CHAPTER 17

DEPARTMENT OF AGRICULTURE

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DEPARTMENT ADMINISTRATION

17.01 CREATION OF DEPARTMENT; COMMISSIONER; DEPUTY.

There is created a Department of Agriculture, which shall be in the charge of a commissioner of agriculture, in this chapter called the commissioner, who shall be appointed by the governor under the provisions of section 15.06. Before entering upon the duties of office, the commissioner shall take the oath required of state officials. The commissioner may appoint a deputy commissioner.

History: *(6023, 53-27 1/2) 1919 c 444 s 1; 1921 c 78 s 1; 1923 c 261 s 1; 1929 c 387; 1951 c 713 s 4; 1961 c 113 s 1; 1961 c 128 s 1; 1969 c 1129 art 8 s 2; 1977 c 305 s 12; 1986 c 444*

17.013 DELEGATIONS OF POWERS TO DEPUTY COMMISSIONER.

The commissioner of agriculture may designate the deputy commissioner of agriculture to act in the commissioner's stead as a member, with all the commissioner's rights and privileges therein, of any board, committee or commission that the commissioner is made a member of by law. The designation shall be filed with secretary of state.

History: *1957 c 267 s 1; 1961 c 113 s 1; 1986 c 444*

17.02 MS 1957 [Repealed, 1961 c 128 s 20]

17.03 POWERS AND DUTIES OF COMMISSIONER.

Subdivision 1. **Development of agricultural industries.** The commissioner shall encourage and promote the development of agricultural industries, investigate marketing conditions affecting the marketing of farm products, and assist farmers, producers, and consumers in the organization and management of cooperative enterprises and the cooperative marketing of farm products; advise and assist in the location and establishment of local markets when the commissioner determines that the public necessity or the welfare of the community requires such markets, if satisfied that such markets will be successfully operated by a cooperative company or municipality. It shall be the duty of the Department of Agriculture and the University of Minnesota to cooperate in all ways that may be beneficial to the agricultural interests of the state. It is intended that police and organizational powers in reference to agriculture shall be exercised by the state Department of Agriculture and that the University of Minnesota shall retain its present powers and duties relating to obtaining and disseminating agricultural information and conducting agricultural research, and shall retain custody of scientific collections.

Subd. 2. MS 2012 [Repealed, 2014 c 181 s 14]

Subd. 3. **Cooperation with federal agencies.** (a) The commissioner shall cooperate with the government of the United States, with financial agencies created to assist in the development of the agricultural resources of this state, and so far as practicable may use the facilities provided by the existing state departments and the various state and local organizations. This subdivision is intended to relate to every function and duty which devolves upon the commissioner.

(b) The commissioner may apply for, receive, and disburse federal funds made available to the state by federal law or regulation for any purpose related to the powers and duties of the commissioner. All money received by the commissioner under this paragraph shall be deposited in the state treasury and is appropriated to the commissioner for the purposes for which it was received. Money made available under this paragraph may be paid pursuant to applicable federal regulations and rate structures. Money received under this paragraph does not cancel and is available for expenditure according to federal law. The commissioner may

contract with and enter into grant agreements with persons, organizations, educational institutions, firms, corporations, other state agencies, and any agency or instrumentality of the federal government to carry out agreements made with the federal government relating to the expenditure of money under this paragraph. Bid requirements under chapter 16C do not apply to contracts under this paragraph.

Subd. 4. **Publication of information.** The commissioner is authorized to publish, from time to time, such marketing or other information as may be deemed necessary to the welfare of agriculture, and to that end may investigate marketing or other conditions relating to agriculture in this and in other states, and to make these investigations public in such manner as shall in the commissioner's judgment be most effective.

Subd. 5. MS 1986 [Repealed, 1987 c 312 art 1 s 25; 1987 c 396 art 10 s 7]

Subd. 6. **Cooperation with Minnesota Department of Employment and Economic Development.** The commissioner of agriculture and the commissioner of employment and economic development shall cooperate with each other to promote the beneficial agricultural interests of the state. The commissioner of agriculture has primary responsibility for promoting state agricultural interests to international markets. The commissioner of agriculture is also responsible for the promotion of national trade programs related to international marketing. The commissioner of agriculture has primary responsibility for promoting the agriculture interests of producers, promoting state agricultural markets, and promoting agricultural interests of the state in cooperative production and marketing efforts with other states and the United States Department of Agriculture. The commissioner of agriculture is also responsible for promoting the national and international marketing of state agricultural products.

Subd. 7. **Agricultural diversification.** The commissioner shall establish a program of agricultural diversification. The commissioner must assist the horticultural industry, help producers diversify farming operations, and coordinate state agency efforts regarding agricultural diversification, after consulting with farm groups, the University of Minnesota, and applicable institutions of higher learning. The commissioner shall report to the governor and legislature annually on activities and actions that should be taken in these matters.

Subd. 7a. **Nontraditional agriculture; promotion.** (a) The commissioner shall devise means of advancing the production and marketing of nontraditional agricultural products of the state. The commissioner shall also seek the cooperation and involvement of every department or agency of the state, and such public and nonpublic organizations as the commissioner deems appropriate, for the promotion of nontraditional agricultural products.

(b) The production and marketing of nontraditional agricultural products are considered agricultural pursuits.

(c) Except as otherwise provided in law, the commissioner may adopt appropriate rules concerning health standards for nontraditional agriculture.

(d) Except as otherwise provided in law, the slaughter of all meat producing animals, fowl, or fish that are nontraditional agriculture intended for sale in commercial outlets must occur at an inspected slaughterhouse.

(e) Except as otherwise provided in law, it is the responsibility of an owner to take all reasonable actions to maintain the nontraditional agriculture on property owned or leased by the owner, including the construction of fences, enclosures, or other barriers, and housing of a suitable design.

(f) For purposes of this subdivision, "nontraditional agriculture" and "nontraditional agricultural products" includes but is not limited to aquaculture as defined in section 17.47, subdivision 2, and the production of animals domesticated from wild stock, either native or nonnative, that are kept in confinement by the owner.

Subd. 8. MS 2002 [Repealed, 2003 c 128 art 13 s 40]

Subd. 9. **Farm crisis assistance fees; liability.** (a) The department may charge a fee for farm crisis assistance services it provides to persons outside of the department.

(b) The state is not liable for the actions of persons under contract with the department who provide farm crisis assistance services as part of their contractual duties. Persons who provide farm crisis assistance are not subject to liability for their actions that are within the scope of their contract. The immunity from liability in this subdivision is in addition to and not a limitation of immunity otherwise accorded to the state and its contractors under law.

(c) Fees collected by the department under this subdivision must be deposited in the general fund.

(d) Persons under contract with the department to provide farm crisis assistance are not employees of the state.

Subd. 10. **Gifts; publication fees; advertising; appropriation.** (a) The commissioner may accept for and on behalf of the state any gift, bequest, devise, grant, or interest in money or personal property of any kind tendered to the state for any purpose pertaining to the activities of the Department of Agriculture or any of its divisions.

(b) The commissioner may charge a fee for reports, publications, or other promotional or informational material produced by the Department of Agriculture. The commissioner may solicit and accept advertising revenue for any departmental publications or promotional materials.

(c) The fees collected by the commissioner under this section are to recover all or part of the costs of providing services for which the fees are paid.

(d) Money received by the commissioner for these activities may be credited to one or more special accounts in the state treasury. Money in those special accounts is annually appropriated to the commissioner to provide the services for which the money was received.

Subd. 11. **Mission; efficiency.** It is part of the department's mission that within the department's resources the commissioner shall endeavor to:

(1) prevent the waste or unnecessary spending of public money;

(2) use innovative fiscal and human resource practices to manage the state's resources and operate the department as efficiently as possible;

(3) coordinate the department's activities wherever appropriate with the activities of other governmental agencies;

(4) use technology where appropriate to increase agency productivity, improve customer service, increase public access to information about government, and increase public participation in the business of government;

(5) utilize constructive and cooperative labor-management practices to the extent otherwise required by chapters 43A and 179A;

(6) report to the legislature on the performance of agency operations and the accomplishment of agency goals in the agency's biennial budget according to section 16A.10, subdivision 1; and

(7) recommend to the legislature appropriate changes in law necessary to carry out the mission and improve the performance of the department.

Subd. 11a. **Permitting efficiency goal and report.** (a) It is the goal of the Department of Agriculture that environmental and resource management permits be issued or denied within 150 days of the submission of a completed permit application. The commissioner of agriculture shall establish management systems designed to achieve the goal.

(b) The commissioner shall prepare an annual permitting efficiency report that includes statistics on meeting the goal in paragraph (a). The report is due February 1 of each year. For permit applications that have not met the goal, the report must state the reasons for not meeting the goal, steps that will be taken to complete action on the application, and the expected timeline. In stating the reasons for not meeting the goal, the commissioner shall separately identify delays caused by the responsiveness of the proposer, lack of staff, scientific or technical disagreements, or the level of public engagement. The report must specify the number of days from initial submission of the application to the day of determination that the application is complete. The report must aggregate the data for the year and assess whether program or system changes are necessary to achieve the goal. The report must be posted on the department website and submitted to the governor and the chairs of the house of representatives and senate committees having jurisdiction over agriculture policy and finance.

(c) The commissioner shall allow electronic submission of environmental review and permit documents to the department.

Subd. 12. **Contracts; appropriation.** The commissioner may accept money as part of a contract with any public or private entity to provide statutorily prescribed services by the department. A contract must specify the services to be provided by the department and the amount and method of reimbursement. Money generated in a contractual agreement under this section must be deposited in a special revenue fund and is appropriated to the department for purposes of providing services specified in the contracts. Contracts under this section must be processed in accordance with section 16C.05.

Subd. 13. **Semiannual reports.** (a) The commissioner shall submit to the legislative committees having jurisdiction over appropriations from the agricultural fund in section 16A.531 reports on the amount of revenue raised in each fee account within the fund, the expenditures from each account, and the purposes for which the expenditures were made. The reports must be issued in February and November each year, to coincide with the forecasts of revenue and expenditures prepared under section 16A.103.

(b) The report delivered in February of each year must include the commissioner's recommendations, if any, for changes in statutes relating to the fee accounts of the agricultural fund.

History: *(6024, 6027) 1919 c 444 s 2,6; 1921 c 78 s 2,5; 1923 c 261 s 2,5; 1945 c 27 s 1; 1961 c 113 s 1; 1975 c 319 s 1; 1975 c 339 s 1; 1984 c 654 art 2 s 66; 1986 c 444; 1987 c 312 art 1 s 11; 1987 c 396 art 8 s 1; art 10 s 1; 1992 c 513 art 2 s 12,13; 1994 c 642 s 1; 1995 c 248 art 11 s 3; 1996 c 305 art 3 s 2; 1997 c 27 s 1; 1997 c 187 art 2 s 1; 1997 c 216 s 18; 1998 c 366 s 47; 1998 c 386 art 2 s 16; 1999 c 231 s 22; 2003 c 128 art 13 s 1; 1Sp2003 c 4 s 1; 1Sp2005 c 1 art 1 s 7; 2007 c 45 art 1 s 8; 2009 c 94 art 1 s 9; 2010 c 333 art 1 s 4; 2013 c 114 art 2 s 2; 2014 c 181 s 1; 2015 c 44 s 1*

17.031 MS 1982 [Repealed, 1983 c 300 s 28]

17.032 MS 1982 [Repealed, 1983 c 300 s 28]

17.033 LICENSE AND PERMIT SURCHARGES.

The commissioner may collect license and permit surcharges on all licensing and permitting transactions conducted by the Department of Agriculture for which a fee is charged. The surcharge applies to all initial and renewal license and permit applications and is calculated based on the license or permit base fee. Late penalties or other assessments are not included in the calculation of the surcharge. The fee is set at five percent beginning August 1, 2023, with a minimum fee of $5 for each transaction. The surcharge rate must be reviewed and set annually by the commissioner and may be assessed at a rate of between three and eight percent of the licensing or permitting fee, with a minimum fee of $5 for each transaction. The fees collected for this surcharge must be deposited in a dedicated account in the agricultural fund. Money in the account, including interest, is appropriated to the commissioner for the information technology improvement activities needed to create electronic systems for conducting licensing and permitting transactions and to modernize the department's inspection and customer management systems.

History: *2023 c 43 art 2 s 1*

VENISON DISTRIBUTION

17.035 VENISON DISTRIBUTION AND REIMBURSEMENT.

Subdivision 1. **Reimbursement.** A meat processor holding a license under chapter 28A may apply to the commissioner of agriculture for reimbursement of $150 towards the processor's reasonable and documented cost of processing donated deer, as determined by the commissioner within the limits of available funding. The meat processor shall deliver the deer, processed into cuts or ground meat, to a charitable organization that is registered under chapter 309 and with the commissioner of agriculture and that operates a food assistance program. To request reimbursement, the processor shall submit an application, on a form prescribed by the commissioner of agriculture, the tag number under which the deer was taken, and a receipt for the deer from the charitable organization.

Subd. 2. **Distribution.** (a) The commissioner of agriculture shall ensure the equitable statewide distribution of processed deer by requiring the charitable organization to allocate and distribute processed deer according to the allocation formula used in the distribution of United States Department of Agriculture commodities under the federal emergency food assistance program. The charitable organization must submit quarterly reports to the commissioner on forms prescribed by the commissioner. The reports must include, but are not limited to, information on the amount of processed deer received and the organizations to which the meat was distributed.

(b) The commissioner of agriculture may adopt rules to implement this section.

History: *2007 c 57 art 1 s 13; 1Sp2019 c 4 art 3 s 2*

DEPARTMENT DUTIES

17.037 MS 2012 [Renumbered 28A.0753]

17.038 MS 2013 Supp [Repealed, 2014 c 181 s 14]

17.039 ETHICAL GUIDELINES FOR FARM ADVOCATES.

Ethical guidelines developed by the commissioner must be part of the contract with each farm advocate.

History: *1986 c 398 art 22 s 1; 1Sp2001 c 2 s 18*

17.04 ENFORCEMENT OF FOOD LAWS.

The commissioner shall cause to be enforced all the provisions of all laws designed to prevent fraud and deception in the manufacture and sale of food and the several ingredients thereof, and shall have authority to take all proper educational measures to foster and promote the manufacture and sale of pure food products.

History: *(3793) 1921 c 495 s 6; 1961 c 128 s 2*

17.041 AGRICULTURAL EMERGENCY ACCOUNT; APPROPRIATION.

Subdivision 1. **Establishment; appropriation.** An agricultural emergency account is established in the agricultural fund. Money in the account, including interest, is appropriated to the commissioner for emergency preparedness and response activities for agricultural emergencies affecting producers of livestock, poultry, crops, or other agricultural products. Eligible emergency response uses include agency costs directly attributed to responding to agricultural emergencies and purchasing necessary equipment and reimbursing costs incurred by local units of government that are not eligible for reimbursement from other sources. Eligible emergency preparedness uses are limited to training and the procurement of equipment and supplies.

Subd. 2. **Transfer authorized.** The commissioner may transfer money in the account to the Board of Animal Health, other state agencies, or the University of Minnesota for purposes of subdivision 1.

Subd. 3. **Annual report.** No later than February 1 each year, the commissioner must report activities and expenditures under this section to the legislative committees and divisions with jurisdiction over agriculture finance.

History: *2016 c 189 art 2 s 3; 1Sp2019 c 1 art 2 s 1; 2022 c 95 art 2 s 1*

17.042 MS 2000 [Repealed, 1Sp2001 c 2 s 162]

17.045 MS 2013 Supp [Repealed, 2014 c 181 s 14]

17.05 MS 1953 [Repealed, 1955 c 92 s 3]

17.055 EMERGING FARMERS.

Subdivision 1. **Emerging farmer working group.** To advise the commissioner and legislature regarding the development and implementation of programs and initiatives that support emerging farmers in this state, the commissioner must periodically convene a working group consisting, to the extent possible, of persons who are, and organizations that represent, farmers or aspiring farmers who are women, veterans, persons with disabilities, American Indian or Alaskan Natives, members of a community of color, young, lesbian, gay, bisexual, transgender, queer, intersex, or asexual (LGBTQIA+), or urban, and any other emerging farmers as determined by the commissioner.

Subd. 1a. **Emerging farmer account.** An emerging farmer account is established in the agricultural fund. The account consists of money appropriated by law and any other money donated, allotted, transferred, or otherwise provided to the account. Money in the account, including interest, is appropriated to the commissioner for the purposes of this section and must be used to further the objectives of the emerging farmer working group.

Subd. 2. MS 2022 [Repealed, 2023 c 43 art 2 s 142]

Subd. 2a. **Emerging Farmers Office.** The Emerging Farmers Office exists to support emerging farmers. For purposes of this subdivision, "emerging farmer" has the meaning given in subdivision 1. At a minimum,

the office must coordinate the emerging farmer working group under subdivision 1 and the beginning farmer equipment and infrastructure grant program under subdivision 3.

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

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

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

Subd. 4. **Report.** No later than February 1 each year, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture regarding the emerging farmer working group's activities, recommendations, and any grants awarded under this section.

History: *2020 c 89 art 4 s 2; 1Sp2021 c 3 art 1 s 5; 2023 c 43 art 2 s 2-5; 2024 c 126 art 2 s 6; 2024 c 127 art 38 s 6*

17.06 MS 2000 [Repealed, 1Sp2001 c 2 s 162]

17.07 MS 2000 [Repealed, 1Sp2001 c 2 s 162]

17.08 MS 1957 [Repealed, 1961 c 128 s 20]

17.09 [Renumbered 17.03, subd 4]

17.10 MS 2005 Supp [Repealed, 2006 c 265 s 6]

17.101 PROMOTIONAL ACTIVITIES.

Subdivision 1. **Departmental duties.** For the purposes of expanding, improving, and developing production and marketing of products of Minnesota agriculture, the commissioner shall encourage and promote the production and marketing of these products by means of:

(a) advertising Minnesota agricultural products;

(b) assisting state agricultural commodity organizations;

(c) developing methods to increase processing and marketing of agricultural commodities including commodities not being produced in Minnesota on a commercial scale, but which may have economic potential in national and international markets;

(d) investigating and identifying new marketing technology and methods to enhance the competitive position of Minnesota agricultural products;

(e) evaluating livestock marketing opportunities;

(f) assessing and developing national and international markets for Minnesota agricultural products;

(g) studying the conversion of raw agricultural products to manufactured products including ethanol;

(h) hosting the visits of foreign trade teams to Minnesota and defraying the teams' expenses;

(i) assisting Minnesota agricultural businesses desiring to sell their products;

(j) conducting research to eliminate or reduce specific production or technological barriers to market development and trade; and

(k) other activities the commissioner deems appropriate to promote Minnesota agricultural products, provided that the activities do not duplicate programs or services provided by the Minnesota Trade Division.

