is not proof that the potatoes contained within have been duly
 98.10 inspected."

98.11 Subd. 12. **Certified seed potato grades.** Certified seed potatoes must be classified by
 98.12 certified seed potato grades based on the number of physical defects of tubers. A grower
 98.13 must only use a certified seed potato grade for potatoes after a shipping point inspection of
 98.14 the potatoes has been completed. The following three grades of certified seed potatoes must
 98.15 be used for Minnesota-certified seed potatoes:

98.16 (1) the blue-tag-certified seed potato grade is the first grade of certified seed potatoes.
 98.17 The blue-tag-certified seed potato grade is stricter than other grades. The blue-tag-certified
 98.18 seed potato grade does not allow as many physical defects of tubers as other grades. A
 98.19 grower may use the blue-tag-certified seed potato grade for intrastate and interstate shipments
 98.20 of certified seed potatoes.

98.21 (2) the yellow-tag-certified seed potato grade is the second grade of certified seed
 98.22 potatoes. The yellow-tag-certified seed potato grade allows more physical defects of tubers
 98.23 than the blue-tag-certified seed potato grade. A grower may use the yellow-tag-certified
 98.24 seed potato grade for intrastate and interstate shipments of certified seed potatoes; and

98.25 (3) the white-tag-certified seed potato grade is the third grade of certified seed potatoes.
 98.26 The number of physical defects that the white-tag-certified seed potato grade allows is
 98.27 determined by an agreement between the purchaser and seller of the certified seed potatoes.

- 98.28 A grower may use the white-tag-certified seed potato grade for intrastate and interstate
 98.29 shipments of certified seed potatoes.
- 98.30 Subd. 13. **Grading.** (a) A grower must ensure that a lot is inspected at the shipping point
 98.31 if the lot requires a grade statement.
- 98.32 (b) If an inspection at the shipping point is impossible, a grower must request a grading
 98.33 inspection in transit.
- 99.1 (c) A grower must ensure that a bagged lot or shipment offered for sale and tagged with
 99.2 approved certification tags is contained in new even-weight sacks.
- 99.3 (d) A grower must ensure that a bulk shipment is identified with a bulk certificate.
- 99.4 (e) A grower must ensure that a bagged lot and bulk lot or shipment meets grade standards
 99.5 in section 21.125.
- 99.6 (f) A grower must recondition a lot or shipment that fails to meet the grade standards in
 99.7 section 21.125.
- 99.8 (1) If a lot or shipment fails to meet grade standards and is contained in sacks, a grower
 99.9 must remove approved certification tags from the lot or shipment before the lot or shipment
 99.10 may proceed to its destination.
- 99.11 (2) If a shipment is in bulk and fails to meet grade standards in section 21.125, a bulk
 99.12 certificate must not be issued.
- 99.13 (g) If a lot or shipment fails to meet grade standards, the shipper must bear the costs of
 99.14 reconditioning potatoes to meet the grade standards in section 21.125.
- 99.15 Sec. 25. **[21.124] REQUIREMENTS FOR PRODUCTION OF DIFFERENT**
 99.16 **CLASSES OF CERTIFIED SEED POTATOES.**
- 99.17 Subdivision 1. **Prenuclear class certified seed potatoes.** (a) A lot grown as and intended
 99.18 to be prenuclear class certified seed potatoes must be grown from plants tested and shown
 99.19 to be free from the following pathogens:
- 99.20 (1) *Clavibacter michiganensis* ssp. *sepedonicus* (ring rot);
- 99.21 (2) *Pectobacterium atrosepticum* ssp. *Atrosepticum*, *carotovora* (blackleg);
- 99.22 (3) potato virus X;
- 99.23 (4) potato virus S;
- 99.24 (5) potato virus A;
- 99.25 (6) potato virus M;
- 99.26 (7) potato virus Y;

- 99.27 (8) potato spindle tuber viroid; and
- 99.28 (9) potato leafroll virus.
- 99.29 (b) When growing prenuclear class seed potatoes, a grower must ensure that each explant
 99.30 or tuber is tested for organisms for which testing is required by the state or province of
 100.1 destination. A grower must ensure that material in maintenance is tested during the year of
 100.2 producing prenuclear class seed potatoes.
- 100.3 (c) A grower must produce prenuclear class seed potatoes in a greenhouse or screenhouse
 100.4 under sanitary conditions, free from insects and weeds that can harbor or transmit potato
 100.5 diseases or other conditions that would allow possible disease contamination. A grower
 100.6 must ensure that a facility used for growing prenuclear seed potatoes is sufficiently insulated
 100.7 from insects by screens and double doors. The commissioner may inspect any facility or
 100.8 equipment used for growing, handling, and storing prenuclear class seed potatoes to verify
 100.9 that the facility or equipment complies with this paragraph.
- 100.10 (d) A grower must ensure that one percent of each lot or ten plants or tubers from each
 100.11 lot, whichever is greater, is tested during the growing season to verify that the crop is free
 100.12 from potato virus X, potato virus Y, potato leafroll virus, *C. michiganensis*, and *P.*
 100.13 *atrosepticum*.
- 100.14 (e) Prenuclear tubers may originate from greenhouse tubers for one year only if the
 100.15 greenhouse tubers have remained at the same growing operation and have remained isolated
 100.16 from field-grown tubers.
- 100.17 (f) Prenuclear class certified seed potatoes must not contain more than the allowable
 100.18 tolerances for disease and varietal mixture in subdivision 9.
- 100.19 Subd. 2. **Generation 1 class certified seed potatoes.** (a) Generation 1 class seed potatoes
 100.20 must meet the following requirements:
- 100.21 (1) the seed source must be either prenuclear tubers, clones, or plantlets; and
- 100.22 (2) tubers or plantlets must be planted in identifiable family units.
- 100.23 (b) Lots in Generation 1 class may be exempt from winter testing requirements if leaves
 100.24 collected during the growing season are laboratory tested and shown to be within the
 100.25 allowable tolerance of potato virus X, potato virus Y, and other pathogens identified by the
 100.26 commissioner.
- 100.27 (c) Each lot must be stored in an individual identifiable unit.
- 100.28 (d) Generation 1 seed potatoes must not contain more than the allowable tolerances for
 100.29 disease and varietal mixture for seed potatoes in subdivision 9.
- 100.30 Subd. 3. **Generation 2 class certified seed potatoes.** Generation 2 class seed potatoes
 100.31 must originate from Generation 1 class seed potatoes. Generation 2 class seed potatoes must

- 101.1 not contain more than the allowable tolerances of disease and varietal mixture in subdivision
- 101.2 9.
- 101.3 Subd. 4. **Generation 3 class certified seed potatoes.** Generation 3 class seed potatoes
- 101.4 must originate from Generation 2 class seed potatoes. Generation 3 class seed potatoes must
- 101.5 not contain more than the allowable tolerances of disease and varietal mixture in subdivision
- 101.6 9.
- 101.7 Subd. 5. **Generation 4 class certified seed potatoes.** Generation 4 class seed potatoes
- 101.8 must originate from Generation 3 class seed potatoes. Generation 4 class seed potatoes must
- 101.9 not contain more than the allowable tolerances for disease and varietal mixture in subdivision
- 101.10 9.
- 101.11 Subd. 6. **Generation 5 class certified seed potatoes.** Generation 5 class seed potatoes
- 101.12 must originate from Generation 4 class seed potatoes. Generation 5 class seed potatoes must
- 101.13 not contain more than the allowable tolerances for disease and varietal mixture in subdivision
- 101.14 9.
- 101.15 Subd. 7. **Generation 6 class certified seed potatoes.** Generation 6 class seed potatoes
- 101.16 must originate from Generation 5 class seed potatoes. Generation 6 class seed potatoes must
- 101.17 not contain more than the allowable tolerances for disease and varietal mixture in subdivision
- 101.18 9.
- 101.19 Subd. 8. **Certified class certified seed potatoes.** Certified class seed potatoes must
- 101.20 originate from generation classes of seed potatoes. Certified class seed potatoes must not
- 101.21 contain more than the allowable tolerances for disease and varietal mixture in subdivision
- 101.22 9.
- 101.23 Subd. 9. **Allowable tolerances for diseases and varietal mixture by generation**
- 101.24 **class.** The numbers represent the percentage of potatoes that may be affected out of an
- 101.25 individual lot.