Subd. 2. **Agricultural development grants and contracts.** In order to carry out the duties in subdivision 1, the commissioner, in addition to whatever other resources the department may commit, shall make grants and enter into contracts to fulfill the obligations of subdivision 1. The commissioner may enter into partnerships or seek gifts to carry out subdivision 1. The commissioner may contract with, among others, agricultural commodity organizations, the University of Minnesota, and agriculture related businesses to fulfill the duties. The commissioner shall make permanent rules for the administration of these grants and contracts. The rules shall specify at a minimum:

(a) eligibility criteria;

(b) application procedures;

(c) provisions for application review and project approval;

(d) provisions for program monitoring and review for all approved grants and contracts; and

(e) other provisions the commissioner finds necessary.

Contracts entered into by the commissioner pursuant to this subdivision shall not exceed 75 percent of the cost of the project supported by the commissioner's grant. In any year, no organization shall receive more than $70,000 in grants from the commissioner.

Subd. 3. **Audits.** The books, records, documents, and accounting procedures and practices of any organization receiving a grant or contract from the commissioner under the provisions of subdivision 2 shall be subject to examination by the department. The commissioner may prescribe uniform methods of accounting to be used by grant or contract recipients.

Subd. 4. **Advisory group.** The commissioner may establish an ad hoc advisory group to assist in evaluating grant requests made under subdivision 2.

Subd. 5. **Definitions.** For purposes of this section:

(1) "agricultural commodity" means a material produced for use in or as food, feed, seed, or fiber and includes crops for fiber, food, oilseeds, seeds, livestock, livestock products, dairy, dairy products, poultry, poultry products, and other products or by-products of the farm produced for the same or similar use, except ethanol; and

(2) "agricultural product processing facility" means land, buildings, structures, fixtures, and improvements located or to be located in Minnesota and used or operated primarily for the processing or production of marketable products from agricultural commodities produced in Minnesota.

Subd. 6. **Livestock development.** The commissioner shall establish a process, including criteria and standards, to recognize and assist efforts by counties to maintain or expand their livestock sector.

A county that meets the criteria may apply to the commissioner to be designated a "livestock friendly" county.

History: *1963 c 486 s 1; 1983 c 293 s 29; 1984 c 640 s 32; 1986 c 444; 1987 c 312 art 1 s 12; 1987 c 396 art 10 s 2; 1995 c 233 art 2 s 56; 1997 c 216 s 19; 1998 c 401 s 14; 2000 c 260 s 9; 2000 c 477 s 1; 1Sp2001 c 2 s 19; 2002 c 373 s 1; 2003 c 128 art 13 s 2; 2007 c 45 art 1 s 9; 2014 c 181 s 2*

17.1015 PROMOTIONAL EXPENDITURES.

In order to accomplish the purposes of section 17.101, the commissioner may participate jointly with private persons in appropriate programs and projects and may enter into contracts to carry out those programs and projects. The contracts may not include the acquisition of land or buildings and are not subject to the provisions of chapter 16C relating to competitive bidding.

The commissioner may spend money appropriated for the purposes of section 17.101 in the same manner that private persons, firms, corporations, and associations make expenditures for these purposes, and expenditures made pursuant to section 17.101 for food, lodging, or travel are not governed by the travel rules of the commissioner of management and budget.

History: *1983 c 300 s 1; 1995 c 186 s 11; 1998 c 386 art 2 s 17; 2008 c 204 s 42; 2009 c 101 art 2 s 109; 2013 c 114 art 2 s 3*

17.1016 COOPERATIVE GRANTS.

Subdivision 1. **Definitions.** For purposes of this section:

(1) "agricultural commodity" and "agricultural product processing facility" have the meanings given in section 17.101, subdivision 5; and

(2) "agricultural service" means an action made under the direction of a farmer that provides value to another entity. Agricultural service includes grazing to manage vegetation.

Subd. 2. **Grant program.** (a) The commissioner may establish and implement a grant program to help farmers finance new cooperatives that organize for purposes of operating an agricultural product processing facility or marketing an agricultural product or agricultural service.

(b) To be eligible for this program, a grantee must:

(1) be a cooperative organized under chapter 308A or 308B;

(2) certify that all control of the cooperative is from farmers, family farm partnerships, family farm limited liability companies, or family farm corporations as defined in section 500.24, subdivision 2, who are actively engaged in agricultural commodity production;

(3) be operated primarily to process agricultural commodities or market agricultural products or services produced in Minnesota;

(4) receive agricultural commodities produced primarily by shareholders or members of the cooperative; and

(5) not allow nonpatron voting rights.

(c) The commissioner may receive applications and make grants up to $50,000 to eligible grantees for feasibility, marketing analysis, assistance with organizational development, financing and managing new

cooperatives, product development, development of business and marketing plans, and predesign of facilities, including site analysis, the development of bid specifications, preliminary blueprints and schematics, and the completion of purchase agreements and other necessary legal documents.

(d) Grants must be matched dollar-for-dollar with other money or in-kind contributions.

History: *2022 c 95 art 2 s 2; 2023 c 43 art 2 s 6*

17.1017 FOOD RETAIL IMPROVEMENT AND DEVELOPMENT PROGRAM.

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

(b) "Account" means the food retail improvement and development account established in subdivision 3.

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

(d) "Economic or community development financial institution (ECDFI)" means a lender, including but not limited to a community development financial institution (CDFI), an economic development district (EDD), a political subdivision of the state, a microenterprise firm, or a nonprofit community lending organization that has previous experience lending to a food retailer, producer, or another healthy food enterprise, as defined in this section; has demonstrated the ability to raise matching capital and in-kind services to leverage appropriated money; has the demonstrated ability to underwrite loans and grants; and has partnered previously with nonprofit healthy food access, public health, or related governmental departments or community organizations.

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

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

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

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

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

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

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

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

(m) "Program" means the food retail improvement and development program established in this section.

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

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

(p) "Underserved community" means a geographic area or group of people whose food access needs are not met by existing retail options, including a low-income and moderate-income area, a census tract that is federally designated as a food desert by the United States Department of Agriculture, an area where there is a limited number of grocery stores, or a group of people with particular needs such as the aging population, people with disabilities, or people with special dietary needs or preferences, or as otherwise defined by the commissioner.

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

(b) The food retail improvement and development program shall be comprised of state or private grants, loans, or other types of financial and technical assistance for the establishment, construction, expansion of operations, or renovation of grocery stores and small food retailers to increase the availability of and access to affordable fresh produce and other nutritious, culturally appropriate food to underserved communities.

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

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

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

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

(d) Money in the account at the close of each fiscal year shall remain in the account and shall not cancel. In each biennium, the commissioner shall determine the appropriate proportion of money to be allocated to loans, grants, technical assistance, and any other types of financial assistance.

(e) To encourage public-private, cross-sector collaboration and investment in the account and program and to ensure that the program intent is maintained throughout implementation, the commissioner shall convene and maintain the Food Retail Improvement and Development Program Advisory Committee.

(f) The commissioner, in cooperation with the Food Retail Improvement and Development Program Advisory Committee, shall manage the program, establish program criteria, facilitate leveraging of additional public and private investment, and promote the program statewide.

(g) The commissioner, in cooperation with the Food Retail Improvement and Development Program Advisory Committee, shall establish annual monitoring and accountability mechanisms for all projects receiving financing or other financial or technical assistance through this program.

Subd. 5. **Eligible projects.** (a) The commissioner, in cooperation with the program partners and advisers, shall establish project eligibility guidelines and application processes to be used to review and select project applicants for financing or other financial or technical assistance. All projects must serve an underserved community.

(b) Projects eligible for financing include, but are not limited to, new construction, renovations, expansions of operations, and infrastructure upgrades of grocery stores and small food retailers to improve the availability of and access to affordable, nutritious food, including fresh fruits and vegetables, and build capacity in areas of greatest need.

(c) Projects eligible for other types of financial assistance such as grants or technical assistance are primarily projects throughout the state, including, but not limited to, feasibility studies, new construction, renovations, expansion of operations, and infrastructure upgrades of small food retailers.

Subd. 6. **Qualifications for receipt of financing and other financial or technical assistance.** (a) An applicant for receipt of financing through an economic or community development financial institution, or an applicant for a grant or other financial assistance, may be a for-profit or not-for-profit entity, including, but not limited to, a sole proprietorship, limited liability company, corporation, cooperative, nonprofit organization, or nonprofit community development organization. Each applicant must:

(1) demonstrate community engagement in and support for the project;

(2) demonstrate the capacity to successfully implement the project;

(3) demonstrate a viable plan for long-term sustainability, including the ability to increase the availability of and access to affordable, nutritious, and culturally appropriate food, including fresh fruits and vegetables, for underserved communities; and

(4) demonstrate the ability to repay the debt, to the extent that the financing requires repayment.

(b) Each applicant must also agree to comply with the following conditions for a period of at least five years, except as otherwise specified in this section:

(1) accept Supplemental Nutrition Assistance Program (SNAP) benefits;

(2) allocate at least 30 percent of retail space for the sale of affordable, nutritious, and culturally appropriate foods, including fruits and vegetables, low-fat and nonfat dairy, fortified dairy substitute beverages such as soy-based or nut-based dairy substitute beverages, whole grain-rich staple foods, meats, poultry, fish, seafood, and other proteins, consistent with nutrition standards in national guidelines described in the current United States Department of Agriculture Dietary Guidelines for Americans; and

(3) comply with all data collection and reporting requirements established by the commissioner.

(c) A selected project that is a small food retailer is not subject to the allocation agreement under paragraph (b), clause (2), and may use financing, grants, or other financial or technical assistance for refrigeration, displays, or onetime capital expenditures for the promotion and sale of perishable foods, including a combination of affordable, nutritious, and culturally appropriate fresh or frozen dairy, dairy substitute products, produce, meats, poultry, and fish, consistent with nutrition standards in national guidelines described in the current United States Department of Agriculture Dietary Guidelines for Americans.

Subd. 7. **Additional selection criteria.** In determining which qualified projects to finance, and in determining which qualified projects to provide with grants or other types of financial or technical assistance, the commissioner, in cooperation with any entities with which the commissioner contracts for those purposes and the Food Retail Improvement and Development Program Advisory Committee, may also consider:

(1) the level of need in the area to be served;

(2) the degree to which the project requires an investment of public support, or technical assistance where applicable, to move forward, build capacity, create community impact, or be competitive;

(3) the likelihood that the project will have positive economic and health impacts on the underserved community, including creation and retention of jobs for local or regional residents that reflect area demographics, including Indigenous communities and communities of color;

(4) the degree to which the project will participate in state and local health department initiatives to educate consumers on nutrition, promote healthy eating and healthy weight, and support locally grown food products through programs such as Minnesota Grown; and

(5) any other criteria that the commissioner, in cooperation with public and private partners, determines to be consistent with the purposes of this chapter.

Subd. 8. **Eligible costs.** Financing for project loans, including low-interest, zero-interest, and forgivable loans, grants, and other financial or technical assistance, may be used to support one or more of the following purposes:

(1) site acquisition and preparation;

(2) predevelopment costs, including but not limited to feasibility studies, market studies, and appraisals;

(3) construction and build-out costs;

(4) equipment and furnishings;

(5) workforce or retailer training; and

(6) working capital.

Subd. 9. **Legislative report.** The commissioner, in cooperation with any economic or community development financial institution and any other entity with which it contracts, shall submit an annual report on the food retail improvement and development program by January 15 of each year to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over agriculture policy and finance. The annual report shall include, but not be limited to, a summary of the following metrics:

(1) the number and types of projects financed;

(2) the amount of dollars leveraged or matched per project;

(3) the geographic distribution of financed projects;

(4) the number and types of technical assistance recipients;

(5) the demographics of the areas served;

(6) the costs of the program;

(7) the number of SNAP dollars spent;

(8) any increase in retail square footage;

(9) the number of loans or grants to businesses owned by women and Black, Indigenous, or Persons of Color; and

(10) measurable economic and health outcomes, including, but not limited to, increases in sales and consumption of locally sourced and other fresh fruits and vegetables, the number of construction and retail jobs retained or created, and any health initiatives associated with the program.

History: *2016 c 189 art 2 s 4; 2021 c 28 s 3; 2025 c 34 art 3 s 1; 1Sp2025 c 11 s 9*

17.1018 FOOD RETAIL IMPROVEMENT AND DEVELOPMENT PROGRAM ADVISORY COMMITTEE.

Subdivision 1. **Definitions.** As used in this section, the following terms have the meanings given them:

(1) "program" means the food retail improvement and development program under section 17.1017; and

(2) "commissioner" means the commissioner of agriculture.

Subd. 2. **Creation.** The Food Retail Improvement and Development Program Advisory Committee consists of the following members, appointed by the commissioner of agriculture, unless otherwise specified:

(1) the commissioners of health; employment and economic development; and children, youth, and families, or their respective designees;

(2) one person representing the grocery industry;

(3) two people representing economic or community development, one rural member and one urban or suburban member;

(4) two people representing political subdivisions of the state;

(5) one person designated by the Council for Minnesotans of African Heritage;

(6) one person designated by the Minnesota Indian Affairs Council;

(7) one person designated by the Council on Asian Pacific Minnesotans;

(8) one person designated by the Council on Latino Affairs;

(9) one person designated by the Minnesota Farmers Union;

(10) one person representing public health experts;

(11) one person representing philanthropic foundations;

(12) one person representing economic or community development financial institutions;

(13) one person representing the University of Minnesota Regional Sustainable Development Partnerships;

(14) two people representing organizations engaged in addressing food security, one representative from a statewide hunger relief organization and one from a community-based organization;

(15) one person representing immigrant farmer-led organizations;

(16) one person representing small business technical assistance with experience in food retail; and

(17) up to four additional members with economic development, health equity, financial, or other relevant expertise.

At least half of the members must reside in or their organizations must serve rural Minnesota. The commissioner may remove members and fill vacancies as provided in section 15.059, subdivision 4.

Subd. 3. **Duties.** The advisory committee must advise the commissioner of agriculture on managing the program, establishing program criteria, establishing project eligibility guidelines, establishing application processes and additional selection criteria, establishing annual monitoring and accountability mechanisms, facilitating leveraging of additional public and private investments, and promoting the program statewide.

Subd. 4. **Meetings.** The commissioner must convene the advisory committee at least two times per year to achieve the committee's duties.

Subd. 5. **Administrative support.** The commissioner of agriculture must provide staffing, meeting space, and administrative services for the advisory committee.

Subd. 6. **Chair.** The commissioner of agriculture or the commissioner's designee shall serve as chair of the committee.

Subd. 7. **Compensation.** The public members of the advisory committee serve without compensation or payment of expenses.

Subd. 8. **Expiration.** The advisory committee does not expire.

History: *2016 c 189 art 2 s 5; 2025 c 34 art 3 s 2; 1Sp2025 c 11 s 10*

17.102 MINNESOTA GROWN LABEL.

Subdivision 1. **Establishment and use of label.** (a) The commissioner shall establish a "Minnesota grown" logo or labeling statement for use in identifying agricultural products that are grown, raised, processed, or manufactured in this state. The commissioner may develop labeling statements that apply to specific marketing or promotional needs. One version of a labeling statement must identify food products certified as organically grown in this state. The Minnesota grown logo or labeling statement may be used on products only if 80 percent or more of the agricultural product is produced in this state.

(b) The Minnesota grown logo or labeling statement may not be used without a license from the commissioner except that wholesalers and retailers may use the Minnesota grown logo and labeling statement for displaying and advertising products that qualify for use of the Minnesota grown logo or labeling statement.

Subd. 2. **Label does not replace other requirements.** The logo or labeling statement does not supersede or replace any federal label or grade standard that is required by law.

Subd. 3. **License.** A person may not use the Minnesota grown logo or labeling without an annual license from the commissioner. The commissioner shall issue licenses for a fee of $20.

Subd. 4. **Minnesota grown account.** The Minnesota grown account is established as an account in the agricultural fund. License fee receipts and penalties collected under this section must be deposited in the agricultural fund and credited to the Minnesota grown account. The money in the account is continuously appropriated to the commissioner for the direct costs of implementing the Minnesota grown program.

Subd. 4a. **Funding sources.** The Minnesota grown account shall consist of license fees, penalties, advertising revenue, revenue from the development and sale of promotional materials, gifts, and appropriations.

Subd. 4b. **Appropriations must be matched by private funds.** Appropriations from the Minnesota grown account may be expended only to the extent that they are matched with contributions to the account from private sources on a basis of at least $1 of private contributions to each $4 of state money. For the purposes of this subdivision, "private contributions" includes, but is not limited to, license fees, penalties, advertising revenue, revenue from the development and sale of promotional materials, and gifts.

Subd. 5. **Penalty.** A person who is required to have a license and uses the Minnesota grown logo or labeling without a license after being notified by the commissioner that a license is required is subject to a civil penalty up to $1,000.

Subd. 6. **Rules.** The commissioner shall promulgate rules authorizing and licensing the use of the logo or labeling statement.

History: *1979 c 36 s 1; 1987 c 396 art 6 s 1; 1988 c 688 art 4 s 1; 1999 c 231 s 24; 1Sp2001 c 2 s 20; 2007 c 45 art 1 s 10-14*

17.1025 MS 2006 [Expired, 1Sp2001 c 2 s 21]

17.103 [Renumbered 116J.9671]

17.104 [Renumbered 116J.9672]

17.105 [Renumbered 116J.9673]

17.106 MS 1983 Supp [Repealed, 1984 c 654 art 2 s 155]

17.107 FARM EQUIPMENT SAFETY AND MAINTENANCE PROGRAM FOR YOUTH.

Subdivision 1. **Program coordination.** The Minnesota Extension Service, in cooperation with the commissioner of agriculture, shall implement a voluntary farm equipment safety program for training and certifying rural youth. The program must be designed to teach young operators to safely maintain and operate tractors and other farm implements. The Extension Service shall maintain records adequate to verify the names and addresses of students certified by the safety program.

Subd. 2. **Instructor development.** Not later than August 1, 1991, the Minnesota Extension Service shall design a program for the recruitment and development of qualified instructors for the youth farm equipment safety program created under subdivision 1.

Subd. 3. **Payment to instructors.** From within public or nonpublic funds made available for the youth farm equipment safety program created under subdivision 1, the commissioner of agriculture may make payments of $25 per student to qualified instructors on a per-student basis.

History: *1991 c 254 art 3 s 1*

17.108 MS 2000 [Repealed, 1Sp2001 c 2 s 162]

17.109 MS 2006 [Repealed, 2007 c 45 art 1 s 66]

17.11 MS 1953 [Repealed, 1955 c 92 s 3]

17.110 MS 2002 [Repealed, 2003 c 128 art 3 s 47]

SUSTAINABLE AGRICULTURE

17.114 SUSTAINABLE AGRICULTURE.

Subdivision 1. **Purpose.** To assure the viability of agriculture in this state, the commissioner shall investigate, demonstrate, report on, and make recommendations on the current and future sustainability of agriculture in this state. The Department of Agriculture is the lead state agency on sustainable agriculture and integrated pest management.

Subd. 2. **Definitions.** For purposes of this section, the following definitions apply:

(a) "Sustainable agriculture" represents the best aspects of traditional and modern agriculture by using a fundamental understanding of nature as well as the latest scientific advances to create integrated, self-reliant, resource conserving practices that enhance the enrichment of the environment and provide short- and long-term productive and economical agriculture.

(b) "Integrated pest management" means use of a combination of approaches, incorporating the judicious application of ecological principles, management techniques, cultural and biological controls, and chemical methods, to keep pests below levels where they do economic damage.

Subd. 3. **Duties.** The commissioner shall:

(1) establish a clearinghouse and provide information, appropriate educational opportunities and other assistance to individuals, producers, and groups about sustainable agricultural techniques, practices, and opportunities;

(2) survey producers and support services and organizations to determine information and research needs in the area of sustainable agricultural practices;

(3) demonstrate the on-farm applicability of sustainable agriculture practices to conditions in this state;

(4) coordinate the efforts of state agencies regarding activities relating to sustainable agriculture;

(5) direct the programs of the department so as to work toward the sustainability of agriculture in this state;

(6) inform agencies of how state or federal programs could utilize and support sustainable agriculture practices;

(7) work closely with farmers, the University of Minnesota, and other appropriate organizations to identify opportunities and needs as well as assure coordination and avoid duplication of state agency efforts regarding research, teaching, and extension work relating to sustainable agriculture; and

(8) work cooperatively with local governments and others to strengthen the connection between farmers who practice sustainable farming methods and urban, rural, and suburban consumers, including, but not limited to, promoting local farmers' markets and community-supported agriculture.

Subd. 3a. MS 1998 [Repealed, 1994 c 557 s 6]

Subd. 4. **Integrated pest management.** (a) The state shall promote and facilitate the use of integrated pest management through education, technical or financial assistance, information and research.

(b) The commissioner shall coordinate the development of a state approach to the promotion and use of integrated pest management, which shall include delineation of the responsibilities of the state, public postsecondary institutions, Minnesota Extension Service, local units of government, and the private sector; establishment of information exchange and integration; procedures for identifying research needs and reviewing and preparing informational materials; procedures for factoring integrated pest management into state laws, rules, and uses of pesticides; and identification of barriers to adoption.

History: *1989 c 326 art 2 s 2; 1994 c 557 s 4-7; 1999 c 86 art 3 s 1,2; 2009 c 94 art 1 s 10; 2012 c 244 art 1 s 2,3*

17.115 MS 2014 [Repealed, 1Sp2015 c 4 art 2 s 87]

17.116 SUSTAINABLE AGRICULTURE DEMONSTRATION GRANTS.

Subdivision 1. **Establishment.** The commissioner shall establish a grant program for sustainable agriculture methods that demonstrates best management practices, including farm input reduction or management, enterprise diversification including new crops and livestock, farm energy efficiency or production, or the transfer of technologies that enhance the environment and farm profitability. The commissioner shall use the program to demonstrate and publicize the energy efficiency, environmental benefit, and profitability of sustainable agriculture techniques or systems from production through marketing. The grants must fund research or demonstrations on farms consistent with the program objectives.

Subd. 2. **Eligibility.** (a) Grants may be made to farmers and organizations such as farms, agricultural cooperatives, educational institutions, individuals at educational institutions, nonprofit organizations, Tribal governments, or local units of government residing or located in the state for research or demonstrations on farms in the state.

(b) Grants may only be made for projects that show:

(1) the ability to maximize direct or indirect energy savings or production;

(2) a positive effect or reduced adverse effect on the environment; or

(3) increased profitability for the individual farm by reducing costs or improving marketing opportunities.

Subd. 3. **Awarding of grants.** (a) Applications for grants must be made to the commissioner on forms prescribed by the commissioner.

(b) The applications must be reviewed, ranked, and recommended by a technical review panel appointed by the commissioner. The technical review panel shall consist of a soil scientist, an agronomist, a representative from a postsecondary educational institution, an agricultural marketing specialist, two resident farmers of the state using sustainable agriculture methods, two resident farmers of the state using organic agriculture methods, and a chair from the department.

(c) The technical review panel shall rank applications according to the following criteria:

(1) direct or indirect energy savings or production;

(2) environmental benefit;

(3) farm profitability;

(4) the number of farms able to apply the techniques or the technology proposed;

(5) the effectiveness of the project as a demonstration;

(6) the immediate transferability of the project to farms; and

(7) the ability of the project to accomplish its goals.

(d) The commissioner shall consider the recommendations of the technical review panel and may award grants for eligible projects. Priority must be given to applicants who are farmers or groups of farmers.

(e) Grants for eligible projects may not exceed $25,000 unless the portion above $25,000 is matched on an equal basis by the applicant's cash contribution or the value of the applicant's in-kind land use, equipment use, or personal labor. Grant recipients who are not required to provide a match and grant recipients whose in-kind contributions exceed the amount needed to meet matching requirements may submit the value of the grant recipients' labor or equipment use as an expense eligible for payment from grant money. Grant funding of projects may not exceed $50,000 under this section, but applicants may utilize other funding sources. A portion of each grant must be targeted for public information activities of the project.

(f) A project may continue for up to three years. Multiyear projects must be reevaluated by the technical review panel and the commissioner before second or third year funding is approved. A project is limited to one grant for its funding.

History: *1986 c 444; 1988 c 688 art 15 s 2; 1997 c 216 s 21,22; 1999 c 231 s 27; 1Sp2001 c 2 s 24; 2021 c 28 s 4; 2023 c 43 art 2 s 7; 2024 c 126 art 2 s 7; 2024 c 127 art 38 s 7*

17.1161 MS 2012 [Repealed, 2014 c 181 s 14]

AGRICULTURAL FINANCIAL ASSISTANCE PROGRAMS

17.117 AGRICULTURE BEST MANAGEMENT PRACTICES LOAN PROGRAM.

Subdivision 1. **Purpose.** The purpose of the agriculture best management practices loan program is to provide low or no interest financing to farmers, agriculture supply businesses, landowners, and water-quality cooperatives for the implementation of agriculture and other best management practices that reduce environmental pollution.

Subd. 2. **Authority.** The commissioner may develop administrative guidelines specifying criteria, standards, and procedures for making loans and establish, adopt rules for, and implement a program to make loans or otherwise provide funds to local units of government, federal authorities, lending institutions, and other appropriate organizations who will in turn provide loans to landowners and businesses for facilities, fixtures, equipment, or other best management practices that prevent or mitigate pollution or other adverse environmental impacts. The agriculture best management practices loan program must provide a consistent programmatic framework for the disbursement and administration of funds available to the commissioner designated to the program for protection of environmental quality or remediation or mitigation of adverse environmental impacts. The distribution of loans or funds through the program must comply with all limitations, provisions, or requirements of the respective funding sources. Unless otherwise limited by the funding source, the commissioner shall manage the program using perpetual revolving fund accounts.

Subd. 3. **Appropriations.** Up to $280,000,000 of the balance in the clean water revolving fund in section 446A.07, as determined by the Public Facilities Authority, is appropriated to the commissioner for the establishment of this program. In addition, the commissioner may receive appropriations from the legislature and grants or funds from other sources for implementation of the program.

Subd. 4. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Agricultural and environmental revolving accounts" means accounts in the agricultural fund, controlled by the commissioner, which hold funds available to the program.

(c) "Agriculture supply business" means a person, partnership, joint venture, corporation, limited liability company, association, firm, public service company, or cooperative that provides materials, equipment, or services to farmers or agriculture-related enterprises.

(d) "Allocation" means the funds awarded to an applicant for implementation of best management practices through a competitive or noncompetitive application process.

(e) "Applicant" means a local unit of government eligible to participate in this program that requests an allocation of funds as provided in subdivision 6b.

(f) "Best management practices" has the meaning given in sections 103F.711, subdivision 3, and 103H.151, subdivision 2. Best management practices also means other practices, techniques, and measures that have been demonstrated to the satisfaction of the commissioner: (1) to prevent or reduce adverse environmental impacts by using the most effective and practicable means of achieving environmental goals; or (2) to achieve drinking water quality standards under chapter 103H or under Code of Federal Regulations, title 40, parts 141 and 143, as amended.

(g) "Borrower" means a farmer, an agriculture supply business, or a rural landowner applying for a low-interest loan.

(h) "Commissioner" means the commissioner of agriculture, including when the commissioner is acting in the capacity of chair of the Rural Finance Authority, or the designee of the commissioner.

(i) "Committed project" means an eligible project scheduled to be implemented at a future date that has been approved by the local government unit.

(j) "Comprehensive water management plan" means a state-approved and locally adopted plan authorized under section 103B.231, 103B.255, 103B.311, 103C.331, 103D.401, or 103D.405.

(k) "Cost incurred" means expenses for implementation of a project accrued because the borrower has agreed to purchase equipment or is obligated to pay for services or materials already provided as a result of implementing an approved eligible project.

(l) "Farmer" means a person, partnership, joint venture, corporation, limited liability company, association, firm, public service company, or cooperative that regularly participates in physical labor or operations management of farming and files a Schedule F as part of filing United States Internal Revenue Service Form 1040 or indicates farming as the primary business activity under Schedule C, K, or S, or any other applicable report to the United States Internal Revenue Service.

(m) "Lender agreement" means an agreement entered into between the commissioner and a local lender which contains terms and conditions of participation in the program.

(n) "Local government unit" means a county, soil and water conservation district, or an organization formed for the joint exercise of powers under section 471.59 with the authority to participate in the program.

(o) "Local lender" means a local government unit as defined in paragraph (n); a local unit of government with taxing or special assessment authority, such as a watershed district, a drainage authority, or a township; a state or federally chartered bank; a savings association; a state or federal credit union; Agribank and its affiliated organizations; or a nonprofit economic development organization or other financial lending institution approved by the commissioner.

(p) "Local revolving loan account" means the account held by a local government unit and a local lender into which principal repayments from borrowers are deposited and new loans are issued in accordance with the requirements of the program and lender agreements.

(q) "Nonpoint source" has the meaning given in section 103F.711, subdivision 6.

(r) "Program" means the agriculture best management practices loan program in this section.

(s) "Project" means one or more components or activities located within Minnesota that are required by the local government unit to be implemented for satisfactory completion of an eligible best management practice.

(t) "Rural landowner" means the owner of record of Minnesota real estate located in an area determined by the local government unit to be rural after consideration of local land use patterns, zoning regulations, jurisdictional boundaries, local community definitions, historical uses, and other pertinent local factors.

(u) "Water-quality cooperative" has the meaning given in section 115.58, paragraph (d), except as expressly limited in this section.

Subd. 5. **Uses of funds.** (a) Use of funds under this section must be in compliance with the rules and regulations of the funding source or appropriation. Use of funds from the Public Facilities Authority must comply with the federal Water Pollution Control Act, section 446A.07, and eligible activities listed in the intended use plan authorized in section 446A.07, subdivision 4.

(b) In the event of a conflict between this section and a law appropriating money for this program, the law appropriating money for this program governs.

Subd. 5a. **Agricultural and environmental revolving accounts.** (a) There shall be established in the special revenue fund revolving accounts to receive appropriations, transfers of the balances from previous appropriations for the activities under this section, and money from other sources. All balances from previous appropriations for activities under this section and repayments of loans granted under this section, including principal and interest, must be deposited into the appropriate revolving account created in this subdivision or the account created in subdivision 13. Interest earned in an account accrues to that account.

(b) The money in the revolving accounts and the account created in subdivision 13 is appropriated to the commissioner for the purposes of this section.

Subd. 5b. **Application fee.** The commissioner may impose a nonrefundable application fee of $50 for each loan issued under the program. The fees must be credited to the agricultural best management practices administration account, which is hereby established in the special revenue fund. Interest earned in the account accrues to the account. Money in the account and interest earned in the accounts established in the agricultural fund under subdivision 5a are appropriated to the commissioner for administrative expenses of the program.

Subd. 6. **Application.** (a) Only the following local government units may apply for funds under this program:

(1) counties or their designees;

(2) soil and water conservation districts; and

(3) joint power organizations consisting of counties or their designees or soil and water conservation districts.

(b) A county may submit an application for an allocation. A county or a group of counties may designate another local government unit to submit a local allocation request on their behalf. If a county does not submit an application, and does not designate another local government unit, a soil and water conservation district may submit an application for an allocation. If the local soil and water conservation district does not submit an application, then an eligible joint powers organization may submit an application for an allocation. In all instances, there may be only one application representing any geographic area. The applicant must coordinate and submit requests on behalf of other units of government within the geographic jurisdiction of the applicant.

(c) The commissioner must prescribe forms and establish an application process for applicants to apply for an allocation of funds. The application must include but need not be limited to (1) the geographic area served; (2) the type and estimated cost of activities or projects for which they are seeking an allocation; and (3) prioritization or targeting of proposed activities or projects.

(d) If an application is rejected, the applicant must be notified in writing as to the reasons for the rejection and given 30 days to submit a revised application. The revised application shall be reviewed according to the same procedure used to review the initial application. Failure of an applicant to be awarded funds does not constitute a rejection of the application.

Subd. 6a. **Review and ranking of applications.** (a) The commissioner shall chair a subcommittee for purposes of reviewing and ranking applications and recommending to the commissioner allocation amounts. The subcommittee consists of representatives of the Departments of Agriculture, Natural Resources, and Health; the Pollution Control Agency; the Board of Water and Soil Resources; the Farm Service Agency and the Natural Resources Conservation Service of the United States Department of Agriculture; the Association of Minnesota Counties; the Minnesota Association of Soil and Water Conservation Districts; and other agencies or associations the commissioner determines are appropriate.

(b) The subcommittee must use the criteria in clauses (1) to (9) as well as other criteria it determines appropriate in carrying out the review and ranking:

(1) whether the proposed activities are identified in a comprehensive water management plan or other appropriate local planning documents as priorities;

(2) the potential that the proposed activities have for improving or protecting environmental quality;

(3) the extent that the proposed activities support areawide or multijurisdictional approaches to protecting environmental quality based on defined watershed or similar geographic areas;

(4) whether the activities are needed for compliance with existing environmental laws or rules;

(5) whether the proposed activities demonstrate participation, coordination, and cooperation between local units of government and other public agencies;

(6) whether there is coordination with other public and private funding sources and programs;

(7) whether the applicant has targeted specific best management practices to resolve specific environmental problems;

(8) past performance of the applicant in completing projects identified in prior applications and allocation agreements; and

(9) whether there are off-site public benefits.

Subd. 6b. **Allocation amount.** (a) The subcommittee created in subdivision 6a shall recommend to the commissioner the amount of allocation for each applicant. This allocation must include:

(1) the amount of repayments received by the commissioner during the previous year from prior completed projects approved by the local government unit; and

(2) the amount of funds previously designated to committed projects.

(b) Within the limits of the funds available to the commissioner, the subcommittee may recommend an increased allocation award to the applicant based on:

(1) the ranking of the local government unit application under subdivision 6a; and

(2) the amount of unallocated or uncommitted funds in, or that will be received by, the agricultural and environmental revolving accounts within one year.

(c) Notwithstanding paragraphs (a) and (b), the commissioner may reserve up to two percent of all funds appropriated to the agricultural and environmental revolving accounts to be allocated to applicants that disburse or commit all of their current allocations or to local lenders who wish to provide financial assistance.

The commissioner may add, for the purposes of calculating future allocations under paragraphs (a) and (b), the loan amount for projects financed from these reserved funds to the allocation for the respective local government units in which jurisdiction the project was completed.

Subd. 7. **Payments to local lenders.** (a) Payments made from the commissioner to the local lender must be made in accordance with applicable state and federal laws and rules governing the payments and the lender agreement.

(b) Payments from the commissioner to the local lender must be disbursed on a cost-incurred basis. The request must be made in accordance with requirements and procedures established by the commissioner. Payment requests must be reviewed and approved by the commissioner.

Subd. 8. **Allocation agreement.** (a) Eligible local government units with an allocation award may enter into an allocation agreement with the commissioner and participate in this program.

(b) The allocation agreement must contain terms and conditions for participation in this program and providing of funds through this program, including, but not limited to: program requirements, reporting requirements, project eligibility and limitations, allowable expenses, limitations, rescission and cancellation provisions, and the responsibilities of the commissioner, local government unit, and local lender.

(c) If the commissioner determines that a local government unit is not in compliance with the terms of the allocation agreement, the commissioner may rescind all or part of any allocation awarded through this program.

Subd. 9. **Allocation rescission.** (a) Continued availability of allocations granted to a local government unit is contingent upon the commissioner's approval of the local government unit's annual report. The commissioner shall review this annual report to ensure that the past and future uses of the funds are consistent with the comprehensive water management plan, other local planning documents, the requirements of the funding source, and compliance to program requirements. If the commissioner concludes the past or intended uses of the money are not consistent with these requirements, the commissioner shall rescind all or part of the allocation awarded to a local government unit.

(b) The commissioner may rescind funds allocated to the local government unit that are not designated to committed projects or disbursed within one year from the date of the allocation agreement.

(c) The commissioner may rescind uncommitted allocations.