101.26	<u>PN</u>	<u>G1</u>	<u>G2</u>	<u>G3</u>	<u>G4</u>	<u>G5</u>	<u>G6</u>	<u>C</u>
101.27 <u>Tolerances:</u>								
101.28 <u>Severe Mosaic from</u>								
101.29 <u>potato virus Y, A, M,</u>								
101.30 <u>X, and/or S</u>	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>1</u>
101.31 <u>Leafroll</u>	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>1</u>
101.32 <u>Total</u>	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>1</u>
101.33 <u>Other viruses</u>	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>

101.34	<u>Mycoplasmas (haywire,</u>								
101.35	<u>witches broom, yellow</u>								
101.36	<u>dwarf)</u>	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
102.1	<u>Total</u>	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
102.2	<u>Blackleg</u>	<u>0</u>	<u>0</u>	<u>0.2</u>	<u>0.5</u>	<u>1</u>	<u>exc.</u>	<u>exc.</u>	<u>exc.</u>
102.3	<u>Varietal mixture</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.2</u>	<u>0.2</u>
102.4	<u>Ring Rot and Spindle</u>								
102.5	<u>Tuber</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
102.6	<u>Winter Test:</u>								
102.7	<u>Virus or expressing</u>								
102.8	<u>symptoms of chemical</u>								
102.9	<u>damage</u>	<u>-</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
102.10	<u>Sec. 26. [21.125] MINNESOTA CERTIFIED SEED POTATO GRADES AND</u>								
102.11	<u>TOLERANCES.</u>								
102.12	<u>Subdivision 1. Certified seed potato grading. Potatoes must meet the requirements of</u>								
102.13	<u>sections 21.111 to 21.125 to be graded as certified seed potatoes.</u>								
102.14	<u>Subd. 2. Definitions. (a) For the purposes of this section, the following terms have the</u>								
102.15	<u>meanings given.</u>								
102.16	<u>(b) "Damage" means any defect or combination of defects that materially affects the</u>								
102.17	<u>appearance of the individual potato, or that cannot be removed without a loss of more than</u>								
102.18	<u>five percent of the total weight of the potato, including the peel covering the defective area.</u>								
102.19	<u>(c) "Diameter" means the greatest dimension at right angles to the longitudinal axis.</u>								
102.20	<u>Diameter means the long axis.</u>								
102.21	<u>(d) "Dry rot" means decaying tissue that is dry.</u>								
102.22	<u>(e) "Fairly clean" means that the individual potato is reasonably free from dirt, staining,</u>								
102.23	<u>or other foreign matter.</u>								
102.24	<u>(f) "Fairly well-shaped" means that the individual potato is not materially pointed,</u>								
102.25	<u>dumbbell-shaped, or otherwise ill-formed.</u>								
102.26	<u>(g) "Mature" means that the outer skin does not loosen or feather readily during the</u>								
102.27	<u>ordinary methods of handling.</u>								
102.28	<u>(h) "Serious damage" means any defect or combination of defects that seriously affects</u>								
102.29	<u>the appearance of the individual potato or that cannot be removed without a loss of more</u>								

- 102.30 than ten percent of the total weight of the potato, including the peel covering the defective
 102.31 area.
- 102.32 (i) "Slightly dirty" means the appearance is not materially affected by dirt, staining, or
 102.33 other foreign matter.
- 103.1 (j) "Soft rot" or "wet breakdown" means any soft, mushy, or leaky condition of potato
 103.2 tissues.
- 103.3 (k) "Well-shaped" means the normal shape for a variety.
- 103.4 Subd. 3. **Damage.** The commissioner must find that one or more of the following defects
 103.5 constitutes damage:
- 103.6 (1) a russet scab that materially detracts from the appearance of a potato;
- 103.7 (2) second growth or growth cracks that materially affect the appearance of an individual
 103.8 potato;
- 103.9 (3) air cracks when removal of the air cracks causes a loss of more than five percent of
 103.10 the total weight of a potato;
- 103.11 (4) a potato that is more than moderately shriveled, spongy, or flabby;
- 103.12 (5) an individual potato that has sprouts over one inch in length;
- 103.13 (6) a surface scab, powdery scab, or pitted scab that covers more than five percent of
 103.14 the surface of a potato or a surface scab, powdery scab, or pitted scab that, when removed,
 103.15 causes a potato to lose more than five percent of the potato's total weight, including peel
 103.16 covering a defective area of the potato; or
- 103.17 (7) more than 50 percent of a potato's surface contains scattered, lightly caked soil or
 103.18 more than 15 percent of a potato's surface is badly caked with soil.
- 103.19 Subd. 4. **Serious damage.** The commissioner must find that one or more of the following
 103.20 defects constitutes serious damage:
- 103.21 (1) a russet scab that seriously detracts from the appearance of a potato;
- 103.22 (2) the appearance of a potato is seriously affected by caked or smeared dirt or other
 103.23 foreign matter;
- 103.24 (3) both ends of a potato are cut or clipped, more than an estimated one-fourth of a potato
 103.25 is cut away from one end, or a remaining portion of a clipped potato weighs less than six
 103.26 ounces;
- 103.27 (4) one or more cuts that seriously affect the appearance of a potato or that cannot be
 103.28 removed without the loss of more than ten percent of a potato's total weight, including peel
 103.29 covering the defective area;

- 103.30 (5) a potato that is excessively shriveled, spongy, or flabby;
- 104.1 (6) a surface scab, powdery scab, or pitted scab that covers more than 25 percent of the
- 104.2 surface of a potato or a surface scab, powdery scab, or pitted scab that, when removed,
- 104.3 causes a loss of more than ten percent of a potato's total weight, including peel covering the
- 104.4 defective area; or
- 104.5 (7) wireworm or air cracks that, when removed, cause a loss of more than ten percent
- 104.6 of a potato's total weight.
- 104.7 Subd. 5. **Application of tolerance.** If the average of an entire lot is within the disease
- 104.8 tolerances specified for the grade in section 21.124, subdivision 9, an individual container
- 104.9 in the lot may contain no more than double the disease tolerance specified in section 21.124,
- 104.10 subdivision 9, except that sprouts, at least one defective specimen with a defect other than
- 104.11 bacterial ring rot, and one off size specimen is permitted. This subdivision does not apply
- 104.12 to bulk conveyances.
- 104.13 Subd. 6. **Condition after transit.** Deterioration that developed in transit must affect the
- 104.14 condition of potatoes. Deterioration that developed in transit must not affect the grade of
- 104.15 potatoes.
- 104.16 Subd. 7. **Minnesota blue-tag-certified seed potato grade.** (a) To be graded as Minnesota
- 104.17 blue-tag-certified seed potatoes, potatoes must meet the following requirements:
- 104.18 (1) at the time of the shipping point inspection, potatoes must be of one variety;
- 104.19 unwashed; fairly well-shaped; free from bacterial ring rot, late blight, freezing, black heart,
- 104.20 and soft rot or wet breakdown; free from damage caused by soil or other foreign matter,
- 104.21 second growth, air cracks, cuts, shriveling, sprouts, pitted scabs, surface scabs, powdery
- 104.22 scabs, russet scabs, dry rot, other diseases, insects or worms, mechanical or other means,
- 104.23 or flattened or depressed areas with underlying flesh discoloration; and free from serious
- 104.24 damage caused by hollow heart, wireworm, growth cracks, or internal discoloration other
- 104.25 than hollow heart. Sunburn and silver scurf must not be considered factors that affect the
- 104.26 grading of potatoes. This clause does not apply to hollow heart if the potatoes are labeled
- 104.27 "hollow heart exempt" on the affixed tag or accompanying certificate; and
- 104.28 (2) for round or intermediate shaped varieties, the maximum potato size is 12 ounces
- 104.29 (340.2 grams) and, unless otherwise specified, the minimum size must not be less than 1-1/2
- 104.30 inches (38.1 millimeters) in diameter. For long varieties, the maximum size is 14 ounces
- 104.31 (396.9 grams) and, unless otherwise specified, the minimum size must not be less than 1-1/2
- 104.32 inches (38.1 millimeters) in diameter. For all varieties, the minimum diameter for size "B"
- 104.33 must not be less than 1-1/2 inches (38.1 millimeters) and the maximum size must not be
- 104.34 more than 2-1/4 inches (57.1 millimeters) in diameter. The department may grade potatoes
- 105.1 that do not meet the maximum and minimum size specifications as Minnesota
- 105.2 blue-tag-certified seed potatoes if the buyer agrees to accept potatoes of alternate size