Subd. 9a. **Authority and responsibilities of local government units.** (a) A local government unit that enters into an allocation agreement with the commissioner:

(1) is responsible for the local administration and implementation of the program in accordance with this section;

(2) may submit applications for allocations to the commissioner;

(3) shall identify, develop, determine eligibility, define and approve projects, designate maximum loan amounts for projects, and certify completion of projects implemented under this program. In areas where no local government unit has applied for funds under this program, the commissioner may appoint a local government unit to review and certify projects or the commissioner may assume the authority and responsibility of the local government unit;

(4) shall certify as eligible only projects that are within its geographic jurisdiction or within the geographic area identified in its local comprehensive water management plans or other local planning documents;

(5) may require withholding by the local lender of all or a portion of the loan to the borrower until satisfactory completion of all required components of a certified project;

(6) shall report to the commissioner annually the past and intended uses of allocations awarded; and

(7) may request additional funds in excess of their allocation when funds are available in the agricultural and environmental revolving accounts, as long as all other allocation awards to the local government unit have been used or committed.

(b) If a local government unit withdraws from participation in this program, the local government unit, or the commissioner in accordance with the priorities established under subdivision 6a, may designate another local government unit that is eligible under subdivision 6 as the new local government unit responsible for local administration of this program. This designated local government unit may accept responsibility and administration of allocations awarded to the former responsible local government unit.

Subd. 9b. **Lender agreement.** (a) Any local lender entering into a lender agreement with the commissioner may participate in this program.

(b) The lender agreement will contain terms and conditions for participation in this program and providing funds to the local lenders, including but not limited to, program requirements, loan and account management requirements, payments, repayments, term limits, allowable expenses, fee limitations, rescission and cancellation provisions, collateral and security requirements, reporting requirements, review and appeal procedure for cancellation of the loan agreement or disqualification as a local lender, and the responsibilities of the commissioner, local government unit, and local lender.

(c) If the commissioner determines that a local lender is not in compliance with the terms of the lender agreement, the commissioner may take the following actions:

(1) disqualifying the local lender as a participating lender in this program for a period of up to five years from the date that the commissioner determines noncompliance to the lender agreement; and

(2) requiring immediate or accelerated repayment of all or part of all funds provided to the local lender.

(d) Existing lender agreements, executed prior to July 1, 2001, may be amended by mutual consent of all signatory parties, to comply with this section, to establish a single allocation agreement that includes the amount of prior allocation awards and defines the terms and conditions required under subdivision 8, or to modify the amount of allocation awarded.

Subd. 10. **Authority and responsibilities of local lenders.** (a) Local lenders may enter into lender agreements with the commissioner.

(b) Local lenders may enter into loan agreements with borrowers to finance eligible projects under this section.

(c) Local lenders with local revolving loan accounts created before July 1, 2001, may continue to retain and use those accounts in accordance with their lending agreements for the full term of those agreements.

(d) Local lenders, including local government units designating themselves as the local lender, may enter into participation agreements with other lenders.

(e) Local lenders may enter into contracts with other lenders for the limited purposes of loan review, processing and servicing, or to enter into loan agreements with borrowers to finance projects under this section. Other lenders entering into contracts with local lenders under this section must meet the definition

of local lender in subdivision 4, must comply with all provisions of the lender agreement and this section, and must guarantee repayment of the loan funds to the local lender.

(f) When required by the local government unit, a local lender must withhold all or a portion of the loan disbursement for a project until notified by the local government unit that the project has been satisfactorily completed.

(g) The local lender is responsible for repaying all funds provided by the commissioner to the local lender.

(h) The local lender is responsible for collecting repayments from borrowers. If a borrower defaults on a loan issued by the local lender, it is the responsibility of the local lender to obtain repayment from the borrower. Default on the part of borrowers shall have no effect on the local lender's responsibility to repay its obligations to the commissioner whether or not the local lender fully recovers defaulted amounts from borrowers.

(i) The local lender shall provide sufficient collateral or protection to the commissioner for the funds provided to the local lender. The commissioner must approve the collateral or protection provided.

Subd. 11. **Loans issued to borrower.** (a) Local lenders may issue loans only for projects that are approved and certified by the local government unit as meeting priority needs identified in a comprehensive water management plan or other local planning documents, are in compliance with accepted practices, standards, specifications, or criteria, and are eligible for financing under Environmental Protection Agency or other applicable guidelines.

(b) The local lender may use any additional criteria considered necessary to determine the eligibility of borrowers for loans.

(c) Local lenders shall set the terms and conditions of loans to borrowers, except that no borrower shall, at any time, have loans from this program with a total outstanding loan balance of more than $200,000.

(d) The maximum term length for projects in this paragraph is ten years.

(e) Fees charged at the time of closing must:

(1) be in compliance with normal and customary practices of the local lender;

(2) be in accordance with published fee schedules issued by the local lender;

(3) not be based on participation program; and

(4) be consistent with fees charged other similar types of loans offered by the local lender.

(f) The interest rate assessed to an outstanding loan balance by the local lender must not exceed three percent per year.

Subd. 11a. **Eligible projects.** (a) All projects that remediate or mitigate adverse environmental impacts are eligible if the project is eligible under an allocation agreement.

(b) A manure management project is eligible if the project remediates or mitigates impacts from facilities with less than 1,000 animal units as defined in Minnesota Rules, chapter 7020, and otherwise meets the requirements of this section.

(c) A drinking water project is eligible if the project:

(1) remediates or mitigates the inadequate flow, adverse environmental impacts, or presence of contaminants in privately owned water supplies that are used for drinking water by people or livestock, privately owned water service lines, or privately owned plumbing and fixtures;

(2) implements best management practices that are intended to achieve drinking water standards or adequate flow; and

(3) otherwise meets the requirements of this section.

Subd. 12. **Data privacy.** The following data on local government units, local lenders, or borrowers collected by the commissioner under this section are private for data on individuals as provided in section 13.02, subdivision 12, or nonpublic for data not on individuals as provided in section 13.02, subdivision 9: financial information, including, but not limited to, credit reports, financial statements, tax returns and net worth calculations received or prepared by the commissioner.

Subd. 13. **Establishment of account.** The Public Facilities Authority shall establish an account called the agriculture best management practices revolving account to provide loans and other forms of financial assistance authorized under section 446A.07. The account must be credited with repayments.

Subd. 14. MS 2000 [Repealed by amendment, 1Sp2001 c 2 s 25]

Subd. 15. **Commissioner's report.** (a) The commissioner shall prepare and submit a report to the house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture by October 15 of each odd-numbered year.

(b) The report shall include, but need not be limited to, matters such as loan allocations and uses, the extent to which the financial assistance is helping implement local water and other environmental planning priorities, the integration or coordination that has occurred with related programs, and other matters deemed pertinent to the implementation of the program.

Subd. 16. **Liens against property.** (a) The amount of loans and accruing interest made by a county, home rule charter city, statutory city, or town acting as a local lender under this section is a lien against the real property for which the improvement was made and must be assessed against the property or properties benefited unless the amount is prepaid. The lien is a special assessment under chapter 429 and repayments may be collected as a special assessment as provided for in section 429.101 or by charter. An amount loaned under the program and its accruing interest assessed against the property is a priority lien only against subsequent liens.

(b) The county, home rule charter city, statutory city, or town may bill amounts due on the loan on the tax statement for the property. Enforcement of the lien created by this subdivision must, at the county's, home rule charter city's, statutory city's, or town's option, be in the manner set forth in chapter 580 or 581. When the amount due and all interest has been paid, the county, home rule charter city, statutory city, or town shall file a satisfaction of the lien created under this subdivision.

(c) A county, home rule charter city, statutory city, or town may also secure amounts due on a loan under this section by taking a purchase money security interest in equipment in accordance with chapter 336, article 9, and may enforce the purchase money security interest in accordance with chapters 336, article 9, and 565.

Subd. 17. **Referendum exemption.** For the purpose of obtaining a loan from the commissioner, a local government unit acting as a local lender may provide to the commissioner its general obligation note. All obligations incurred by a local government unit in obtaining a loan from the commissioner must be in

accordance with chapter 475, except that so long as the obligations are issued to evidence a loan from the commissioner to the local government unit, an election is not required to authorize the obligations issued, and the amount of the obligations shall not be included in determining the net indebtedness of the local government unit under the provisions of any law or chapter limiting the indebtedness.

History: *1994 c 632 art 2 s 11; 1995 c 202 art 1 s 25; 1995 c 220 s 28-39; 1996 c 407 s 12; 1999 c 86 art 3 s 3; 1999 c 231 s 28; 1Sp2001 c 2 s 25; 2002 c 220 art 9 s 5; 1Sp2005 c 1 art 1 s 8,9; 2007 c 45 art 1 s 15-19; 2008 c 277 art 3 s 1; 2011 c 107 s 1; 2015 c 44 s 2; 2016 c 189 art 2 s 6,7; 2019 c 24 s 1; 2020 c 89 art 4 s 3-5; 2022 c 95 art 2 s 3-7; 2025 c 34 art 3 s 3,4*

17.118 LIVESTOCK INVESTMENT GRANT PROGRAM.

Subdivision 1. **Establishment.** The commissioner may award a livestock investment grant to an eligible applicant who raises livestock in this state equal to 50 percent of the first $20,000 of qualifying expenditures and 25 percent of the next $220,000 of qualifying expenditures. The commissioner may award multiple livestock investment grants to a person over the life of the program and shall give preference to applicants who have not previously received a grant under this section.

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

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

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

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

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

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

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

(iii) livestock stream crossing stabilization; and

(iv) fences; or

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

(i) freestall barns;

(ii) watering facilities;

(iii) feed storage and handling equipment;

(iv) milking parlors;

(v) robotic equipment;

(vi) scales;

(vii) milk storage and cooling facilities;

(viii) bulk tanks;

(ix) computer hardware and software and associated equipment used to monitor the productivity and feeding of livestock;

(x) manure pumping and storage facilities;

(xi) swine farrowing facilities;

(xii) swine and cattle finishing barns;

(xiii) calving facilities;

(xiv) digesters;

(xv) equipment used to produce energy;

(xvi) on-farm processing facilities equipment;

(xvii) fences, including but not limited to farmed Cervidae perimeter fences required under section 35.155, subdivision 4; and

(xviii) livestock pens and corrals and sorting, restraining, and loading chutes.

Except for qualifying pasture development expenditures under clause (2), qualifying expenditures only include amounts that are allowed to be capitalized and deducted under either section 167 or 179 of the Internal Revenue Code in computing federal taxable income. Qualifying expenditures do not include an amount paid to refinance existing debt.

Subd. 3. **Eligibility.** To be eligible for a livestock investment grant, an applicant must:

(1) be a resident of Minnesota, a unit of Tribal government, or an entity specifically defined in section 500.24, subdivision 2, that is eligible to own farmland and operate a farm in this state under section 500.24;

(2) be the principal operator of the farm;

(3) hold a feedlot registration, if required; and

(4) apply to the commissioner on forms prescribed by the commissioner including a statement of the qualifying expenditures made during the qualifying period along with any proof or other documentation the commissioner may require.

Subd. 4. **Process.** The commissioner, in consultation with the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over agriculture finance, shall develop competitive eligibility criteria and may allocate grants on a needs basis. The commissioner shall place any eligible unfunded applications on a waiting list and, notwithstanding subdivision 2, paragraph (d), give them consideration during the next fiscal year in which program funding is available. The commissioner shall notify in writing any applicant who applies for a grant and is ineligible under the provisions of this section as well as any applicant whose application is received or reviewed after the fiscal year funding limit has been reached.

History: *2008 c 297 art 1 s 1; 2009 c 94 art 1 s 12,13; 2013 c 114 art 2 s 4; 1Sp2019 c 1 art 2 s 2; 2022 c 95 art 2 s 8,9; 2025 c 34 art 3 s 5-7*

17.119 MS 2018 [Expired, 2016 c 189 art 2 s 8]

17.1195 FARM SAFETY GRANT AND OUTREACH PROGRAMS.

Subdivision 1. **Tractor rollover grants.** (a) The commissioner may award grants to Minnesota farmers and Minnesota schools that retrofit eligible tractors with eligible rollover protective structures.

(b) Grants for farmers are limited to 70 percent of the farmer's documented cost to purchase, ship, and install an eligible rollover protective structure. The commissioner must increase a farmer's grant award amount over the 70 percent grant limitation requirement if necessary to limit a farmer's cost per tractor to no more than $500.

(c) Schools are eligible for grants that cover the full amount of a school's documented cost to purchase, ship, and install an eligible rollover protective structure.

(d) A rollover protective structure is eligible if it is certified to appropriate national or international rollover protection structure standards with a seat belt.

(e) "Eligible tractor" means a tractor that was built before 1987.

Subd. 2. **Grain storage facility safety grants; farm safety outreach.** (a) The commissioner may award grants to Minnesota farmers who purchase eligible grain storage facility safety equipment. Grants are limited to 75 percent of the farmer's documented cost to purchase, ship, and install grain storage facility safety equipment, or $400 per bin or silo, whichever is less. A farm entity may not receive more than one grant each fiscal year.

(b) Eligible grain storage facility safety equipment includes:

(1) fall protection systems;

(2) engineering controls to prevent contact with an auger or other moving parts;

(3) dust collection systems to minimize explosion hazards;

(4) personal protective equipment to increase survivability in the event of a grain-bin-related emergency;

(5) grain silo air quality monitoring equipment; and

(6) other grain storage facility safety equipment approved by the commissioner.

(c) The commissioner may create a farm safety outreach campaign, including but not limited to development and distribution of safety educational materials related to grain bins, silos, and other agricultural confined spaces.

Subd. 3. **Promotion; administration.** The commissioner may spend up to six percent of total program dollars each fiscal year to promote and administer the programs to Minnesota farmers and schools.

History: *2020 c 101 s 1*

17.12 MS 1953 [Repealed, 1955 c 92 s 3]

17.13 MS 1953 [Repealed, 1955 c 92 s 3]

17.133 FARM DOWN PAYMENT ASSISTANCE GRANTS.

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

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

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

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

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

(4) is not, and whose spouse is not, a family member of the owner of the farmland that the individual intends to acquire. "Family member" has the meaning given in section 267(c)(4) of the Internal Revenue Code.

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

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

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

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

(e) "Limited land access" means farming without ownership of land and:

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

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

(f) "Limited market access" means the individual has gross sales of no more than $100,000 per year from the sale of farm products.

Subd. 2. **Grants.** The commissioner may award farm down payment assistance grants of up to $20,000 per eligible farmer. Each award must be matched with at least $8,000 of other funding. Grants under this subdivision may be awarded by a randomized selection process after applications are collected over a period of no less than 30 calendar days. An eligible farmer must commit to own and farm the land purchased with assistance provided under this section for at least five years. For each year that a grant recipient does not own and farm the land during the five-year period, the grant recipient must pay a penalty to the commissioner equal to 20 percent of the grant amount.

Subd. 3. **Report to legislature.** No later than December 1, 2023, and annually thereafter, the commissioner must provide a report to the chairs and ranking minority members of the legislative committees having

jurisdiction over agriculture and rural development, in compliance with sections 3.195 and 3.197, on the farm down payment assistance grants under this section. The report must include:

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

(2) the number and amount of grants;

(3) the geographic distribution of grants by county;

(4) the number of grant recipients who are emerging farmers;

(5) the number of grant recipients who were experiencing limited land access or limited market access when the grant was awarded;

(6) disaggregated data regarding the gender, race, and ethnicity of grant recipients;

(7) the number of farmers who cease to own land and are subject to payment of a penalty, along with the reasons for the land ownership cessation; and

(8) the number and amount of grant applications that exceeded the allocation available in each year.

History: *2022 c 95 art 2 s 10; 2023 c 43 art 2 s 8,9; 2024 c 126 art 2 s 8,9; 2024 c 127 art 38 s 8,9; 2025 c 34 art 3 s 8,9*

17.134 SOIL HEALTH FINANCIAL ASSISTANCE PROGRAM.

Subdivision 1. **Establishment.** The commissioner must establish and administer a program to support healthy soil management practices in accordance with this section.

Subd. 2. **Eligible projects.** The commissioner may award a grant under this section for any project on agricultural land in Minnesota that will:

(1) increase the quantity of organic carbon in soil through practices, including but not limited to reduced tillage, cover cropping, manure management, precision agriculture, crop rotations, and changes in grazing management;

(2) integrate perennial vegetation into the management of agricultural lands;

(3) reduce nitrous oxide and methane emissions through changes to livestock, soil management, or nutrient optimization;

(4) increase the usage of precision agricultural practices;

(5) enable the development of site-specific management plans; or

(6) enable the purchase of equipment, parts and materials, technology, subscriptions, technical assistance, seeds, seedlings, or amendments that will further any of the purposes in clauses (1) to (5).

Subd. 3. **Grant eligibility.** Any owner or lessee of farmland may apply for a grant under this section. The commissioner must give preference to owners and lessees that have not previously implemented an eligible project and owners and lessees that are certified or assessed and pursuing certification under sections 17.9891 to 17.993. Local government units, including cities; towns; counties; soil and water conservation districts; Minnesota Tribal governments as defined in section 10.65; and joint powers boards, are also eligible

for a grant. A local government unit that receives a grant for equipment or technology must make those purchases available for use by the public.

Subd. 3a. **Equipment sales limitation.** In addition to the applicable grants management requirements imposed under sections 16B.97 to 16B.991, an owner or lessee that receives a grant under this section to purchase equipment must certify to the commissioner that the owner or lessee will not sell the equipment for at least ten years.

Subd. 4. **Report.** By January 15 each year, the commissioner must submit a report on the grants awarded under this section to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture policy and finance. The report must include the number of grants awarded by county and the combined value of those grants.

History: *2023 c 43 art 2 s 10; 2024 c 126 art 2 s 10,11; 2024 c 127 art 38 s 10,11*

FARM SOLID WASTE DISPOSAL

17.135 FARM DISPOSAL OF SOLID WASTE.

(a) A permit is not required from a state agency, except under sections 88.16, 88.17, and 88.22 for a person who owns or operates land used for farming that buries, or burns and buries:

(1) solid waste generated from the person's household or as part of the person's farming operation; or

(2) concrete or reinforcing bar from a building or structure located on the land used for farming.

Items in clauses (1) and (2) must be buried in a nuisance-free, pollution-free, and aesthetic manner on the land used for farming. The exception in clause (1) does not apply if regularly scheduled pickup of solid waste is reasonably available at the person's farm, as determined by resolution of the county board of the county where the person's farm is located.

(b) The exemption in paragraph (a), clause (1), does not apply to burning tires or plastics, except plastic baling twine, or to burning or burial of the following materials:

(1) household hazardous waste as defined in section 115A.96, subdivision 1;

(2) appliances, including but not limited to, major appliances as defined in section 115A.03, subdivision 17a;

(3) household batteries;

(4) used motor oil; and

(5) lead acid batteries from motor vehicles.

(c) Within 90 days after completion of the burial, an owner of land used for farming who buries material under the authority of paragraph (a), clause (2), shall record, with the county recorder or registrar of titles of the county in which the land is located, an affidavit containing a legal description of the property and a map drawn from available information showing the boundary of the property and the location of concrete or reinforcing bar buried on the property. The county recorder or registrar of titles must record an affidavit

presented under this paragraph in a manner that ensures its disclosure in the ordinary course of a title search of the subject property.

History: *1989 c 131 s 2; 1993 c 249 s 5; 2011 c 14 s 6*

17.136 MS 2006 [Expired, 2001 c 161 s 7]

17.138 MS 2012 [Repealed, 2014 c 181 s 14]

17.139 MS 2000 [Repealed, 1Sp2001 c 2 s 162]

17.14 Subdivision 1. MS 2012 [Repealed, 2014 c 181 s 14]

Subd. 2. MS 1994 [Repealed, 1996 c 310 s 1]

Subd. 3. MS 2012 [Repealed, 2014 c 181 s 14]

Subd. 4. MS 2012 [Repealed, 2014 c 181 s 14]

17.15 MS 2012 [Repealed, 2014 c 181 s 14]

17.16 MS 2012 [Repealed, 2014 c 181 s 14]

17.17 MS 2012 [Repealed, 2014 c 181 s 14]

17.18 MS 2012 [Repealed, 2014 c 181 s 14]

17.181 MS 2012 [Repealed, 2014 c 181 s 14]

17.19 MS 2012 [Repealed, 2014 c 181 s 14]

17.20 MS 1949 [Repealed, 1949 c 559 s 20]

17.201 MS 1969 [Repealed, 1971 c 638 s 20]

17.202 MS 1969 [Repealed, 1971 c 638 s 20]

17.203 MS 1969 [Repealed, 1971 c 638 s 20]

17.204 MS 1969 [Repealed, 1971 c 638 s 20]

17.205 MS 1969 [Repealed, 1971 c 638 s 20]

17.206 MS 1969 [Repealed, 1971 c 638 s 20]

17.207 MS 1969 [Repealed, 1971 c 638 s 20]

17.208 MS 1969 [Repealed, 1971 c 638 s 20]

17.209 MS 1969 [Repealed, 1971 c 638 s 20]

17.21 MS 1949 [Repealed, 1949 c 559 s 20]

17.211 MS 1969 [Repealed, 1971 c 638 s 20]

17.212 MS 1969 [Repealed, 1971 c 638 s 20]

17.213 MS 1969 [Repealed, 1971 c 638 s 20]

17.214 MS 1969 [Repealed, 1971 c 638 s 20]

17.215 MS 1969 [Repealed, 1971 c 638 s 20]

17.216 MS 1969 [Repealed, 1971 c 638 s 20]

17.217 MS 1969 [Repealed, 1971 c 638 s 20]

17.218 MS 1969 [Repealed, 1971 c 638 s 20]

17.219 MS 1969 [Repealed, 1971 c 638 s 20]

17.22 MS 1949 [Repealed, 1949 c 559 s 20]

17.23 MS 2002 [Repealed, 2003 c 128 art 7 s 1]

17.231 MS 2008 [Repealed, 2010 c 333 art 1 s 40]

17.24 Subdivision 1. [Renumbered 17.037]

Subd. 2. [Renumbered 17.037]

Subd. 3. MS 1957 [Repealed, 1961 c 128 s 20]

17.25 [Renumbered 17.042]

17.26 MS 1953 [Repealed, 1955 c 92 s 3]

17.27 MS 1953 [Repealed, 1955 c 92 s 3]

17.28 [Renumbered 308.92]

17.29 Subdivision 1. [Renumbered 17.181]

Subd. 2. MS 1949 [Repealed, 1949 c 559 s 20]

Subd. 3. [Renumbered 30.59]

Subd. 4. [Renumbered 17.219]

17.30 [Renumbered 30.55]

17.31 [Renumbered 30.56]

17.32 [Renumbered 30.57]

17.33 [Renumbered 30.58]

17.34 MS 1957 [Repealed, Ex1959 c 73 s 1]

AGRICULTURAL PURSUIT NOT DETERMINATIVE FOR PROPERTY CLASSIFICATION

17.345 NOT DETERMINATIVE FOR PROPERTY CLASSIFICATION.

Participating in an agricultural pursuit identified in this chapter is not determinative for the classification of property under chapter 273.

History: *2012 c 203 s 1*

FUR FARMING

17.35 MS 1984 [Repealed, 1985 c 44 s 5]

17.351 DEFINITIONS.

Subdivision 1. **Applicability.** The definitions in this section apply to sections 17.352 to 17.354.

Subd. 2. MS 1994 [Repealed, 1996 c 310 s 1]

Subd. 3. **Fur-bearing animal.** "Fur-bearing animal" means a fox, mink, fitch, chinchilla, karakul, marten, nutria, or fisher that is the second or later generation raised in captivity.

Subd. 4. **Fur farmer.** "Fur farmer" means a person engaged in breeding, raising, producing, and marketing fur-bearing animals or the products of fur-bearing animals.

History: *1985 c 44 s 1*

17.352 AGRICULTURAL PRODUCTS AND PURSUITS.

Fur-bearing animals are domestic animals and products of fur-bearing animals are agricultural products. A fur farmer is engaged in an agricultural pursuit.

History: *1985 c 44 s 2*

17.353 MS 2022 [Repealed, 2024 c 116 art 6 s 7]

17.354 APPLICATION.

Sections 17.351 and 17.352 do not affect provisions of law relating to wild animals.

History: *1985 c 44 s 4; 2025 c 20 s 5*

17.36 [Renumbered 31.73]

17.37 MS 1957 [Repealed, 1961 c 128 s 20]

CHEMICALLY TREATED GRAIN

17.41 GRAIN DEFINED.

Unless the language or context clearly indicates that a different meaning is intended, the term "grain" shall mean whole seeds or entire grains or any broken parts thereof, of field peas, field beans, soybeans or

entire legumes, or flax, wheat, rye, barley, oats, corn, sorghum, spelt or emmer, vetch, buckwheat, or any other cereals.

History: *1955 c 415 s 1*

17.42 MS 2012 [Repealed, 2014 c 181 s 14]

17.43 MS 2012 [Repealed, 2014 c 181 s 14]

17.44 MS 2012 [Repealed, 2014 c 181 s 14]

BEE INSPECTION FEES

17.445 INSPECTIONS AND SERVICES; FEES.

Subdivision 1. **Definitions.** For the purposes of this section, the definitions in this subdivision have the meanings given them.

(a) "Apiary" means a place where a collection of one or more hives or colonies of bees or the nuclei of bees are kept.

(b) "Bee equipment" means hives, supers, frames, veils, gloves, and any apparatus, tool, machine, vehicle, or other device used in the handling, moving, or manipulating of bees, honey, wax, or hives, including containers of honey or wax, which may be used in an apiary or in transporting bees and their products and apiary supplies.

(c) "Bees" means any stage of the common honey bee, Apis mellifera (L).

(d) "Commissioner" means the commissioner of agriculture or the commissioner's designees or authorized agents.

Subd. 2. **Purpose.** To ensure continued access to foreign and domestic markets, the commissioner shall provide requested bee inspections and other necessary services.

Subd. 3. **Inspections and other services.** On request, the commissioner may make inspections for sale of bees, bee equipment, or appliances or perform other necessary services.

Subd. 4. **Fees.** The commissioner shall charge a fee or charge for expenses so as to recover the cost of performing the inspections and services in subdivision 3. If a person for whom these inspections or services are to be performed requests it, the commissioner shall provide to the person in advance an estimate of the fees or expenses that will be charged. All fees and charges collected under this section shall be deposited in the state treasury and credited to the agricultural fund. Revenue from inspection fees and other charges deposited in the agricultural fund, including any interest earned, is appropriated to the commissioner to perform the services provided for under this section.

History: *2006 c 265 s 1*

17.45 MS 2000 [Repealed, 1Sp2001 c 2 s 162]

FARMED CERVIDAE

17.451 MS 2004 [Repealed, 1Sp2005 c 1 art 1 s 98]

17.452 FARM-RAISED CERVIDAE.

Subdivision 1. MS 2012 [Repealed, 2014 c 181 s 14]

Subd. 2. MS 2012 [Repealed, 2014 c 181 s 14]

Subd. 3. MS 1996 [Repealed, 1997 c 7 art 2 s 67]

Subd. 4. **Farmed Cervidae are livestock.** Farmed Cervidae are livestock and are not wild animals for purposes of game farm, hunting, or wildlife laws. Farmed Cervidae and their products are farm products and livestock for purposes of financial transactions and collateral.

Subd. 5. **Raising farmed Cervidae is an agricultural pursuit.** Raising farmed Cervidae is agricultural production and an agricultural pursuit.

Subd. 5a. **Other applicable definitions.** The definitions in section 35.153 apply to this section.

Subd. 6. MS 2004 [Repealed, 1Sp2005 c 1 art 1 s 98]

Subd. 6a. MS 2004 [Repealed, 1Sp2005 c 1 art 1 s 98]

Subd. 7. MS 2004 [Repealed, 1Sp2005 c 1 art 1 s 98]

Subd. 8. **Slaughter.** Farmed Cervidae must be slaughtered and inspected in accordance with chapters 31 and 31A or the United States Department of Agriculture voluntary program for exotic animals, Code of Federal Regulations, title 9, part 352.

Subd. 9. **Sales of farmed Cervidae and meat products.** Persons selling or buying farmed Cervidae sold as livestock, sold for human consumption, or sold for slaughter must comply with chapters 17A, 31, 31A, and 31B.

Subd. 10. MS 2004 [Repealed, 1Sp2005 c 1 art 1 s 98]

Subd. 11. MS 2004 [Repealed, 1Sp2005 c 1 art 1 s 98]

Subd. 12. MS 2004 [Repealed, 1Sp2005 c 1 art 1 s 98]

Subd. 13. MS 2004 [Repealed, 1Sp2005 c 1 art 1 s 98]

Subd. 13a. MS 2004 [Repealed, 1Sp2005 c 1 art 1 s 98]

Subd. 14. MS 2004 [Repealed, 1Sp2005 c 1 art 1 s 98]

Subd. 15. MS 2004 [Repealed, 1Sp2005 c 1 art 1 s 98]

Subd. 16. MS 2004 [Repealed, 1Sp2005 c 1 art 1 s 98]

History: *1993 c 375 art 9 s 2; 1995 c 39 s 2,3; 1999 c 86 art 2 s 1; 2002 c 373 s 2,3; 2003 c 128 art 3 s 6-13; 1Sp2005 c 1 art 1 s 10*

RATITAE

17.453 DEFINITIONS.

Subdivision 1. **Applicability.** The definitions in this section apply to this section and section 17.454.

Subd. 2. **Owner.** "Owner" means a person who owns or is responsible for the raising of Ratitae.

Subd. 3. **Ratitae.** "Ratitae" means members of the Ratitae family (including ostriches, emus, and rheas) that are raised for the purpose of producing fiber, meat, or animal by-products or as breeding stock.

History: *1993 c 375 art 9 s 3*

17.454 RATITAE.

Subdivision 1. **Ratitae are livestock.** Ratitae are livestock and are not wild animals for purposes of hunting or wildlife laws. Ratitae and their products are farm products and livestock for purposes of financial transactions and collateral.

Subd. 2. **Raising Ratitae is an agricultural pursuit.** Raising Ratitae is agricultural production and an agricultural pursuit.

Subd. 3. **Sales of Ratitae and meat products.** Persons selling or buying Ratitae sold as livestock, sold for human consumption, or sold for slaughter must comply with chapters 17A, 28A, 31, 31A, and 31B.

Subd. 4. **Slaughter.** Ratitae must be slaughtered and inspected in accordance with the United States Department of Agriculture voluntary inspection program for exotic animals, Code of Federal Regulations, title 9, part 352.

Subd. 5. **Disease inspection.** Ratitae are subject to chapter 35 and the rules of the Board of Animal Health in the same manner as livestock and domestic animals, including provisions relating to importation and transportation.

History: *1993 c 375 art 9 s 4*

LLAMA

17.455 DEFINITIONS.

Subdivision 1. **Applicability.** The definitions in this section apply to this section and section 17.456.

Subd. 2. **Llama.** "Llama" means a member of the genus lama that is raised for the purpose of producing fiber, meat, or animal by-products or as breeding stock.

Subd. 3. **Owner.** "Owner" means a person who owns or is responsible for the raising of llamas.

History: *1993 c 375 art 9 s 5*

17.456 LLAMA.

Subdivision 1. **Llamas are livestock.** Llamas are livestock and are not wild animals for purposes of hunting or wildlife laws. Llamas and their products are farm products and livestock for purposes of financial transactions and collateral.

Subd. 2. **Raising llamas is an agricultural pursuit.** Raising llamas is agricultural production and an agricultural pursuit.

Subd. 3. **Sales of llamas and meat products.** Persons selling or buying llamas sold as livestock, sold for human consumption, or sold for slaughter must comply with chapters 17A, 28A, 31, 31A, and 31B.

Subd. 4. MS 1996 [Repealed, 1997 c 220 s 5]

Subd. 5. **Disease inspection.** Llamas are subject to chapter 35 and the rules of the Board of Animal Health in the same manner as livestock and domestic animals, including provisions relating to importation and transportation.

History: *1993 c 375 art 9 s 6*

EURASIAN WILD PIGS

17.457 RESTRICTED SPECIES.

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Commissioner" means the commissioner of agriculture or the commissioner's designee.

(c) "Domestic hogs" means members of the subspecies *Sus scrofa domesticus*.

(d) "Restricted species" means pigs, boars, peccaries, and all other members of the Suidae family and the Tayassuidae family, excluding domestic hogs.

(e) "Release" means an intentional introduction or persistent accidental escape of a restricted species or domestic hog from the control of the owner or responsible party. Release does not mean an accidental escape of restricted species or domestic hogs due to a transportation accident or an act of God.

Subd. 2. **Restricted species permit required.** It is unlawful for a person to import, possess, propagate, or transport a restricted species, unless the person has a permit as described in subdivision 3.

Subd. 2a. **Release of restricted species or domestic hogs prohibited.** (a) It is unlawful for a person to release restricted species or domestic hogs.

(b) In addition to the penalties in subdivision 6, a person who violates paragraph (a) must do the following at the person's expense and by the date and time specified by the commissioner:

(1) register their premises with the Board of Animal Health;

(2) implement the confinement standards and record-keeping requirements developed by the Board of Animal Health; and

(3) reimburse the commissioner for costs incurred to annually inspect the registered premises and verify compliance with clause (2).

Subd. 3. **Permits.** The commissioner may issue permits for the transportation, possession, purchase, or importation of restricted species only for scientific, research, or educational purposes. A permit issued under this subdivision may be revoked by the commissioner if the conditions of the permit are not met by the permittee or for any unlawful act or omission, including accidental escapes.

Subd. 4. **Notice of release of restricted species or domestic hogs.** In the event of a release of a restricted species or domestic hog, the owner must notify within 24 hours a conservation officer and the Board of Animal Health and is responsible for the recovery of the species. If the owner does not provide notification or fails to recover the animal within 72 hours of providing notification, the released animal is considered feral swine under section 97A.56, is no longer the personal property of the owner, and may be captured or

destroyed at the former owner's expense by a peace officer or by the commissioner of natural resources under section 97A.045, subdivision 1, paragraph (b), or other authority.

Subd. 5. **Enforcement.** (a) This section may be enforced by a peace officer, an enforcement officer under sections 97A.205 and 97A.211, and, except as provided in paragraph (b), by the commissioner under sections 17.982 to 17.983.

(b) For the first violation of this section, the commissioner may impose an administrative penalty of no more than $1,000. For a second violation, the commissioner may impose an administrative penalty of no more than $1,500. For a third or succeeding violation, the commissioner may impose an administrative penalty of no more than $3,000 for each violation.

Subd. 6. **Penalties.** (a) A person who violates subdivision 2, 2a, 4, or 7 is guilty of a misdemeanor.

(b) A person who violates subdivision 2a, paragraph (a), is liable to the state for costs associated with a release. The attorney general may enforce this paragraph on behalf of any state agency affected.

Subd. 7. **Identification requirements.** A restricted species in the possession of a person must be marked in a permanent fashion to identify ownership. The restricted species must be marked as soon as practicable after birth or purchase.

Subd. 8. **Containment.** The commissioner, in consultation with the commissioner of natural resources, shall develop criteria for approved containment measures for restricted species.

Subd. 9. **Bond; security.** A person who possesses restricted species must provide proof of insurance or file a security bond with the commissioner in an amount determined by the commissioner to pay for the potential costs and damages that would be caused by the release of a restricted species.

Subd. 10. **Fee.** The commissioner may impose a fee for permits in an amount sufficient to cover the costs of issuing the permits and for facility inspections. The fee may not exceed $50. Fee receipts must be deposited in the general fund.

History: *1993 c 129 s 3; 1994 c 623 art 1 s 16-18,46; 1999 c 231 s 30; 1Sp2001 c 2 s 26; 2023 c 43 art 2 s 11; 2024 c 85 s 8; 2024 c 116 art 6 s 1*

AGROFORESTRY

17.458 AGROFORESTRY.

Subdivision 1. **Definition.** "Agroforestry" means the cultivation of short-rotation woody crops using agricultural practices to produce timber or forest products.

Subd. 2. **Agricultural pursuit.** Agroforestry is an agricultural pursuit.

History: *1997 c 216 s 23*

HORSE FARMING

17.459 HORSES.

Subdivision 1. **Classification as livestock.** Horses and other equines raised for the purposes of riding, driving, farm or ranch work, competition, racing, recreation, sale, or as breeding stock are livestock. Horses and their products are livestock and farm products for purposes of financial transactions and collateral.