- 105.3 specifications from the grower and the specifications are listed on the affixed tag or
 105.4 accompanying bulk certificate issued by the department.
- 105.5 (b) To allow for variations incident to proper grading and handling, the following lot
 105.6 tolerances are permitted:
- 105.7 (1) for defects:
- 105.8 (i) up to ten percent of a lot may be seriously damaged by hollow heart, unless labeled
 105.9 "hollow heart exempt" on the affixed tag or accompanying certificate;
- 105.10 (ii) up to five percent of a lot may be seriously damaged by internal discoloration due
 105.11 to causes other than hollow heart;
- 105.12 (iii) up to ten percent of a lot may be damaged by soil or other foreign matter;
- 105.13 (iv) up to 20 percent of a lot may be damaged by sprouts;
- 105.14 (v) up to ten percent of a lot may be seriously damaged by wireworm;
- 105.15 (vi) for potatoes that fail to meet the remaining requirements of the potatoes' grade, a
 105.16 lot may contain up to a total of six percent of the following defects combined and must not
 105.17 contain more than the following percentage of defects:
- 105.18 (A) soft rot, frozen, or wet breakdown, 0.5 percent;
- 105.19 (B) damage by surface scab, powdery scab, or pitted scab, 2.0 percent;
- 105.20 (C) damage by dry rot, 2.0 percent, of which not more than 1.0 percent is late blight
 105.21 tuber rot;
- 105.22 (D) bacterial ring rot, 0.0 percent; and
- 105.23 (E) late blight tuber rot, 1.0 percent; and
- 105.24 (vii) the presence of the following does not affect seed quality and must not be scored
 105.25 against the potatoes' grade:
- 105.26 (A) brown discoloration following skinning;
- 105.27 (B) dried stems;
- 105.28 (C) flattened or depressed areas showing no underlying flesh discoloration;
- 105.29 (D) greening;
- 105.30 (E) sunburn;
- 106.1 (F) skin checks; and
- 106.2 (G) silver scurf; and

- 106.3 (2) for off size:
- 106.4 (i) up to five percent of potatoes may fail to meet the required or specified minimum
- 106.5 size; and
- 106.6 (ii) up to ten percent of potatoes may fail to meet the required maximum size.
- 106.7 **Subd. 8. Minnesota yellow-tag-certified seed potato grade.** (a) To be graded as
- 106.8 Minnesota yellow-tag-certified seed potatoes, potatoes must meet the following requirements:
- 106.9 (1) at the time of the shipping point inspection, the potatoes must be of one variety;
- 106.10 unwashed; fairly well-shaped; free from bacterial ring rot, late blight, freezing, black heart,
- 106.11 and soft rot or wet breakdown; free from damage caused by second growth, air cracks, cuts,
- 106.12 shriveling, pitted scabs, surface scabs, powdery scabs, dry rot, other diseases, insects or
- 106.13 worms, or mechanical means or other means; and free from serious damage caused by soil
- 106.14 or other foreign matter, hollow heart, wireworm, growth cracks, russet scabs, or internal
- 106.15 discoloration other than hollow heart. Sunburn and silver scurf must not be considered
- 106.16 factors that affect the grading of potatoes. This clause does not apply to hollow heart if
- 106.17 labeled "hollow heart exempt" on the affixed tag or accompanying certificate; and
- 106.18 (2) for all varieties, the maximum potato size is 14 ounces (396.9 grams) and the
- 106.19 minimum size is 1-1/2 inch (38.1 millimeter) in diameter. For all varieties, the minimum
- 106.20 diameter for size "B" must not be less than 1-1/2 inches (38.1 millimeters) and the maximum
- 106.21 diameter must not be more than 2-1/4 inches (57.1 millimeters). The department may grade
- 106.22 potatoes that do not meet the maximum and minimum size specifications as Minnesota
- 106.23 yellow-tag-certified seed potatoes if the buyer agrees to accept potatoes with alternate size
- 106.24 specifications from the grower and the size specifications are listed on the affixed tag or
- 106.25 accompanying bulk certificate issued by the department.
- 106.26 (b) To allow for variations incident to proper grading and handling, the following lot
- 106.27 tolerances are permitted:
- 106.28 (1) for defects:
- 106.29 (i) up to 20 percent of potatoes may be seriously damaged by hollow heart, unless labeled
- 106.30 "hollow heart exempt" on the affixed tag or accompanying certificate;
- 106.31 (ii) up to five percent of potatoes may be seriously damaged by internal discoloration
- 106.32 due to a cause other than hollow heart;
- 107.1 (iii) up to ten percent of potatoes may be seriously damaged by soil or other foreign
- 107.2 matter;
- 107.3 (iv) up to ten percent of potatoes may be seriously damaged by wireworm;
- 107.4 (v) up to 20 percent of a lot may have defects if the potatoes fail to meet the remaining
- 107.5 requirements of the grade. Of the 20 percent of defects allowed, a lot may contain a total

- 107.6 of six percent of the following defects combined and must not contain more than the
 107.7 following percentage of defects:
- 107.8 (A) soft rot, frozen, or wet breakdown, 0.5 percent;
- 107.9 (B) damage by surface scab, powdery scab, or pitted scab, 5.0 percent;
- 107.10 (C) damage by dry rot, 2.0 percent, of which not more than 1.0 percent is late blight
 107.11 tuber rot;
- 107.12 (D) bacterial ring rot, 0.0 percent; and
- 107.13 (E) late blight tuber rot, 1.0 percent; and
- 107.14 (vi) the presence of the following does not affect seed quality and must not be scored
 107.15 against the grade:
- 107.16 (A) brown discoloration following skinning;
- 107.17 (B) dried stems;
- 107.18 (C) flattened or depressed areas showing no underlying flesh discoloration;
- 107.19 (D) greening;
- 107.20 (E) sunburn;
- 107.21 (F) skin checks;
- 107.22 (G) silver scurf; and
- 107.23 (H) sprouts; and
- 107.24 (2) for off size:
- 107.25 (i) five percent for potatoes that fail to meet the required or specified minimum size;
 107.26 and
- 107.27 (ii) ten percent for potatoes that fail to meet the required maximum size.
- 108.1 (c) The potatoes must be fairly well-shaped, with an exception for long varieties when
 108.2 specified as "except for shape." When specified as "except for shape," the tubers may be
 108.3 misshapen.
- 108.4 **Subd. 9. Minnesota white-tag-certified seed potato grade.** Minnesota white-tag-certified
 108.5 seed potato grade consists of certified seed potatoes that are graded according to agreement
 108.6 between the seller and the purchaser as to size and defects, except that not more than one-half
 108.7 percent of soft rot, frozen, or wet breakdown and two percent dry rot, of which not more
 108.8 than one percent late blight tuber rot is allowed.

108.9 Sec. 27. Minnesota Statutes 2024, section 21.891, subdivision 2, is amended to read:

108.10 Subd. 2. **Seed fee permits.** (a) A labeler who wishes to sell seed in Minnesota must
 108.11 comply with section 21.89, subdivisions 1 and 2, and the procedures in this subdivision.
 108.12 Each labeler who wishes to sell seed in Minnesota must apply to the commissioner to obtain
 108.13 a permit. The application must contain the name and address of the applicant, the application
 108.14 date, and the name and title of the applicant's contact person. Permit fees are based on the
 108.15 initial sale of seed in Minnesota.

108.16 (b) The application for a seed permit covered by section 21.89, subdivision 2, clause
 108.17 (1), must be accompanied by an application fee of \$75.

108.18 (c) The application for a seed permit covered by section 21.89, subdivision 2, clause
 108.19 (2), must be accompanied by an application fee based on the level of annual gross sales as
 108.20 follows:

108.21 (1) for gross sales of \$0 to \$25,000, the annual permit fee is \$75;

108.22 (2) for gross sales of \$25,001 to \$50,000, the annual permit fee is \$150;

108.23 (3) for gross sales of \$50,001 to \$100,000, the annual permit fee is \$300;

108.24 (4) for gross sales of \$100,001 to \$250,000, the annual permit fee is \$750;

108.25 (5) for gross sales of \$250,001 to \$500,000, the annual permit fee is \$1,500;

108.26 (6) for gross sales of \$500,001 to \$1,000,000, the annual permit fee is \$3,000; and

108.27 (7) for gross sales of \$1,000,001 and above, the annual permit fee is \$4,500.

108.28 (d) The application for a seed permit covered by section 21.89, subdivision 2, clause
 108.29 (3), must be accompanied by an application fee of \$75. Labelers holding seed fee permits
 108.30 covered under this paragraph need not apply for a new permit or pay the application fee.

109.1 Under this permit category, the fees for the following kinds of agricultural seed sold either
 109.2 in bulk or containers are:

109.3 (1) oats, wheat, and barley, 9 cents per hundredweight;

109.4 (2) rye, field beans, buckwheat, and flax, 12 cents per hundredweight;

109.5 (3) field corn, 17 cents per 80,000 seed unit;

109.6 (4) forage, hemp, lawn and turf grasses, and legumes, 69 cents per hundredweight;

109.7 (5) sunflower, \$1.96 per hundredweight;

109.8 (6) sugar beet, 12 cents per 100,000 seed unit;

109.9 (7) soybeans, 7.5 cents per 140,000 seed unit;

- 109.10 (8) for any agricultural seed not listed in clauses (1) to (7), the fee for the crop most
 109.11 closely resembling it in normal planting rate applies; and
- 109.12 (9) for native grasses and wildflower seed, \$1 per hundredweight.
- 109.13 (e) If, for reasons beyond the control and knowledge of the labeler, seed is shipped into
 109.14 Minnesota by a person other than the labeler, the responsibility for the seed fees are
 109.15 transferred to the shipper. An application for a transfer of this responsibility must be made
 109.16 to the commissioner. Upon approval by the commissioner of the transfer, the shipper is
 109.17 responsible for payment of the seed permit fees.
- 109.18 (f) Seed permit fees may be included in the cost of the seed either as a hidden cost or as
 109.19 a line item cost on each invoice for seed sold. To identify the fee on an invoice, the words
 109.20 "Minnesota seed permit fees" must be used.
- 109.21 (g) All seed fee permit holders must file semiannual reports with the commissioner,
 109.22 even if no seed was sold during the reporting period. Each semiannual report must be
 109.23 submitted within 30 days of the end of each reporting period. The reporting periods ~~are~~
 109.24 ~~October 1 to March 31 and April 1 to September 30 of each year or July 1 to December 31~~
 109.25 ~~and January 1 to June 30 of each year~~ must be determined by the commissioner and
 109.26 communicated annually to permit holders. Permit holders may change their reporting periods
 109.27 with the approval of the commissioner.
- 109.28 (h) The holder of a seed fee permit must pay fees on all seed for which the permit holder
 109.29 is the labeler and which are covered by sections 21.80 to 21.92 and sold during the reporting
 109.30 period.
- 110.1 (i) If a seed fee permit holder fails to submit a semiannual report and pay the seed fee
 110.2 within 30 days after the end of each reporting period, the commissioner shall assess a penalty
 110.3 of \$100 or eight percent, calculated on an annual basis, of the fee due, whichever is greater,
 110.4 but no more than \$500 for each late semiannual report. A \$15 penalty must be charged when
 110.5 the semiannual report is late, even if no fee is due for the reporting period. Seed fee permits
 110.6 may be revoked for failure to comply with the applicable provisions of this paragraph or
 110.7 the Minnesota seed law.
- 110.8 **Sec. 28. REPEALER.**
- 110.9 (a) Minnesota Statutes 2024, sections 21.116; 21.118; 21.1196, subdivision 3; 21.121;
 110.10 and 21.122, are repealed.
- 110.11 (b) Minnesota Rules, parts 1510.2300; 1510.2305; 1510.2310; 1510.2315; 1510.2320;
 110.12 1510.2325; 1510.2330; 1510.2335; 1510.2340; 1510.2345; 1510.2350; and 1510.2355,
 110.13 subparts 1, 2, 3a, 4, 5, 6, and 7, are repealed.
- 110.14 **Sec. 29. EFFECTIVE DATE.**
- 110.15 This article is effective August 1, 2025.

110.16

ARTICLE 6

110.17

FOOD HANDLER LICENSING PROVISIONS

110.18 Section 1. Minnesota Statutes 2024, section 28A.03, subdivision 7, is amended to read:

110.19 Subd. 7. **Principal mode of business.** "Principal mode of business" means that type of
110.20 business described under paragraph (a); or (b); ~~(c)~~ or ~~(d)~~ in section 28A.05 within which
110.21 category the greatest amount of the applicant's food business lies.

110.22 Sec. 2. Minnesota Statutes 2024, section 28A.03, is amended by adding a subdivision to
110.23 read:

110.24 Subd. 12. **Risk category.** "Risk category" means a classification of the level of food
110.25 safety risk associated with food handling, processing, preparation, and storage based upon
110.26 an assessment by regulatory food safety professionals of the potential likelihood and severity
110.27 of harm.

111.1 Sec. 3. Minnesota Statutes 2024, section 28A.03, is amended by adding a subdivision to
111.2 read:

111.3 Subd. 13. **Gross sales or service.** "Gross sales or service" means a calculation in dollars
111.4 of the total value of food sales or service at the location before taxes or deductions that
111.5 includes the value of food items held for distribution to other places of business or donated.

111.6 Sec. 4. Minnesota Statutes 2024, section 28A.04, is amended to read:

111.7 **28A.04 LICENSE REQUIRED; CUSTOM PROCESSING PERMIT**
111.8 **APPLICATIONS; RENEWALS.**

111.9 Subdivision 1. **Application; date of issuance.** (a) Except as provided under section
111.10 28A.152, no person shall engage in the business of manufacturing, processing, selling,
111.11 handling, or storing food without having first obtained from the commissioner a license for
111.12 doing such business. Applications for such license shall be made to the commissioner in
111.13 such manner and time as required and upon such forms as provided by the commissioner
111.14 and shall contain the name and address of the applicant, address or description of each place
111.15 of business, and the nature of the business to be conducted at each place, and such other
111.16 pertinent information as the commissioner may require.

111.17 (b) An applicant for a license must submit a nonrefundable application fee of \$50 with
111.18 each license application. The fee under this paragraph does not apply to annual license
111.19 renewals. The fee under this paragraph is not required for applications to operate solely as
111.20 a special event food stand or custom exempt food handler.

111.21 ~~(b)~~ (c) A retail or wholesale food handler license shall be issued for the period July
111.22 January 1 to June 30 following December 31 and shall be renewed thereafter by the licensee
111.23 on or before July January 1 of each year, except that:

- 111.24 (1) retail and wholesale food handler licenses issued for the period of July 1, 2025, to
 111.25 June 30, 2026, must be renewed on or before July 1, 2026, for the period of July 1, 2026,
 111.26 to December 31, 2026. The renewal fee for the period of July 1, 2026, to December 31,
 111.27 2026, is one-half of the fee for a food handler specified in section 28A.08, subdivision 3;
- 111.28 ~~(1)~~ (2) licenses for all mobile food concession units and retail mobile units must be
 111.29 issued for the period April 1 to March 31, and must be renewed thereafter by the licensee
 111.30 on or before April 1 of each year; ~~and.~~
- 111.31 ~~(2)~~ A license issued for a temporary food concession stand must have a license issuance
 111.32 and renewal date consistent with appropriate statutory provisions; ~~and~~
- 112.1 (3) a license for a food handler operating only at the State Fair must be issued for the
 112.2 period of July 1 to June 30 and must be renewed thereafter by the licensee on or before July
 112.3 1 of each year.
- 112.4 (d) A penalty for late renewal under paragraph (b) must be assessed in accordance with
 112.5 section 28A.08.
- 112.6 ~~(e)~~ (e) A custom exempt food handler license shall be issued for the period July 1 to
 112.7 June 30 following and shall must be renewed thereafter by the licensee on or before July 1
 112.8 each year. The custom exempt food handler license is for businesses that only conduct
 112.9 custom exempt operations and mark all products as "Not For Sale." Food handlers that
 112.10 conduct retail exempt operations or other operations other than custom exempt processing
 112.11 or slaughter are not eligible for this license.
- 112.12 ~~(d)~~ A license for a food broker or for a food processor or manufacturer shall be issued
 112.13 for the period January 1 to December 31 following and shall be renewed thereafter by the
 112.14 licensee on or before January 1 of each year, except that a license for a wholesale food
 112.15 processor or manufacturer operating only at the state fair shall be issued for the period July
 112.16 1 to June 30 following and shall be renewed thereafter by the licensee on or before July 1
 112.17 of each year. A penalty for a late renewal shall be assessed in accordance with section
 112.18 28A.08.
- 112.19 ~~(e)~~ (f) On a quarterly basis during the licensing period, the commissioner must prorate
 112.20 the fee for an initial license issued under this chapter, except that a person applying for a
 112.21 new license up to 14 calendar days before the effective date of the new license period under
 112.22 paragraph (b) must be issued a license for the 14 days and the next license year as a single
 112.23 license and pay a single license fee as if the 14 days were part of the upcoming license
 112.24 period.
- 112.25 Subd. 2. **Custom processing or Minnesota Meat and Poultry Inspection Act permit.** In
 112.26 addition to the license requirements set forth in subdivision 1, every custom exempt processor
 112.27 or establishment operating under the Minnesota Meat and Poultry Inspection Act as defined
 112.28 in section 31A.31, shall obtain a custom processing permit or Minnesota Meat and Poultry
 112.29 Grant of Inspection permit. Application for a permit shall be made on forms provided by
 112.30 the commissioner. The commissioner shall cause the ~~custom~~ processor's place of business