Subd. 2. **Agricultural pursuit.** Raising horses and other equines is agricultural production and an agricultural pursuit. A horse breeding farm, horse training farm, horse boarding farm, or a farm combining those purposes is an agricultural operation.

Subd. 3. MS 2010 [Repealed, 2012 c 203 s 3]

History: *2010 c 333 art 1 s 5; 2012 c 203 s 2*

AQUACULTURE

17.46 SHORT TITLE.

Laws 1991, chapter 309, sections 4 to 16, may be cited as the Aquaculture Development Act.

History: *1991 c 309 s 3*

17.47 DEFINITIONS.

Subdivision 1. **Scope.** The definitions in this section apply to Laws 1991, chapter 309, sections 2 to 16.

Subd. 2. **Aquaculture.** "Aquaculture" means the culture of private aquatic life for consumption or sale.

Subd. 3. **Aquatic farm.** "Aquatic farm" means a facility used for the purpose of culturing private aquatic life in waters, including but not limited to artificial ponds, vats, tanks, raceways, other indoor or outdoor facilities that an aquatic farmer owns or where an aquatic farmer has exclusive control of, or private fish hatcheries licensed under section 97C.211 for the sole purpose of processing or cultivating aquatic life.

Subd. 4. **Aquatic farmer.** "Aquatic farmer" means an individual who practices aquaculture.

Subd. 5. MS 1994 [Repealed, 1996 c 310 s 1]

Subd. 6. **Department.** "Department" means the Department of Agriculture.

Subd. 7. **Private aquatic life.** "Private aquatic life" means fish, shellfish, mollusks, crustaceans, turtles, and any other aquatic animals cultured within an aquatic farm. Private aquatic life is the property of the aquatic farmer.

History: *1991 c 309 s 4; 1994 c 465 art 2 s 3; 2002 c 351 s 1*

17.49 AQUACULTURE PROGRAM AND PROMOTION.

Subdivision 1. MS 2000 [Repealed, 2001 c 161 s 58]

Subd. 2. **Coordination.** Aquaculture programs in the state must be coordinated through the commissioner of agriculture. The commissioner of agriculture shall direct the development of aquaculture in the state. Aquaculture research, projects, and demonstrations must be reported to the commissioner before state appropriations for the research, projects, and demonstrations are encumbered. The commissioner shall maintain a database of aquaculture research, demonstrations, and other related information pertaining to aquaculture in the state.

Subd. 2a. **Development program.** The commissioner may establish a Minnesota aquaculture development and aid program that may support applied research, demonstration, financing, marketing, promotion, broodstock development, and other services.

Subd. 3. MS 2008 [Repealed, 2009 c 94 art 1 s 107]

History: *1987 c 186 s 15; 1987 c 312 art 1 s 26 subd 2; 1987 c 318 s 1; 1989 c 350 art 4 s 1; 1990 c 502 s 1,2; 1991 c 309 s 5; 1991 c 345 art 2 s 11; 1993 c 163 art 1 s 1; 1997 c 192 s 12*

17.491 AQUACULTURE IS AGRICULTURAL PURSUIT.

Aquaculture is an agricultural pursuit.

History: *1989 c 350 art 4 s 2*

17.492 MS 1990 [Repealed, 1991 c 309 s 17]

17.494 AQUACULTURE PERMITS; RULES.

(a) The commissioner shall act as permit or license coordinator for aquatic farmers and shall assist aquatic farmers to obtain licenses or permits.

(b) A state agency issuing multiple permits or licenses for aquaculture shall consolidate the permits or licenses required for every aquatic farm location. The Department of Natural Resources transportation permits are exempt from this requirement. State agencies shall adopt rules or issue commissioner's orders that establish permit and license requirements, approval timelines, and compliance standards. Saltwater aquatic farms, as defined in section 17.4982, and processing facilities for saltwater aquatic life, as defined in section 17.4982, must be classified as agricultural operations for purposes of any construction, discharge, or other permit issued by the Pollution Control Agency.

Nothing in this section modifies any state agency's regulatory authority over aquaculture production.

History: *1991 c 309 s 6; 2019 c 38 s 1*

17.495 APPEAL PROCEDURES.

A state agency that denies a license or permit to an aquatic farmer shall provide the aquatic farmer with a written notice specifying the reasons for refusal.

An aquatic farmer may appeal a state agency's denial of the license or permit in a contested case proceeding under chapter 14.

History: *1991 c 309 s 7*

17.496 QUARANTINE FACILITY; RULES.

By July 1, 1992, the commissioner of natural resources shall adopt rules, in consultation with the commissioner of agriculture and the Aquaculture Advisory Committee, for the construction and operation of a quarantine facility for fish eggs presently requiring quarantine and disposition of fish from the facility. Fish in a quarantine station that are determined to be disease-free under the procedures developed by the commissioner of natural resources may be bought, sold, or transported.

History: *1991 c 309 s 8*

17.497 EXOTIC SPECIES IMPORTATION; RULES.

The commissioner of natural resources shall establish rules, in consultation with the commissioner of agriculture and the Aquaculture Advisory Committee, for approving or rejecting importation of "exotic" or

genetically altered aquatic species to protect the integrity of the natural ecosystem and provide aquatic farmers with information that may affect business decisions.

History: *1991 c 309 s 9*

17.498 RULES; FINANCIAL ASSURANCE.

(a) The commissioner of the Pollution Control Agency, after consultation and cooperation with the commissioners of agriculture and natural resources, shall present proposed rules to the Pollution Control Agency board prescribing water quality permit requirements for aquaculture facilities by May 1, 1992. The rules must consider:

(1) best available proven technology, best management practices, and water treatment practices that prevent and minimize degradation of waters of the state considering economic factors, availability, technical feasibility, effectiveness, and environmental impacts;

(2) classes, types, sizes, and categories of aquaculture facilities;

(3) temporary reversible impacts versus long-term impacts on water quality;

(4) effects on drinking water supplies that cause adverse human health concerns; and

(5) aquaculture therapeutics, which shall be regulated by the Pollution Control Agency.

(b) Net pen aquaculture and other aquaculture facilities with similar effects must submit an annual report to the commissioner of the Pollution Control Agency analyzing changes in water quality trends from previous years, documentation of best management practices, documentation of costs to restore the waters used for aquaculture to the trophic state existing before aquatic farming was initiated, and documentation of financial assurance in an amount adequate to pay for restoration costs. The trophic state, which is the productivity of the waters measured by total phosphorus, dissolved oxygen, algae abundance as chlorophyll-a, and secchi disk depth of light penetration, and the condition of the waters measured by raw drinking water parameters, shall be determined to the extent possible before aquatic farming is initiated. The financial assurance may be a trust fund, letter of credit, escrow account, surety bond, or other financial assurance payable to the commissioner for restoration of the waters if the permittee cannot or will not restore the waters after termination of aquatic farming operations or revocation of the permit.

(c) Information received as part of a permit application or as otherwise requested must be classified according to chapter 13. Information about processes, aquatic farming procedures, feed and therapeutic formulas and rates, and tests on aquatic farming products that have economic value is nonpublic data under chapter 13, if requested by the applicant or permittee.

History: *1991 c 309 s 10; 1999 c 86 art 3 s 4*

17.4981 GENERAL CONDITIONS FOR REGULATION OF AQUATIC FARMS.

(a) Aquatic farms are licensed to culture private aquatic life. Cultured aquatic life is not wildlife. Aquatic farms must be licensed and given classifications to prevent or minimize impacts on natural resources. The purpose of sections 17.4981 to 17.4997 is to:

(1) prevent public aquatic life from entering an aquatic farm;

(2) prevent release of nonindigenous or exotic species into public waters without approval of the commissioner;

(3) protect against release of disease pathogens to public waters;

(4) protect existing natural aquatic habitats and the wildlife dependent on them; and

(5) protect private aquatic life from unauthorized taking or harvest.

(b) Private aquatic life that is legally acquired and possessed is an article of interstate commerce and may be restricted only as necessary to protect state fish and water resources.

(c) The commissioner of natural resources shall establish license and other fees as provided in section 16A.1285, subdivision 2, that would make aquaculture licensing and enforcement self-sustaining. Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish the fees required by this section. The fees are not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply. The commissioner shall develop best management practices for aquaculture to ensure the long-term sustainability of aquaculture and wetlands used for aquaculture, including, but not limited to, fish farming in man-made ponds.

History: *1992 c 566 s 1; 2008 c 368 art 2 s 2; 2009 c 176 art 2 s 2*

17.4982 DEFINITIONS.

Subdivision 1. **Scope.** The definitions in this section apply to sections 17.4981 to 17.4998.

Subd. 2. **Approved laboratory methods.** "Approved laboratory methods" means methods described in the latest edition of the "Procedures for the Detection and Identification of Certain Fish Pathogens" published by the American Fisheries Society Fish Health Section known as the Fish Health Blue Book.

Subd. 2a. **Aquaculture therapeutics.** "Aquaculture therapeutics" means drugs, medications, and disease control chemicals that are approved for aquaculture use by the United States Food and Drug Administration or the United States Environmental Protection Agency.

Subd. 3. **Aquarium facilities.** "Aquarium facilities" means facilities that rear or hold private aquatic life for sale for aquarium or display purposes.

Subd. 4. **Aquatic farm.** "Aquatic farm" means a licensed facility used for hatching, raising, rearing, and culturing private aquatic life in waters and preparing aquatic life for sale, including, but not limited to, ponds, vats, tanks, raceways, and other indoor or outdoor facilities that an aquatic farmer owns or waters of which an aquatic farmer has the use.

Subd. 5. **Aquatic life.** "Aquatic life" has the meaning given to "private aquatic life" in section 17.47, subdivision 7, and for purposes of commercial transactions, aquatic life is livestock.

Subd. 6. **Certifiable diseases.** "Certifiable diseases" includes any of the following expressed as clinical symptoms or based on the presence of the pathogen: channel catfish virus, *Renibacterium salmoninarum* (bacterial kidney disease), *Aeromonas salmonicida* (bacterial furunculosis), *Yersinia ruckeri* (enteric redmouth disease), *Edwardsiella ictaluri* (enteric septicemia of catfish), infectious hematopoietic necrosis virus, infectious pancreatic necrosis virus, *Myxobolus cerebralis* (whirling disease), *Tetracapsuloides bryosalmonae* (proliferative kidney disease), viral hemorrhagic septicemia virus, epizootic epitheliotropic virus, *Ceratomyxa shasta* (ceratomyxosis), and any emergency fish disease.

Subd. 7. **Commissioner.** "Commissioner" means the commissioner of natural resources.

Subd. 8. **Containment facility.** "Containment facility" means a licensed facility for salmonids, catfish, or species on the VHS-susceptible-species list that complies with clauses (1), (3), and (4), or clauses (2), (3), and (4):

(1) disinfects its effluent to the standards in section 17.4991 before the effluent is discharged to public waters;

(2) does not discharge to public waters or to waters of the state directly connected to public waters;

(3) raises aquatic life that is prohibited from being released into the wild and must be kept in a facility approved by the commissioner unless processed for food consumption;

(4) contains aquatic life requiring a fish health inspection prior to transportation.

Subd. 8a. **Emergency enzootic disease area.** "Emergency enzootic disease area" means an enzootic disease area that harbors an emergency fish disease. Trout, salmon, or catfish species are from an emergency enzootic disease area only if the individual species in question can carry one or more of the emergency fish disease pathogens present.

Subd. 9. **Emergency fish disease.** "Emergency fish disease" means designated fish diseases or pathogens not already present in this state that could impact populations of aquatic life if inadvertently released by infected aquatic life, including channel catfish virus, viral hemorrhagic septicemia virus, infectious hematopoietic necrosis virus, infectious pancreatic necrosis virus, whirling disease, ceratomyxosis, proliferative kidney disease, and epizootic epitheliotropic virus disease.

Subd. 10. **Enzootic disease area.** "Enzootic disease area" means an area with well-defined geographic boundaries which harbors one or more certifiable diseases pathogens.

Subd. 10a. **Fish collector.** "Fish collector" means an individual who has been certified under section 17.4989 to oversee the collection of fish samples from a facility or a water body for disease testing by a certified laboratory.

Subd. 11. **Fish Health Blue Book.** "Fish Health Blue Book" means the standardized set of procedures and guidelines established and published by the American Fisheries Society Fish Health Section for the detection and isolation of fish pathogens.

Subd. 12. **Fish health inspection.** (a) "Fish health inspection" means an on-site, statistically based sampling, collection, and testing of fish in accordance with processes in the Fish Health Blue Book or the Diagnostic Manual for Aquatic Animal Diseases, published by the International Office of Epizootics (OIE) to test for causative pathogens. The samples for inspection must be collected by a fish health inspector or a fish collector in cooperation with the producer. Testing of samples must be done by an approved laboratory.

(b) The inspection for viral hemorrhagic septicemia (VHS), infectious pancreatic necrosis (IPN), and infectious hematopoietic necrosis (IHN) in salmonids and for VHS in nonsalmonids must include at a minimum viral testing of ovarian fluids at the 95 percent confidence level of detecting two percent incidence of disease.

(c) The inspection for certifiable diseases and pathogens for wild fish must follow the guidelines of the Fish Health Blue Book or the Diagnostic Manual for Aquatic Animal Diseases.

Subd. 13. **Fish health inspector.** "Fish health inspector" means an individual certified as a fish health inspector or an aquatic animal health inspector by the American Fisheries Society or state, federal, or

provincial resource management agency, except that a certification may not be made by an inspector who has a conflict of interest in connection with the outcome of the certification.

Subd. 14. **Game fish.** "Game fish" has the meaning given in section 97A.015, subdivision 25, except that green or orange spotted sunfish are not game fish for purposes of determining fish of significant public value.

Subd. 15. **Intensive culture.** "Intensive culture" means the rearing of fish at densities greater than can be supported in the natural environment.

Subd. 16. **Licensed facility.** "Licensed facility" means a licensed aquatic farm, including all licensed waters.

Subd. 17. **Lot.** "Lot" means a group of fish of the same species and age that originated from the same discrete spawning population and that always have shared a common water supply, or various age groups of adult brood stock of the same species that have shared the same containers for one brood cycle.

Subd. 18. **Minnows.** "Minnows" has the meaning given in section 97A.015, subdivision 29, except the 12-inch restriction on sucker minnows does not apply.

Subd. 18a. **Nonindigenous species.** "Nonindigenous species" means a species of fish or other aquatic life that is:

(1) not known to have been historically present in the state;

(2) not known to be naturally occurring in a particular part of the state; or

(3) designated by rule as a prohibited or regulated invasive species.

Subd. 18b. **Nonindigenous strain.** "Nonindigenous strain" means a species of fish or other aquatic life that:

(1) has an original source outside of this state and contiguous states;

(2) is an unnaturally occurring hybrid or genetically engineered species; or

(3) in areas north of marked State Highway 210, is a walleye, the original source of which is from south of marked State Highway 210 or from outside the state.

Subd. 18c. **Processing.** "Processing" means rendering a species of aquatic life for food, bait, or other purposes so that it is no longer alive.

Subd. 19. **Public waters.** "Public waters" has the meaning given in section 103G.005, subdivision 15.

Subd. 20. **Quarantine facility.** "Quarantine facility" means a culture system that is enclosed in a building and is separated from other fish culture facilities where fish can be isolated and maintained while preventing their introduction and pathogen introduction into the environment.

Subd. 20a. **Saltwater aquaculture.** "Saltwater aquaculture" means the commercial propagation and rearing of saltwater aquatic life primarily for consumption as human food.

Subd. 20b. **Saltwater aquatic farm.** "Saltwater aquatic farm" means a facility used for saltwater aquaculture including but not limited to artificial ponds, vats, tanks, raceways, and other facilities that an aquatic farmer owns or has exclusive control of for the sole purpose of producing saltwater aquatic life.

Subd. 20c. **Saltwater aquatic life.** "Saltwater aquatic life" means aquatic species that are saltwater obligates or perform optimally when raised in salinities closer to that of natural seawater and need saltwater to survive. Saltwater aquatic life includes but is not limited to crustaceans.

Subd. 21. **Standard facility.** "Standard facility" means a licensed facility that is not a quarantine or containment facility.

Subd. 21a. **VHS-susceptible species.** "VHS-susceptible species" are aquatic species that are natural hosts for viral hemorrhagic septicemia according to the Fish Health Blue Book or the book's successor.

Subd. 21b. **VHS-susceptible-species list.** "VHS-susceptible-species list" is the VHS-susceptible species listed in the Fish Health Blue Book that are found in or that can survive in the Great Lakes region.

Subd. 22. **Waters of the state.** "Waters of the state" has the meaning given in section 103G.005, subdivision 17.

History: *1992 c 566 s 2; 1993 c 226 s 1-3; 1996 c 410 s 3-7; 1997 c 226 s 1-3; 2004 c 243 s 1; 1Sp2011 c 2 art 5 s 3-6; 2014 c 289 s 1; 2016 c 189 art 3 s 7; 2019 c 38 s 2-4; 1Sp2021 c 6 art 2 s 2-7*

17.4983 AQUATIC FARM OPERATIONS.

Subdivision 1. **Acquisition and sale of private aquatic life.** Aquatic life legally possessed may be bought, acquired, and sold by licensed facilities as provided in sections 17.4981 to 17.4997.

Subd. 2. **Acquisition from state.** (a) The commissioner may sell aquatic life to licensed facilities at fair wholesale market value. Fair wholesale market value must be determined by the average market price charged in this state and contiguous states and provinces for similar quantities.

(b) The commissioner shall establish procedures to make aquatic life available to licensed facilities if state aquatic life would otherwise die or go to waste, such as in cases of winterkill lakes, waters where piscicides will be applied, and waters subject to extreme draw-down. The public must be given angling opportunities if public access is available.

(c) The commissioner shall attempt to provide opportunities to make brood stock available to licensed facilities to reduce reliance on out-of-state sources without causing adverse impacts to game fish and native rough fish populations.

(d) If the commissioner denies approval to obtain aquatic life outside the state, a written notice must be submitted to the applicant stating the reasons for denial, and the commissioner shall:

(1) designate approved sources if available to obtain the desired aquatic life; or

(2) sell the aquatic life from state hatcheries at fair wholesale market value if there is a surplus from state operations.

Subd. 3. **Methods to harvest aquatic life.** Licensed facilities may use all reasonable methods to operate and harvest aquatic life from licensed facilities, including available nets.