112.31 to be inspected and if the commissioner finds that the applicant's place of business complies
 112.32 with state standards relating to meat processing plants, a ~~custom processing~~ permit under
 112.33 this subdivision shall be issued to the applicant. ~~No~~ An additional fee ~~shall~~ of up to \$500
 112.34 may be charged for a ~~custom processing~~ permit under this subdivision.

113.1 Sec. 5. Minnesota Statutes 2024, section 28A.05, is amended to read:

113.2 **28A.05 CLASSIFICATION FOOD HANDLER CLASSES.**

113.3 All persons required to have a license under section 28A.04 shall be classified into one
 113.4 of the following classes of food handlers, according to their principal mode of business.

113.5 (a) ~~Retail~~ Food handlers are persons who:

113.6 (1) sell or process and sell food directly to the ultimate consumer or who custom process
 113.7 meat or poultry. The term includes a person who sells food directly to the ultimate consumer
 113.8 through the use of vending machines, and a person who sells food for consumption on site
 113.9 or off site if the sale is conducted on the premises that are part of a grocery or convenience
 113.10 store operation;

113.11 (b) ~~Wholesale food handlers are persons who~~ (2) sell to ~~others~~ other business entities or
 113.12 establishments for resale, including a person who handles food in job lots ~~(jobbers) is~~
 113.13 included in this classification; or

113.14 (c) ~~Wholesale food processors or manufacturers are persons who~~ (3) process or
 113.15 manufacture raw materials and other food ingredients into food items, ~~or who~~ reprocess
 113.16 food items, ~~or who~~ package food for sale to ~~others~~ other business entities or establishments
 113.17 for resale, or ~~who~~ commercially slaughter animals or poultry. Included herein are persons
 113.18 who can, extract, ferment, distill, pickle, bake, freeze, dry, smoke, grind, mix, stuff, pack,
 113.19 bottle, recondition, or otherwise treat or preserve food for sale to ~~others~~ other business
 113.20 entities or establishments for resale, cold storage warehouse operators as defined in section
 113.21 28.01, subdivision 3, salvage food processors as defined in section 31.495, subdivision 1,
 113.22 and dairy plants as defined in section 32D.01, subdivision 6.

113.23 (d) (b) Custom exempt food handlers are persons who only conduct custom exempt
 113.24 processing as defined in section 31A.02, subdivision 5. A retail or wholesale transaction
 113.25 may not take place in a facility operated by a person with a custom exempt food handler
 113.26 license.

113.27 (e) ~~A food broker is a person who buys and sells food and who negotiates between a~~
 113.28 ~~buyer and a seller of food, but who at no time has custody of the food being bought and~~
 113.29 ~~sold.~~

114.1 Sec. 6. Minnesota Statutes 2024, section 28A.06, is amended to read:

114.2 **28A.06 EXTENT OF LICENSE.**

114.3 No person, except as described in section 27.03, shall be required to hold more than one
114.4 license in order to engage in any aspect of food handling ~~described in section 28A.05~~
114.5 ~~provided, except that:~~

114.6 (1) each issued license shall be valid for no more than one place of business, ~~except that:~~

114.7 (2) a license for a mobile unit or a retail food vehicle, portable structure, or cart is valid
114.8 statewide and is required to be issued only once each year unless the licensee fails to display
114.9 the license as required by section 28A.07 or it is a seasonal permanent food stand, seasonal
114.10 temporary food stand, food cart, or special event food stand as defined in section 157.15,
114.11 in which case the duration of the license is restricted by the limitations found in the definitions
114.12 in section 157.15; and

114.13 (3) the commissioner may authorize a food handler reporting \$50,000 or less gross
114.14 annual food sales to conduct business activities under the food handler's license at up to
114.15 two additional locations if:

114.16 (i) the food handler has reported each location and activity to the commissioner; and

114.17 (ii) the commissioner has approved each location and activity before the food handler
114.18 conducts business activities at each location.

114.19 Sec. 7. Minnesota Statutes 2024, section 28A.07, is amended to read:

114.20 **28A.07 ISSUANCE OF LICENSE.**

114.21 Prior to the issuance or renewal of any license herein, the commissioner may cause
114.22 appropriate inspections to be made to determine under applicable statutory and promulgated
114.23 rule requirements, the applicant's risk category and fitness to engage in the mode(s) of
114.24 business activities described in that person's license application. A valid and properly
114.25 displayed license shall be sufficient to allow the licensee to engage in the manner of food
114.26 handling so described in the licensee's application, provided that the commissioner may
114.27 withhold authorization to engage in any aspects of business for which the applicant is not
114.28 deemed fit under this section. A licensee may, at any time, apply to change such application
114.29 which shall then be considered by the commissioner in the same manner as a new or renewal
114.30 application hereunder.

115.1 Sec. 8. Minnesota Statutes 2024, section 28A.0753, subdivision 3, is amended to read:

115.2 Subd. 3. **Food manufacturer, processor, or distributor handlers who manufacture,**
115.3 **process, or distribute; licensing, preemption by state.** When a food ~~manufacturer,~~
115.4 ~~processor, or distributor~~ handler described in section 28A.05, subdivision 1, paragraph (a),
115.5 clauses (2) and (3), is licensed by the commissioner of agriculture, the food ~~manufacturer,~~
115.6 processor or distributor handler is exempt from the licensing requirements of any municipal

115.7 corporation or subdivision of state government, except for licensing requirements which
 115.8 may be imposed by the municipal corporation or subdivision of state government in which
 115.9 the ~~manufacturer, processor, or distributor~~ food handler locates a plant. All delivery
 115.10 equipment used by such a food ~~manufacturer, processor or distributor~~ handler is included
 115.11 within the meaning of this section, whether owned or operated, independently contracted,
 115.12 or contracted with a common carrier approved by the commissioner of agriculture. This
 115.13 delivery equipment is exempt from licensing by any municipal corporation or subdivision
 115.14 of state government except for those requirements which may be imposed by the municipal
 115.15 corporation or subdivision of state government in which the equipment is principally located.
 115.16 Delivery equipment approved by the commissioner of agriculture shall carry, at all times,
 115.17 a certificate of approval for the purposes for which the equipment is utilized. Nothing in
 115.18 this section is intended to permit the enactment of an ordinance regulating an activity where
 115.19 the state has preempted the field.

115.20 Sec. 9. Minnesota Statutes 2024, section 28A.08, is amended to read:

115.21 **28A.08 LICENSE FEES; PENALTIES.**

115.22 Subdivision 1. **General.** (a) License fees, penalties for late renewal of licenses, and
 115.23 penalties for not obtaining a license before conducting business in food handling that are
 115.24 set in this section apply to the sections named except as provided under section 28A.09.
 115.25 Except as specified herein, bonds and assessments based on number of units operated or
 115.26 volume handled or processed which are provided for in said laws shall not be affected, nor
 115.27 shall any penalties for late payment of said assessments, nor shall inspection fees, be affected
 115.28 by this chapter. The penalties may be waived by the commissioner. Fees for all new licenses
 115.29 must be based on the anticipated future gross annual food sales. If a firm is found to be
 115.30 operating for multiple years without paying license fees, the state may collect the appropriate
 115.31 fees and penalties for each year of operation.

115.32 (b) The commissioner may adjust the fees in subdivision 3 every five years to the inflation
 115.33 level established in the United States Bureau of Labor and Statistics Consumer Price Index,
 115.34 using July 2025 as the base month and year.

116.1 Subd. 3. **Fees effective ~~July 1, 2003~~ August 1, 2025.**

		Penalties			
Type of food handler	Risk Category	License Fee Effective July 1, 2003	Late	No	
			Renewal	License	
1. Retail food handler or Custom exempt food handler					

116.10	(a) Having gross sales of only prepackaged			
116.11	nonperishable food of less than \$15,000			
116.12	for the immediately previous license or			
116.13	fiscal year and filing a statement with the			
116.14	commissioner	\$ 50	\$ 17	\$ 33
116.15	(b) (a) Having under \$15,000 gross sales			
116.16	or service including food preparation or			
116.17	having \$15,000 to \$50,000 or less gross			\$ 51
116.18	sales or service for the immediately	\$ 77	\$ 25	
116.19	previous license or fiscal year	<u>\$135</u>	<u>\$45</u>	<u>\$90</u>
116.20	(e) (b) Having \$50,001 to \$250,000			\$102
116.21	\$125,000 gross sales or service for the	\$155	\$ 51	
116.22	immediately previous license or fiscal year	<u>\$200</u>	<u>\$67</u>	<u>\$133</u>
116.23	(d) (c) Having \$250,001 to \$1,000,000			
116.24	\$500,000 gross sales or service			\$182
116.25	for the immediately previous license or	\$276	\$ 91	
116.26	fiscal year	<u>\$370</u>	<u>\$123</u>	<u>\$247</u>
116.27	(e) (d) Having \$1,000,001 to \$5,000,000			
116.28	\$1,000,000 gross sales or			\$527
116.29	service for the immediately previous	\$799	\$264	
116.30	license or fiscal year	<u>\$475</u>	<u>\$158</u>	<u>\$317</u>
116.31	(f) (e) Having \$5,000,001 to \$10,000,000			
116.32	\$5,000,000 gross sales or			\$767
116.33	service for the immediately previous	\$1,162	\$383	
116.34	license or fiscal year	<u>\$1,350</u>	<u>\$450</u>	<u>\$900</u>
116.35	(f) Having \$5,000,001 to \$10,000,000 gross			
116.36	sales or service for the immediately			
116.37	previous license or fiscal year	<u>\$1,750</u>	<u>\$583</u>	<u>\$1,167</u>
116.38	(g) Having \$10,000,001 to \$15,000,000			\$908
116.39	gross sales or service for the immediately	\$1,376	\$454	
116.40	previous license or fiscal year	<u>\$2,150</u>	<u>\$717</u>	<u>\$1,433</u>
116.41	(h) Having \$15,000,001 to \$20,000,000			\$1,061
116.42	gross sales or service for the immediately	\$1,607	\$530	
116.43	previous license or fiscal year	<u>\$2,550</u>	<u>\$849</u>	<u>\$1,700</u>

116.44	(i) Having \$20,000,001 to \$25,000,000				\$1,219
116.45	gross sales or service for the immediately		\$1,847	\$610	
116.46	previous license or fiscal year		\$2,950	\$984	\$1,967
116.47	(j) Having over \$25,000,001 gross sales or				\$1,321
116.48	service for the immediately previous		\$2,001	\$660	
116.49	license or fiscal year		\$3,350	\$1,117	\$2,233
117.1	2. Wholesale Food handler				
117.2	<u>(a) Having gross sales of only prepackaged</u>				
117.3	<u>nonperishable food of less than \$30,000</u>				
117.4	<u>for the immediately previous license or</u>				
117.5	<u>fiscal year and filing a statement with the</u>				
117.6	<u>commissioner</u>		\$90	\$30	\$60
117.7			\$57	\$19	\$38
117.8	(a) (b) Having gross sales or service of less	High	\$285	\$95	\$190
117.9	than \$25,000 \$50,000 for the immediately	Medium	\$195	\$65	\$130
117.10	previous license or fiscal year	Low	\$135	\$45	\$90
117.11	(b) (c) Having \$25,001 \$50,001 to		\$284	\$94	\$187
117.12	\$250,000 \$125,000 gross sales or service	High	\$350	\$117	\$233
117.13	for the immediately previous license or	Medium	\$260	\$87	\$173
117.14	fiscal year	Low	\$200	\$67	\$133
117.15	(c) (d) Having \$250,001 \$125,001 to				
117.16	\$1,000,000 \$250,000 gross sales or service		\$444	\$147	\$293
117.17	from a mobile unit without a separate food	High	\$415	\$138	\$277
117.18	facility for the immediately previous	Medium	\$350	\$117	\$233
117.19	license or fiscal year	Low	\$265	\$88	\$177
117.20	(d) (e) Having \$250,001 to \$1,000,000		\$590	\$195	\$389
117.21	\$500,000 gross sales or service not covered	High	\$520	\$173	\$347
117.22	under paragraph (c) for the immediately	Medium	\$430	\$143	\$287
117.23	previous license or fiscal year	Low	\$370	\$123	\$247
117.24	(e) (f) Having \$1,000,001 \$500,001 to		\$769	\$254	\$508
117.25	\$5,000,000 \$1,000,000 gross sales or	High	\$625	\$208	\$417
117.26	service for the immediately previous	Medium	\$535	\$178	\$357
117.27	license or fiscal year	Low	\$475	\$158	\$317

117.28	(f) (g) Having \$5,000,001 \$1,000,001 to		\$920	\$304	\$607
117.29	\$10,000,000 \$5,000,000 gross sales or	High	\$1,500	\$500	\$1,000
117.30	service for the immediately previous	Medium	\$1,425	\$475	\$950
117.31	license or fiscal year	Low	\$1,350	\$450	\$900
117.32	(h) Having \$5,000,001 to \$10,000,000	High	\$1,900	\$633	\$1,267
117.33	gross sales or service for the immediately	Medium	\$1,825	\$608	\$1,217
117.34	previous license or fiscal year	Low	\$1,750	\$583	\$1,167
117.35			\$990	\$327	\$653
117.36	(g) (i) Having \$10,000,001 to \$15,000,000	High	\$2,300	\$767	\$1,533
117.37	gross sales or service for the immediately	Medium	\$2,225	\$742	\$1,483
117.38	previous license or fiscal year	Low	\$2,150	\$717	\$1,433
117.39			\$1,156	\$381	\$763
117.40	(h) (j) Having \$15,000,001 to \$20,000,000	High	\$2,700	\$900	\$1,800
117.41	gross sales or service for the immediately	Medium	\$2,625	\$875	\$1,750
117.42	previous license or fiscal year	Low	\$2,550	\$849	\$1,700
117.43			\$1,329	\$439	\$877
117.44	(i) (k) Having \$20,000,001 to \$25,000,000	High	\$3,100	\$1,033	\$2,067
117.45	gross sales or service for the immediately	Medium	\$3,025	\$1,008	\$2,017
117.46	previous license or fiscal year	Low	\$2,950	\$984	\$1,967
117.47			\$1,502	\$496	\$991
117.48	(j) (l) Having over \$25,000,001 or more to	High	\$3,500	\$1,167	\$2,333
117.49	\$50,000,000 gross sales or service for the	Medium	\$3,425	\$1,142	\$2,283
117.50	immediately previous license or fiscal year	Low	\$3,350	\$1,117	\$2,233
118.1	(m) Having \$50,000,001 to \$100,000,000	High	\$4,000	\$1,334	\$2,667
118.2	gross sales or service for the immediately	Medium	\$3,925	\$1,309	\$2,617
118.3	previous license or fiscal year	Low	\$3,850	\$1,284	\$2,567
118.4	(n) Having \$100,000,001 or more gross	High	\$4,500	\$1,500	\$3,000
118.5	sales or service for the immediately	Medium	\$4,425	\$1,475	\$2,950
118.6	previous license or fiscal year	Low	\$4,350	\$1,450	\$2,900
118.7	3. Food broker Food handler operating under				
118.8	authority of this chapter solely as a special				\$ 99
118.9	event food stand as defined in Minnesota		\$150	\$ 50	
118.10	Statutes, section 157.15		\$75	\$25	\$50
118.11	4. Wholesale food processor or manufacturer				