Subd. 4. **Discharge may require permit.** The discharge from an aquatic farm must comply with discharge permits required by the Minnesota Pollution Control Agency.

Subd. 5. **Ownership of aquatic life.** (a) Notwithstanding other provisions of law, aquatic life lawfully acquired and possessed by a licensed facility is private aquatic life and property of the owner of the licensed facility.

(b) The state may not seize or otherwise confiscate private aquatic life without due process of law, except that private aquatic life in public waters may become property of the state if the waters are not part of a licensed facility. The commissioner shall notify the licensee that the aquatic life in a facility that is no longer licensed will become property of the state if the aquatic life is not removed. If the licensee does not respond in writing within 30 days after receiving the notice and make alternative arrangements, or does not remove the aquatic life by 60 ice-free days after receiving the notice, the private aquatic life becomes property of the state.

(c) Private aquatic life that is transferred to the state or released into public waters that are not part of a licensed facility is owned by the state and may be considered wildlife.

Subd. 6. **Control of licensed waters.** (a) If the public cannot legally access waters of the state that are part of a licensed aquatic farm except by permission of the licensee, the use of the waters by the public is subject to restriction by the licensee.

(b) Waters of the state may not be licensed for aquaculture use to more than one licensee.

Subd. 7. **Angling in licensed waters.** A person may not take fish by angling from waters subject to subdivision 6 unless the person has written permission from the licensee and:

(1) has an invoice when in possession of fish; or

(2) takes fish under an angling license, subject to the limits and conditions in the game and fish laws.

Subd. 8. **Interference prohibited.** A person may not knowingly damage, disturb, or interfere with legal aquatic farm operations.

History: *1992 c 566 s 3; 1993 c 226 s 4; 1997 c 226 s 4; 2024 c 90 art 2 s 1*

17.4984 AQUATIC FARM LICENSE.

Subdivision 1. **License required.** (a) A person or entity may not operate an aquatic farm without first obtaining an aquatic farm license from the commissioner.

(b) Applications for an aquatic farm license must be made on forms provided by the commissioner.

(c) Licenses are valid for five years and are transferable upon notification to the commissioner.

(d) The commissioner shall issue an aquatic farm license on payment of the required license fee under section 17.4988.

(e) A license issued by the commissioner is not a determination of private property rights, but is only based on a determination that the licensee does not have a significant detrimental impact on the public resource.

(f) The commissioner shall not issue a new license for aquatic farm purposes on a natural water body that has been restored or subject to a protective easement or other interest in land that was at least partially paid for with state or federal money.

(g) Before a new aquatic farm license is issued for a natural water body, the applicant must notify all owners of property with direct access to the water body. The notification must include the language of this subdivision.

Subd. 2. **Listed waters.** (a) An aquatic farm license must list:

(1) the specific waters of the state that may be used in connection with the licensed aquatic farm and the species approved for each licensed water; and

(2) whether aeration requiring a permit is approved.

Additional waters may not be used until they are approved by the commissioner.

(b) The right to use waters licensed for private fish hatchery or aquatic farm purposes may be transferred between licensees with prior approval by the commissioner if requirements for species to be raised are met. Waters that are continually connected by a permanent watercourse to other waters must not be approved for aquatic farm use, except that connected waters that are isolated from other waters may be licensed as a single water body. Waters that are intermittently connected or may become connected with other waters may be denied, or screening or other measures may be required to prevent passage of aquatic life. Listed waters may be changed on approval by the area fisheries supervisor or the commissioner.

(c) The commissioner shall conduct an inspection of waters to be licensed prior to approving or denying initial licensing of the waters. When artificial tanks, jars, or other containers are added to existing licensed facilities, an additional inspection is not required.

(d) Waters containing fish of significant public value, including game fish and native rough fish, may be denied licensing unless the applicant can demonstrate exclusive riparian control.

(e) Waters containing fish of significant public value, including game fish and native rough fish, may be denied licensing unless the game fish and native rough fish of significant public value are, at the commissioner's option, and taking into consideration the recommendation of the licensed applicant, sold to the licensee, or removed by the Department of Natural Resources or disposed of as provided in writing by the commissioner.

(f) Waters licensed under an aquatic farm license may be aerated during open water periods without a separate aeration permit.

(g) Common carp and bullheads may be removed from licensed waters, and transported and disposed of by the licensee.

Subd. 3. **Listed species.** (a) An aquatic farm license must list the species of aquatic life appropriate for the classification of the waters. Listed species of aquatic life may be changed on written request to and approval by the area fisheries supervisor. Species of aquatic life regulated under chapter 97A, 97B, or 97C may not be cultured unless listed on the license.

(b) All waters licensed before July 1, 1992, under a private fish farm or fish hatchery license must be approved for species listed under current licenses if other conditions for licensing are met.

(c) If licensed waters are located within a 25-year floodplain and are not enclosed within a building, species of aquatic life may be licensed at the discretion of the commissioner.

(d) Licensed waters located outside of a 25-year floodplain or enclosed within a building may be licensed for any species, except that the commissioner may deny licensing for species not present in the state.

Subd. 4. **Single license for aquatic farming operation.** The commissioner shall issue a single license for aquatic farming, with the following information and endorsements:

(1) waters covered by the license;

(2) classification of each of the licensed waters;

(3) aeration endorsement for each licensed water where the licensee has exclusive control of riparian access or where the conditions for an aeration permit have been met; and

(4) endorsements requested by the licensee.

Subd. 5. **State list of waters.** If the state uses waters of the state for aquatic farming, the state shall acquire legal access to the waters and make documentation of the access available to the public.

Subd. 6. **Inspections and enforcement.** (a) The premises, property, vehicles, private aquatic life, and equipment where private aquatic farm operations are being conducted are subject to reasonable and necessary inspections at reasonable times by conservation officers. The reason for the inspection must be provided in writing. The owner, operator, or designee may be present when inspections are conducted.

(b) Conservation officers may enforce sections 17.4981 to 17.4997 under section 97A.205.

Subd. 7. **Nonpublic records.** (a) Licensees must keep complete, up-to-date, nonpublic records of the operation of the aquatic farm. The records must remain available for at least three years.

(b) The records must be in English and include the following information:

(1) for each species acquired, the number or pounds of fish or eggs acquired, names and addresses of the sources from which acquired, and the dates of receipt;

(2) for each species sold or disposed of, the number or pounds of fish sold or disposed of, the names and addresses of the purchasers or persons to whom the conveyances are made, and the dates of sale; and

(3) for fish sperm or viable eggs, the amount acquired or sold, the names and addresses of the sources from which acquired, the purchasers to whom conveyed, and the dates of purchase or sale.

(c) On or before March 1 of each year, the licensee shall submit a complete annual report on a form furnished by the commissioner, covering the number or pounds of all species sold or purchased in the preceding licensed year.

(d) An aquatic farmer shall maintain records for reasonable inspection by the commissioner. Information on aquatic life production, harvest, and sales is nonpublic information.

History: *1992 c 566 s 4; 1993 c 226 s 5; 1996 c 410 s 8,9; 2000 c 331 s 1-3; 2007 c 57 art 1 s 14; 2008 c 368 art 2 s 3; 2024 c 90 art 2 s 2*

17.4985 TRANSPORTATION OF AQUATIC LIFE.

Subdivision 1. **Requirements for importation, transportation within the state, or stocking of fish.** Except as provided in subdivision 3, a licensee may not import aquatic life into the state, transport aquatic life within the state, or stock waters of the state with aquatic life without first obtaining a bill of lading or transportation permit from the commissioner, with disease certification, if applicable.

Subd. 2. **Bill of lading.** (a) A state-issued bill of lading is required for:

(1) intrastate transportation of aquatic life other than salmonids, catfish, or species on the VHS-susceptible-species list between licensed private fish hatcheries, aquatic farms, or aquarium facilities licensed for the species being transported if the aquatic life is being transported into a watershed where it is not currently present, if walleyes whose original source is south of marked State Highway 210 are being

transported to a facility north of marked State Highway 210, or if the original source of the aquatic life is outside Minnesota and contiguous states; and

(2) stocking waters other than public waters with aquatic life other than salmonids, catfish, or species on the VHS-susceptible-species list.

(b) When aquatic life is transported under paragraph (a), a copy of the bill of lading must be submitted to the regional fisheries manager at least 72 hours before the transportation.

(c) For transportation and stocking of waters that are not public waters:

(1) a bill of lading must be submitted to the regional fisheries manager 72 hours before transporting fish for stocking;

(2) a bill of lading must be submitted to the regional fisheries manager within five days after stocking if the waters to be stocked are confirmed by telecopy or telephone prior to stocking by the regional fisheries office not to be public waters; or

(3) a completed bill of lading may be submitted to the regional fisheries office by telecopy prior to transporting fish for stocking. Confirmation that the waters to be stocked are not public waters may be made by returning the bill of lading by telecopy or in writing, in which cases additional copies need not be submitted to the Department of Natural Resources.

(d) Bill of lading forms may only be issued by the Department of Natural Resources in St. Paul, and new bill of lading forms may not be issued until all previously issued forms have been returned.

Subd. 3. **Exemptions for transportation permits and bills of lading.** (a) A state-issued bill of lading or transportation permit is not required by an aquatic farm licensee for importing animals not on the VHS-susceptible-species list, transporting animals not on the VHS-susceptible-species list, or exporting the following:

(1) minnows taken under an aquatic farm license in this state and transported intrastate;

(2) aquarium or ornamental fish including goldfish and tropical, subtropical, and saltwater species that cannot survive in the waters of the state, which may be imported or transported if accompanied by shipping documents;

(3) fish or fish eggs that have been processed for use as food, bait, or other purposes unrelated to fish propagation;

(4) live fish from a licensed aquatic farm, which may be transported directly to an outlet for processing or for other food purposes if accompanied by shipping documents;

(5) fish being exported if accompanied by shipping documents;

(6) sucker eggs, sucker fry, or fathead minnows transported intrastate for bait propagation or feeding of cultural aquatic life, except that if either species becomes listed on the VHS-susceptible-species list, then a transportation permit is required;

(7) species of fish that are found within the state used in connection with public shows, exhibits, demonstrations, or fishing pools for periods not exceeding 14 days;

(8) fish being transported through the state if accompanied by shipping documents; or

(9) intrastate transportation of aquatic life between or within licensed private fish hatcheries, aquatic farms, or aquarium facilities licensed for the species being transported, except where required in subdivision 2 and except that salmonids, catfish, or species on the VHS-susceptible-species list may only be transferred or transported intrastate without a transportation permit if they had no record of bacterial kidney disease or viral hemorrhagic septicemia at the time they were imported into the state and if they have had a fish health inspection within the preceding year that has shown no certifiable diseases to be present.

Aquatic life being transferred between licensed private fish hatcheries, aquatic farms, or aquarium facilities must be accompanied by shipping documents and salmonids, catfish, or species on the VHS-susceptible-species list being transferred or transported intrastate without a transportation permit must be accompanied by a copy of their most recent fish health inspection.

(b) Shipping documents required under paragraph (a) must show the place of origin, owner or consignee, destination, number, and species.

Subd. 4. **Transportation permit requirements.** A transportation permit is required for all importation, transportation, or stocking of private aquatic life not covered by subdivision 2 or exempted in subdivision 3. A transportation permit may be used for multiple shipments within the 30-day term for the permit if the source and the destination remains the same. Transportation permits, which may authorize importation or stocking of public waters, may be issued through Department of Natural Resources regional offices or the St. Paul office, and must be obtained prior to shipment.

Subd. 5. **Permit application.** An application for a transportation permit must be made on forms provided by the commissioner. An incomplete application must be rejected. An application for a transportation permit for salmonids, catfish, or species on the VHS-susceptible-species list; their eggs; or their sperm must be accompanied by certification that the source of the eggs or sperm are free of certifiable diseases, except that eggs with enteric redmouth, whirling disease, or furunculosis may be imported, transported, or stocked following treatment approved by the commissioner, and fish with bacterial kidney disease or viral hemorrhagic septicemia may be imported, transported, or stocked into areas where the disease has been identified as being present. A copy of the transportation permit showing the date of certification inspection must accompany the shipment of fish while in transit and must be available for inspection by the commissioner. By 14 days after a completed application is received, the commissioner must approve or deny the importation permits as provided in this section.

Subd. 6. **Vehicle identification.** (a) A vehicle used by a licensee for transporting aquatic life must be identified with the licensee's name and town of residence as it appears on the license and the license number.

(b) A vehicle used by a licensee must have identification displayed so that it is readily visible from either side of the vehicle in letters and numbers not less than 2-1/2 inches high and with a three-eighths inch wide stroke. Identification may be permanently affixed to vehicles or displayed on removable plates or placards placed on opposite doors of the vehicle or on the tanks carried on the vehicle.

(c) An application to license a vehicle for minnow transport or export or for use as a fish vendor that is received by the commissioner is a temporary license until it is approved or denied.

History: *1992 c 566 s 5; 1993 c 226 s 6,7; 1996 c 410 s 10,11; 2008 c 307 s 1-3; 1Sp2021 c 6 art 2 s 8-10*

17.4986 IMPORTATION OF AQUATIC LIFE.

Subdivision 1. **Importation and stocking restrictions.** A person may not import fish into or stock fish in the state without first obtaining a transportation permit with a disease certification, as prescribed under

section 17.4985, subdivision 5, when required or a bill of lading from the commissioner, unless the person is exempted.

Subd. 2. **Licensed facilities.** (a) The commissioner shall issue transportation permits to import:

(1) indigenous and naturalized species except trout, salmon, catfish, or species on the VHS-susceptible-species list and sperm from any source to a standard facility;

(2) trout, salmon, catfish, or species on the VHS-susceptible-species list from a nonemergency enzootic disease area to a containment facility if the fish are certified within the previous year to be free of certifiable diseases, except that eggs with enteric redmouth, whirling disease, or furunculosis may be imported following treatment approved by the commissioner, and fish with bacterial kidney disease or viral hemorrhagic septicemia may be imported into areas where the disease has been identified as being present; and

(3) trout, salmon, catfish, or species on the VHS-susceptible-species list from a facility in a nonemergency enzootic disease area with a disease-free history of three years or more to a standard facility, except that eggs with enteric redmouth, whirling disease, or furunculosis may be imported following treatment approved by the commissioner, and fish with bacterial kidney disease or viral hemorrhagic septicemia may be imported into areas where the disease has been identified as being present.

(b) If a source facility in a nonemergency enzootic disease area cannot demonstrate a history free from disease, aquatic life may only be imported into a quarantine facility.

Subd. 3. **Emergency enzootic disease area.** Except as otherwise provided and except that eggs with enteric redmouth, whirling disease, or furunculosis may be imported following treatment approved by the commissioner, and fish with bacterial kidney disease may be imported into areas where the disease has been previously introduced, fish may be imported from emergency enzootic disease areas only as fertilized eggs under the following conditions:

(1) to be imported into a standard facility, fertilized eggs must have a disease-free history for at least five years;

(2) to be imported into a containment facility, fertilized eggs must have a disease-free history for at least three years; or

(3) to be imported into a quarantine facility, fertilized eggs may have a disease-free history of less than three years.

Subd. 4. **Disease-free history.** Disease-free histories required under this section must include the results of a fish health inspection. When disease-free histories of more than one year are required for importing salmonids, catfish, or species on the VHS-susceptible-species list, the disease history must be of consecutive years that include the year previous to, or the year of, the transportation request.

History: *1992 c 566 s 6; 1993 c 226 s 8,9; 1996 c 410 s 12; 2008 c 307 s 4-6; 2009 c 86 art 1 s 8; 1Sp2021 c 6 art 2 s 11,12*

17.4987 STOCKING PRIVATE AQUATIC LIFE.

(a) A person may not release private aquatic life into public waters that are not licensed as part of an aquatic farm without first obtaining a transportation permit from the commissioner. The commissioner may:

(1) deny issuance of a permit if releasing the private aquatic life is not consistent with the management plan for the public waters; and

(2) approve the import, transport, and stocking of fish with bacterial kidney disease or viral hemorrhagic septicemia into areas or waters where either disease has been identified as being present.

(b) The commissioner shall make management plans available to the public.

(c) If a permit is denied, the commissioner must provide reasons for the denial in writing.

History: *1992 c 566 s 7; 2008 c 307 s 7*

17.4988 LICENSE AND INSPECTION FEES.

Subdivision 1. **Requirements for issuance.** A permit or license must be issued by the commissioner if the requirements of law are met and the license and permit fees specified in this section are paid.

Subd. 2. **Aquatic farming license.** (a) The annual fee for an aquatic farming license is $210 for the base license. The commissioner must establish an additional fee based on the acreage of the operation.

(b) The aquatic farming license may contain endorsements for the rights and privileges of the following licenses under the game and fish laws. The endorsement must be made upon payment of the license fee prescribed in section 97A.475 for the following licenses:

(1) minnow dealer license;

(2) minnow retailer license for sale of minnows as bait;

(3) minnow exporting license;

(4) aquatic farm vehicle endorsement, which includes a minnow dealer vehicle license, a minnow retailer vehicle license, an exporting minnow vehicle license, and a fish vendor license;

(5) sucker egg taking license; and

(6) game fish packers license.

Subd. 3. **Inspection and additional fees.** Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish fees for the services listed in clauses (1) to (3) and the additional fee required under subdivision 2, paragraph (a). The fees must be set in an amount that does not recover significantly more or less than the cost of providing the service. The fees are not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply. The services covered under this provision include:

(1) initial inspection of each water to be licensed;

(2) fish health inspection and certification, including initial tissue sample collection, basic fish health assessment, viral pathogen testing, and bacteriological testing; and

(3) initial inspection for containment and quarantine facility inspections.

Subd. 4. **Aquarium facility.** (a) A person operating a commercial aquarium facility must have a commercial aquarium facility license issued by the commissioner if the facility contains species of aquatic life that are for sale and that are present in waters of the state. The commissioner may require an aquarium facility license for aquarium facilities importing or holding species of aquatic life that are for sale and that are not present in Minnesota if those species can survive in waters of the state. The fee for an aquarium facility license is $90.

(b) Game fish and native rough fish transferred by an aquarium facility must be accompanied by a receipt containing the information required on a shipping document by section 17.4985, subdivision 3, paragraph (b).