118.12	(a) Having gross sales or service of less			
118.13	than \$125,000 for the immediately previous			
118.14	license or fiscal year	\$169	\$56	\$112
118.15	(b) Having \$125,001 to \$250,000 gross			
118.16	sales or service for the immediately			
118.17	previous license or fiscal year	\$392	\$129	\$259
118.18	(c) Having \$250,001 to \$1,000,000 gross			
118.19	sales or service for the immediately			
118.20	previous license or fiscal year	\$590	\$195	\$389
118.21	(d) Having \$1,000,001 to \$5,000,000 gross			
118.22	sales or service for the immediately			
118.23	previous license or fiscal year	\$769	\$254	\$508
118.24	(e) Having \$5,000,001 to \$10,000,000			
118.25	gross sales or service for the immediately			
118.26	previous license or fiscal year	\$920	\$304	\$607
118.27	(f) Having \$10,000,001 to \$15,000,000			
118.28	gross sales or service for the immediately			
118.29	previous license or fiscal year	\$1,377	\$454	\$909
118.30	(g) Having \$15,000,001 to \$20,000,000			
118.31	gross sales or service for the immediately			
118.32	previous license or fiscal year	\$1,608	\$531	\$1,061
118.33	(h) Having \$20,000,001 to \$25,000,000			
118.34	gross sales or service for the immediately			
118.35	previous license or fiscal year	\$1,849	\$610	\$1,220
118.36	(i) Having \$25,000,001 to \$50,000,000			
118.37	gross sales or service for the immediately			
118.38	previous license or fiscal year	\$2,090	\$690	\$1,379
118.39	(j) Having \$50,000,001 to \$100,000,000			
118.40	gross sales or service for the immediately			
118.41	previous license or fiscal year	\$2,330	\$769	\$1,538
118.42	(k) Having \$100,000,000 or more gross			
118.43	sales or service for the immediately			
118.44	previous license or fiscal year	\$2,571	\$848	\$1,697

118.45	5. Wholesale food processor of Meat or			
118.46	poultry products processing solely under			
118.47	supervision of the U.S. Department of			
118.48	Agriculture			
119.1	(a) Having gross sales or service of less			\$ -74
119.2	than \$125,000 for the immediately previous	\$112	\$ 37	
119.3	license or fiscal year	\$190	\$63	\$127
119.4	(b) Having \$125,001 to \$250,000 gross			\$141
119.5	sales or service for the immediately	\$214	\$ 71	
119.6	previous license or fiscal year	\$365	\$122	\$243
119.7	(c) Having \$250,001 to \$1,000,000			\$220
119.8	<u>\$500,000</u> gross sales or service for the	\$333	\$110	
119.9	immediately previous license or fiscal year	\$450	\$150	\$300
119.10	(d) Having <u>\$500,001 to \$1,000,000 gross</u>			
119.11	<u>sales or service for the immediately</u>			
119.12	<u>previous license or fiscal year</u>	\$565	\$188	\$377
119.13	(d) (e) Having \$1,000,001 to \$5,000,000			\$281
119.14	gross sales or service for the immediately	\$425	\$140	
119.15	previous license or fiscal year	\$725	\$241	\$483
119.16	(e) (f) Having \$5,000,001 to \$10,000,000			\$344
119.17	gross sales or service for the immediately	\$521	\$172	
119.18	previous license or fiscal year	\$885	\$295	\$590
119.19	(f) (g) Having \$10,000,001 to \$15,000,000			\$505
119.20	gross sales or service for the immediately	\$765	\$252	
119.21	previous license or fiscal year	\$1,305	\$435	\$807
119.22	(g) (h) Having \$15,000,001 to \$20,000,000			
119.23	gross sales or service for the immediately	\$893	\$295	\$589
119.24	previous license or fiscal year	\$1,515	\$505	\$1,010
119.25	(h) (i) Having \$20,000,001 to \$25,000,000			
119.26	gross sales or service for the immediately	\$1,027	\$339	\$678
119.27	previous license or fiscal year	\$1,745	\$582	\$1,163
119.28	(i) (j) Having \$25,000,001 to \$50,000,000			
119.29	gross sales or service for the immediately	\$1,161	\$383	\$766
119.30	previous license or fiscal year	\$1,975	\$658	\$1,317

119.31	(j) (k) Having \$50,000,001 to \$100,000,000			
119.32	gross sales or service for the immediately	\$1,295	\$427	\$855
119.33	previous license or fiscal year	<u>\$2,215</u>	<u>\$738</u>	<u>\$1,477</u>
119.34	(k) (l) Having \$100,000,001 or more gross			
119.35	sales or service for the immediately	\$1,428	\$471	\$942
119.36	previous license or fiscal year	<u>\$2,465</u>	<u>\$822</u>	<u>\$1,643</u>
119.37	6. Wholesale food processor or manufacturer			
119.38	operating only at the State Fair	\$125	\$40	\$50
119.39	7. Wholesale food manufacturer having the			
119.40	permission of the commissioner to use the			
119.41	name Minnesota Farmstead cheese	\$30	\$10	\$15
119.42	8. Wholesale food manufacturer processing			
119.43	less than 700,000 pounds per year of raw			
119.44	milk	\$30	\$10	\$15
119.45	9. A milk marketing organization without			
119.46	facilities for processing or manufacturing			
119.47	that purchases milk from milk producers			
119.48	for delivery to a licensed wholesale food			
119.49	processor or manufacturer	\$50	\$15	\$25

120.1 Subd. 4. **Food handler license account; appropriation.** A food handler license account
 120.2 is established in the agricultural fund. Fees paid under subdivision 3 and section 28A.04
 120.3 must be deposited in this account. Money in the account, including interest, is appropriated
 120.4 to the commissioner for expenses relating to ~~licensing and inspecting~~ regulating food handlers
 120.5 under chapters 28 to 34A or rules adopted under one of those chapters.

120.6 Sec. 10. Minnesota Statutes 2024, section 28A.081, subdivision 1, is amended to read:

120.7 Subdivision 1. **Fee.** A fee of \$125 for each certificate shall be charged to any person
 120.8 who requests a certificate issued by the Minnesota Department of Agriculture to facilitate
 120.9 the movement of Minnesota processed and manufactured foods destined for export from
 120.10 the state of Minnesota. Certificates include, but are not limited to, a certificate of free sale,
 120.11 certificate of export, certificate of sanitation, sanitary certificate, certificate of origin and/or
 120.12 free sale, certificate of health and/or free sale, sanitation, and purity, certificate of free trade,
 120.13 certificate of free sale, sanitation, purity, and origin, certificate of health, sanitation, purity,
 120.14 and free sale, and letter of plant certification.

120.15 The commissioner ~~shall~~ must receive payment with the request or bill the requesting
 120.16 person within seven days after issuing a certificate to the person. The requesting person
 120.17 must submit payment for a certificate at the time of receiving the request or within ten days

120.18 of the billing date. If a certificate fee payment is not received within 15 days of the billing
 120.19 date, the commissioner may not issue any future certificates to the requesting person until
 120.20 previous fees due are paid in full. Fees paid under this section must be deposited in the food
 120.21 certificate account established under subdivision 2 or another account in the agricultural
 120.22 fund if the expenses for the certificate will be paid from that other account.

120.23 Sec. 11. Minnesota Statutes 2024, section 28A.085, subdivision 1, is amended to read:

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

120.26 (1) is found with a major violation of requirements in chapter 28, 29, 30, 31, 31A, 32D,
 120.27 33, or 34, or rules adopted under one of those chapters; or

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

120.30 The first reinspection of a firm with gross food sales under \$1,000,000 must be assessed
 120.31 at ~~\$150~~ \$250. The fee for a firm with gross food sales over \$1,000,000 is ~~\$200~~ \$300. The
 120.32 fee for a subsequent reinspection of a firm for the same violation is 50 percent of their
 121.1 current license fee or ~~\$300~~ \$500, whichever is greater. The establishment must be issued
 121.2 written notice of violations with a reasonable date for compliance listed on the notice. An
 121.3 initial inspection relating to a complaint is not a reinspection.

121.4 Sec. 12. Minnesota Statutes 2024, section 28A.14, is amended to read:

121.5 **28A.14 TRANSFER OF BUSINESS.**

121.6 (a) Except as provided in paragraph (b), a transfer of a business or a discontinuance of
 121.7 its operation by the licensee at the address covered by the license voids the license and the
 121.8 license certificate shall be surrendered to the commissioner immediately by anyone in
 121.9 possession of the same.

121.10 (b) If a licensee discontinues operating at an additional location authorized under section
 121.11 28A.06, the license is not void if the licensee has provided written notification to the
 121.12 commissioner.

121.13 Sec. 13. Minnesota Statutes 2024, section 28A.151, subdivision 2, is amended to read:

121.14 Subd. 2. **Food sampling and demonstration.** (a) Food used in sampling and
 121.15 demonstration must be obtained from sources that comply with Minnesota Food Law.

121.16 (b) Raw animal, raw poultry, and raw fish products must not be served as samples.

121.17 (c) Food product sampling or food product demonstrations, ~~including that contain~~ including that contain cooked
 121.18 animal, poultry, or fish products; must be prepared on site at the event.

- 121.19 (d) Animal or poultry products used for food product sampling or food product
 121.20 demonstrations must ~~be originate~~ from animals slaughtered under continuous inspection,
 121.21 either by the USDA or through Minnesota's "Equal-to" inspection program.
- 121.22 (e) The licensing provisions of sections 28A.01 to 28A.16 shall not apply to persons
 121.23 engaged in food product sampling or food product demonstrations.
- 121.24 Sec. 14. Minnesota Statutes 2024, section 28A.152, subdivision 1, is amended to read:
- 121.25 Subdivision 1. **Licensing provisions applicability.** (a) Except as provided in paragraph
 121.26 (d), the licensing provisions of sections 28A.01 to 28A.16 do not apply to the following:
- 121.27 (1) ~~an individual~~ a person who prepares and sells food that is not potentially hazardous
 121.28 food, as defined in Minnesota Rules, part 4626.0020, subpart 62, if the following
 121.29 requirements are met:
- 122.1 (i) the prepared food offered for sale under this clause is labeled to accurately reflect
 122.2 the name and the registration number or address of the ~~individual~~ person preparing and
 122.3 selling the food, the date on which the food was prepared, the ingredients and any possible
 122.4 allergens, and the statement "These products are homemade and not subject to state
 122.5 inspection."; and
- 122.6 (ii) the ~~individual~~ person displays at the point of sale a clearly legible sign or placard
 122.7 stating: "These products are homemade and not subject to state inspection."; and
- 122.8 (2) ~~an individual~~ a person who prepares and sells home-processed and home-canned
 122.9 food products if the following requirements are met:
- 122.10 (i) the products are pickles, vegetables, or fruits having an equilibrium pH value of 4.6
 122.11 or lower or a water activity value of .85 or less;
- 122.12 (ii) the products are home-processed and home-canned in Minnesota;
- 122.13 (iii) the ~~individual~~ person displays at the point of sale a clearly legible sign or placard
 122.14 stating: "These products are homemade and not subject to state inspection."; and
- 122.15 (iv) each container of the product sold or offered for sale under this clause is accurately
 122.16 labeled to provide the name and the registration number or address of the individual who
 122.17 processed and canned the goods, the date on which the goods were processed and canned,
 122.18 ingredients and any possible allergens, and the statement "These products are homemade
 122.19 and not subject to state inspection."
- 122.20 (b) ~~An individual~~ A person who qualifies for an exemption under paragraph (a), clause
 122.21 (2), is also exempt from the provisions of sections 31.31 and 31.392.
- 122.22 (c) ~~An individual who qualifies~~ To qualify for an exemption under paragraph (a) ~~may~~
 122.23 ~~organize the individual's cottage food business as a business entity recognized by state law,~~
 122.24 a person must be an individual, a sole proprietorship, a single-member limited liability

- 122.25 company owned by one individual, or a limited liability company owned by two individuals
 122.26 residing at the same residence.
- 122.27 (d) A person cannot qualify for an exemption under paragraph (a) if the person holds a
 122.28 food handler license required under section 28A.04.
- 122.29 Sec. 15. Minnesota Statutes 2024, section 28A.152, subdivision 2, is amended to read:
- 122.30 Subd. 2. **Direct sales to consumers.** (a) ~~An individual~~ A person qualifying for an
 122.31 exemption under subdivision 1 may sell the exempt food:
- 122.32 (1) directly to the ultimate consumer at a community event or farmers' market;
 123.1 (2) directly from the ~~individual's~~ person's home to the ultimate consumer, to the extent
 123.2 allowed by local ordinance; or
- 123.3 (3) through donation to a community event with the purpose of fundraising for an
 123.4 individual, or fundraising for an educational, charitable, or religious organization.
- 123.5 (b) ~~If An exempt food product will may be delivered to the ultimate consumer upon sale~~
 123.6 ~~of the food product; by the individual person who prepared the food product must be the~~
 123.7 ~~person who delivers the food product to the ultimate consumer, or by mail or commercial~~
 123.8 ~~delivery.~~
- 123.9 (c) Food products exempt under subdivision 1, paragraph (a), clause (2), may not be
 123.10 sold outside of Minnesota.
- 123.11 (d) Food products exempt under subdivision 1 may be sold over the Internet ~~but must~~
 123.12 ~~be delivered directly to the ultimate consumer by the individual who prepared the food~~
 123.13 ~~product.~~ The statement "These products are homemade and not subject to state inspection."
 123.14 must be displayed on the website that offers the exempt foods for purchase.
- 123.15 Sec. 16. Minnesota Statutes 2024, section 28A.152, subdivision 3, is amended to read:
- 123.16 Subd. 3. **Limitation on sales.** ~~An individual~~ A person selling exempt foods under this
 123.17 section is limited to total sales with gross receipts of \$78,000 or less in a calendar year.
- 123.18 Sec. 17. Minnesota Statutes 2024, section 28A.152, subdivision 4, is amended to read:
- 123.19 Subd. 4. **Registration.** ~~An individual~~ A person who prepares and sells exempt food
 123.20 under subdivision 1 must register annually with the commissioner. The commissioner shall
 123.21 register ~~an individual a person~~ within 30 days of submitting a complete registration to the
 123.22 commissioner. A registration shall be deemed accepted after 30 days following ~~an individual's~~
 123.23 ~~a person's~~ complete registration to the commissioner. The annual registration fee is ~~\$50~~
 123.24 ~~\$30. An individual with \$5,000 or less in annual gross receipts from the sale of exempt food~~
 123.25 ~~under this section is not required to pay the registration fee. By January 1, 2022, the~~
 123.26 ~~commissioner shall adjust the gross receipts amount of this fee exemption based on the~~
 123.27 ~~consumer price index using 2002 as the index year for the \$5,000 gross receipts exemption.~~

123.28 Sec. 18. Minnesota Statutes 2024, section 28A.152, subdivision 5, is amended to read:

123.29 Subd. 5. **Training.** ~~(a) An individual~~ A person who sells exempt food under this section
 123.30 and is required to pay the registration fee in subdivision 4 must complete a safe food handling
 123.31 training course that is approved by the commissioner before registering under subdivision
 124.1 4. The training shall not exceed eight hours and must be completed every three years while
 124.2 the ~~individual~~ person is registered under subdivision 4.

124.3 ~~(b) An individual who sells exempt food under this section and is exempt from paying~~
 124.4 ~~the registration fee in subdivision 4 must satisfactorily complete an online course and exam~~
 124.5 ~~as approved by the commissioner before registering under subdivision 4. The commissioner~~
 124.6 ~~shall offer the online course and exam under this paragraph at no cost to the individual.~~

124.7 Sec. 19. Minnesota Statutes 2024, section 28A.152, is amended by adding a subdivision
 124.8 to read:

124.9 Subd. 8. **Adjustments.** The commissioner must adjust the limitation on sales in
 124.10 subdivision 3 every two years to the inflation level established in the United States Bureau
 124.11 of Labor and Statistics Consumer Price Index, using July 2025 as the base month and year.

124.12 Sec. 20. Minnesota Statutes 2024, section 28A.17, is amended to read:

124.13 **28A.17 LICENSE RENEWAL.**

124.14 Licenses for food processors or manufacturers or food brokers handlers shall be renewed
 124.15 annually ~~on January 1. Licenses for retail and wholesale food handlers shall be renewed~~
 124.16 ~~annually on July 1. Licenses for mobile food concessions and for retail mobile units shall~~
 124.17 ~~be renewed annually on April 1 prior to the end of the licensing period. Approval of license~~
 124.18 ~~renewal is contingent upon conditions described in section 28A.07 and payment of license~~
 124.19 ~~fees identified in section 28A.08.~~

124.20 Sec. 21. **EFFECTIVE DATE.**

124.21 This article is effective August 1, 2025.