History: *1992 c 566 s 8; 1996 c 410 s 13,14; 1997 c 216 s 24; 2000 c 488 art 3 s 8; 2003 c 128 art 1 s 11; 2008 c 363 art 5 s 8,9; 2009 c 176 art 2 s 3; 2024 c 90 art 2 s 3*

17.4989 FISH SAMPLE COLLECTING.

Subdivision 1. **Training.** Fish collector training may be offered by any organization or agency that has had its class and practicum syllabus approved by the commissioner. The class and practicum must include the following components:

(1) accurate identification of licensed water bodies listed according to section 17.4984 and ensuring that collection is taking place at the correct site;

(2) identification of fish internal organs;

(3) fish dissection and sample preparation as identified by the Department of Natural Resources based on specific testing requirements or as outlined in the Fish Health Blue Book or the Diagnostic Manual for Aquatic Animal Diseases, published by the International Office of Epizootics (OIE);

(4) recording and reporting data;

(5) sample preparation and shipping;

(6) a field collection site test to demonstrate mastery of the necessary skills, overseen by a certified fish health inspector; and

(7) a certificate of successful completion signed by a certified fish health inspector on a form provided by the commissioner.

Subd. 2. **Certification time period.** Fish collector certification is valid for five years and is not transferable. A person may renew certification only by successfully completing certification training. Certification shall be revoked if the certified person is convicted of violating any of the statutes or rules governing testing for aquatic species diseases. Certification may be suspended during an investigation associated with misconduct or violations of fish health testing and collection. The commissioner shall notify the person that certification is being revoked or suspended.

Subd. 3. **Conflict of interest.** A fish collector may not oversee the collection of fish from a facility or a water body when the collector has a conflict of interest in connection with the outcome of the testing.

History: *1Sp2011 c 2 art 5 s 7*

17.499 TRANSPORTATION OR IMPORTATION OF SALTWATER AQUATIC LIFE; QUARANTINE REQUIREMENT.

Subdivision 1. **Purpose.** The legislature finds that it is in the public interest to increase private saltwater aquaculture production and processing in this state under the coordination of the commissioner of agriculture. Additional private production will reduce dependence on foreign suppliers and benefit the rural economy by creating new jobs and economic activity.

Subd. 2. **Transportation permit.** (a) Notwithstanding the requirements in section 17.4985, saltwater aquatic life transportation and importation requirements are governed by this section. A transportation permit

is required before importation or intrastate transportation of saltwater aquatic life not exempted under subdivision 3. A transportation permit may be used for multiple shipments within the 30-day term of the permit if the source and the destination are the same. Transportation permits must be obtained from the commissioner before shipment of saltwater aquatic life.

(b) An application for a transportation permit must be made in the form required by the commissioner. The commissioner may reject an incomplete application.

(c) An application for a transportation permit must be accompanied by satisfactory evidence, as determined by the commissioner, that the shipment is free of any nonindigenous species of animal other than the saltwater aquatic species and either:

(1) the facility from which the saltwater aquatic life originated has provided documentation of 36 or more consecutive months of negative testing by an approved laboratory as free of any disease listed by OIE - the World Organisation for Animal Health for that species following the testing guidelines outlined in the OIE Aquatic Animal Health Code for crustaceans or the AFS Fish Health Blue Book for other species, as appropriate; or

(2) the saltwater aquatic life to be imported or transported includes documentation of negative testing for that specific lot by an approved laboratory as free of any disease listed by OIE - the World Organisation for Animal Health for crustaceans or in the AFS Fish Health Blue Book for other species, as appropriate.

If a shipment authorized by the commissioner under clause (1) includes saltwater aquatic life that originated in a foreign country, the shipment must be quarantined at the receiving facility according to a quarantine plan approved by the commissioner. A shipment authorized by the commissioner under clause (2) must be quarantined at the receiving facility according to a quarantine plan approved by the commissioner.

(d) For purposes of this subdivision, "approved laboratory" means a laboratory approved by the commissioner or the United States Department of Agriculture, Animal and Plant Health Inspection Services.

(e) No later than 14 calendar days after a completed transportation permit application is received, the commissioner shall approve or deny the transportation permit application.

(f) A copy of the transportation permit must accompany a shipment of saltwater aquatic life while in transit and must be available for inspection by the commissioner.

(g) A vehicle used by a licensee for transporting aquatic life must be identified with the license number and the licensee's name and town of residence as it appears on the license. A vehicle used by a licensee must have identification displayed so that it is readily visible from either side of the vehicle in letters and numbers not less than 2-1/2 inches high and three-eighths inch wide. Identification may be permanently affixed to vehicles or displayed on removable plates or placards placed on opposite doors of the vehicle or on the tanks carried on the vehicle.

(h) An application to license a vehicle for brood stock or larvae transport or for use as a saltwater aquatic life vendor that is received by the commissioner is a temporary license until approved or denied by the commissioner.

Subd. 3. **Exemptions.** (a) A transportation permit is not required to transport or import saltwater aquatic life:

(1) previously processed for use as food or other purposes unrelated to propagation;

(2) transported directly to an outlet for processing as food or for other food purposes if accompanied by shipping documents;

(3) that is being exported if accompanied by shipping documents;

(4) that is being transported through the state if accompanied by shipping documents; or

(5) transported intrastate within or between facilities licensed for saltwater aquaculture by the commissioner if accompanied by shipping documents.

(b) Shipping documents required under paragraph (a) must include the place of origin, owner or consignee, destination, number, species, and satisfactory evidence, as determined by the commissioner, of the disease-free certification required under subdivision 2, paragraph (c), clauses (1) and (2).

History: *2019 c 38 s 5*

17.4991 DISEASE TRANSMISSION.

Subdivision 1. **Facility designation.** (a) The licensee may apply to the commissioner for designation of all or a portion of a facility as a standard, containment, or quarantine facility on forms prescribed by the commissioner as part of the license application or separately.

(b) By 15 business days after an application is submitted, the commissioner must notify the applicant if there are any deficiencies in the application. By 30 business days after a complete application is submitted, the commissioner shall approve or deny the designation requested. A denial must include an assessment of the actual risk to wildlife populations at the particular site. A containment designation must be approved if the facility meets the disinfection requirements of subdivision 2 and complies with section 17.4982, subdivision 8.

Subd. 2. **Disinfection.** (a) Containment facilities must disinfect effluent prior to discharge to public waters. The effluent required to be disinfected includes water used by a containment facility in the production of the aquatic life of concern, waste or mortalities from the aquatic life of concern, and live forage or commercial feed discarded from the containment facility. Runoff from precipitation and excess water from natural springs, wells, or other sources that is not used in the production of aquatic life is not effluent to be disinfected.

(b) The disinfection must minimize the potential release of disease pathogens to wildlife susceptible to the pathogens based on a reasonable risk assessment. Disinfection treatment processes may include chlorination or other processes. If chlorine disinfection is utilized, a measurable residual level of 1.0 parts per million of active chlorine in the effluent must be maintained for one hour of retention time. The effluent must be sufficiently dechlorinated to prevent toxic adverse impacts to wildlife after discharge to public waters.

(c) A disinfection treatment process must ensure uninterrupted effluent treatment in the event of electrical power failure, a primary system failure, or other similar events that would cause treatment interruptions.

(d) The effluent disinfection process must be sited, designed, and operated in a manner that allows inspection by the commissioner at all times to determine whether adequate effluent disinfection is maintained.

(e) The commissioner may prescribe reasonable documentation of daily monitoring of treatment system performance to be included in the licensee's annual report. The records must be available for daily inspection by the commissioner during normal business hours and maintained for three years.

Subd. 3. **Fish health inspection.** (a) An aquatic farm propagating salmonids, catfish, or species on the VHS-susceptible-species list and having an effluent discharge from the aquatic farm into public waters must have a fish health inspection conducted at least once every 12 months by a certified fish health inspector. Testing must be conducted according to laboratory methods of the Fish Health Blue Book or the Diagnostic Manual for Aquatic Animal Diseases, published by the International Office of Epizootics (OIE).

(b) An aquatic farm propagating any species on the VHS susceptible list and having an effluent discharge from the aquatic farm into public waters must test for VHS virus using the guidelines of the Fish Health Blue Book or the Diagnostic Manual for Aquatic Animal Diseases. The commissioner may, by written order published in the State Register, prescribe alternative testing time periods and methods from those prescribed in the Fish Health Blue Book or the OIE Diagnostic Manual if the commissioner determines that biosecurity measures will not be compromised. These alternatives are not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply. The commissioner must provide reasonable notice to affected parties of any changes in testing requirements.

(c) Results of fish health inspections must be provided to the commissioner for all fish that remain in the state. All data used to prepare and issue a fish health certificate must be maintained for three years by the issuing fish health inspector, approved laboratory, or accredited veterinarian.

(d) A health inspection fee must be charged based on each lot of fish sampled. The fee by check or money order payable to the Department of Natural Resources must be prepaid or paid at the time a bill or notice is received from the commissioner that the inspection and processing of samples is completed.

(e) Upon receipt of payment and completion of inspection, the commissioner shall notify the operator and issue a fish health certificate. The certification must be made according to the Fish Health Blue Book or the Diagnostic Manual for Aquatic Animal Diseases by a person certified as a fish health inspector.

(f) All aquatic life in transit or held at transfer stations within the state may be inspected by the commissioner. This inspection may include the collection of stock for purposes of pathological analysis. Sample size necessary for analysis will follow guidelines listed in the Fish Health Blue Book or the Diagnostic Manual for Aquatic Animal Diseases.

(g) Salmonids, catfish, or species on the VHS susceptible list must have a fish health inspection before being transported from a containment facility, unless the fish are being transported directly to an outlet for processing or other food purposes or unless the commissioner determines that an inspection is not needed. A fish health inspection conducted for this purpose need only be done on the lot or lots of fish that will be transported. The commissioner must conduct a fish health inspection requested for this purpose within five working days of receiving written notice. Salmonids and catfish may be immediately transported from a containment facility to another containment facility once a sample has been obtained for a health inspection or once the five-day notice period has expired.

Subd. 4. **Emergency disease determination.** If emergency diseases exist, the commissioner may order the aquatic life in the facility to be impounded, confiscated, sold, or destroyed and the facility disinfected. The commissioner shall make every effort to allow disposed aquatic life to be sold for market if there is no imminent danger of a significant adverse impact on natural fish populations or of escape of the pathogen to public waters.

Subd. 5. **Aquaculture therapeutics registration.** (a) Aquaculture therapeutics must be registered and labeled in accordance with rules adopted by the commissioner of agriculture relating to drugs and feed additives.

(b) The Department of Agriculture may not require registration of those aquaculture therapeutics designated as low regulatory priority by the United States Food and Drug Administration.

History: *1992 c 566 s 9; 1993 c 226 s 10-12; 1996 c 410 s 15; 1Sp2011 c 2 art 5 s 8; 1Sp2021 c 6 art 2 s 13*

17.4992 GAME FISH AND NATIVE ROUGH FISH.

Subdivision 1. **Acquisition and purchase.** Game fish and native rough fish sperm, viable game fish and native rough fish eggs, or live game fish and native rough fish may not be taken from public waters for aquaculture purposes, but may be purchased from the state or acquired from aquatic farms.

Subd. 2. **Restriction on the sale of fish.** (a) Except as provided in paragraph (b), species on the VHS-susceptible-species list must be free of viral hemorrhagic septicemia and species of the family salmonidae or ictaluridae, except bullheads, must be free of certifiable diseases if sold for stocking or transfer to another aquatic farm.

(b) The following exceptions apply to paragraph (a):

(1) eggs with enteric redmouth, whirling disease, or furunculosis may be transferred between licensed facilities or stocked following treatment approved by the commissioner;

(2) fish with bacterial kidney disease or viral hemorrhagic septicemia may be transferred between licensed facilities or stocked in areas where the disease has been identified as being present; and

(3) the commissioner may allow transfer between licensed facilities or stocking of fish with enteric redmouth or furunculosis when the commissioner determines that doing so would pose no threat to the state's aquatic resources.

Subd. 3. **Acquisition of fish for brood stock.** (a) Game fish brood stock and native rough fish brood stock may be sold to private fish hatcheries or aquatic farms by the state at fair wholesale market value. For brood stock development, up to 20 pair of adults of each species requested may be provided to a licensee once every three years, if available, by the state through normal operations.

(b) If brood stock is not available by the June 1 following the request under paragraph (a) and a permit to take brood stock by angling is requested by the licensee, within 30 days of the request, the commissioner may issue a permit to the licensee to take, by angling, up to 20 pairs of each species requested. Game and fish laws and rules relating to daily limits, seasons, and methods apply to the taking of fish by angling pursuant to a permit issued under this paragraph.

Subd. 4. **Sale of eggs by the state.** The commissioner may offer for sale or barter as eggs or fry from the department's annual game fish egg harvest.

Subd. 5. **Purchase of eggs dependent upon facility.** Licensees may purchase game fish eggs or fry from the state at a rate based on the capacity of their facility to hatch and rear fish. Licensees may purchase walleye at a rate of no more than one-half quart of eggs or 5,000 fry for each acre or fraction of licensed surface water. This limitation may be waived if an aquatic farm is an intensive culture facility. The allowable purchase of trout or salmon eggs must be based on the capacity of rearing tanks and flow of water through the aquatic farm facility.

Subd. 6. **Stocking walleyes north of marked State Highway 210.** Walleyes from outside of the area of the state north of marked State Highway 210 may not be stocked in waters of the state north of marked State Highway 210 without approval by the commissioner.

History: *1992 c 566 s 10; 1993 c 226 s 13; 1996 c 410 s 16,17; 2000 c 331 s 4; 2008 c 307 s 8; 1Sp2011 c 2 art 5 s 9; 1Sp2021 c 6 art 2 s 14; 2024 c 90 art 2 s 4,5*

17.4993 MINNOWS.

Subdivision 1. **Taking from public waters.** (a) Under an aquatic farm license, a licensee may take only minnow sperm, minnow eggs, and live minnows for aquatic farm purposes from a water body if:

(1) the water body has been tested for viral hemorrhagic septicemia and the testing indicates the disease is not present; or

(2) the water body is located within a viral-hemorrhagic-septicemia-free zone posted on the Department of Natural Resources website.

(b) A licensee may take sucker eggs and sperm only in approved waters with a sucker egg license endorsement as provided by section 17.4994.

Subd. 2. MS 2012 [Repealed, 2012 c 277 art 1 s 91]

History: *1992 c 566 s 11; 1996 c 410 s 18; 2008 c 307 s 9; 1Sp2021 c 6 art 2 s 15*

17.4994 SUCKER EGGS.

Sucker eggs may be taken from public waters with a sucker egg license endorsement for the fee prescribed in section 97A.475, subdivision 29. Taking sucker eggs from public waters is subject to chapter 97C and may be supervised by the commissioner. The commissioner may limit the amount of sucker eggs that a person with a sucker egg license endorsement may take based on the number of sucker eggs taken historically by the licensee, new requests for eggs, and the condition of the spawning runs at those historical streams and rivers that have produced previous annual quotas.

History: *1992 c 566 s 12; 1Sp2011 c 2 art 5 s 10*

17.4995 RECEIPTS TO THE GAME AND FISH FUND.

Money received by the state under sections 17.4981 to 17.4997 must be deposited in the state treasury and credited to the game and fish fund.

History: *1992 c 566 s 13*

17.4996 WHITE EARTH INDIAN RESERVATION.

Until the commissioner reaches an agreement with the White Earth Indian Reservation regarding the acquisition and sale of aquatic life from public waters, an aquatic farm licensee may acquire and transport native rough fish, as defined in section 97A.015, subdivision 32c, and yellow perch lawfully acquired and possessed by a Tribal member for sale under Tribal laws and regulations on the White Earth Reservation. Transportation of yellow perch off the reservation must be accompanied by documentation showing the source and number of the yellow perch.

History: *1992 c 566 s 14; 2024 c 90 art 2 s 6,44*

17.4997 RULES.

The commissioner may adopt rules that are consistent with sections 17.4981 to 17.4996. The commissioner must notify the Minnesota Aquaculture Commission and the commissioner of agriculture prior to publication of the proposed rules.

History: *1992 c 566 s 15*

17.4998 VIOLATIONS; PENALTY.

Subdivision 1. **Misdemeanor.** Unless a different penalty is prescribed, a violation of a provision of sections 17.4981 to 17.4997 or a rule of the commissioner governing the operation of an aquatic farm, private fish hatchery, or quarantine facility is a misdemeanor.

Subd. 2. **Petty misdemeanor.** A first and second violation, within a three-year period, of sections 17.4981 to 17.4997 or a rule of the commissioner governing the operation of an aquatic farm, private fish hatchery, or quarantine facility is a petty misdemeanor if it does not involve intentionally falsifying records and does not put public waters or other fish hatchery facilities at risk from harmful nonindigenous species, nonindigenous strains, or emergency fish diseases.

Subd. 3. **License void.** The license of a person convicted of a violation of sections 17.4981 to 17.4997 or a rule of the commissioner governing the operation of an aquatic farm, private fish hatchery, or quarantine facility is void for a period of one year after the conviction if the person is convicted of two or more misdemeanors within a three-year period. If the commissioner determines that the public welfare will not be injured, the commissioner may reinstate a license voided under this subdivision.

History: *1993 c 226 s 14; 1997 c 226 s 5*

17.4999 STORAGE, HANDLING, AND DISPOSAL OF FISH MANURE.

Fish manure from aquatic farm operations:

(1) is subject to the same requirements under state law and rules as other animal manures; and

(2) if managed in a pond system, may be applied as a manipulated manure under chapter 18C if certified by the commissioner.

History: *1994 c 561 s 1*

COMMODITIES PROMOTION

17.50 POLICY.

The state must explore alternative uses for agricultural products to enable the state's agricultural economy to reach its full potential. The state must promote and encourage cooperative efforts between public and private interests in conducting basic research and disseminating the results on agricultural commodity utilization.

History: *1987 c 396 art 8 s 2*

17.51 CITATION; AGRICULTURAL COMMODITIES PROMOTION ACT.

Sections 17.51 to 17.69 may be cited as the Agricultural Commodities Promotion Act.

History: *1969 c 1021 s 1*

17.52 PURPOSE.

It is hereby declared to be in the interest of the public welfare that Minnesota farmers who produce agricultural commodities for domestic and foreign markets shall be permitted to act separately, or jointly in cooperation with handlers, dealers and processors of such products, with the Minnesota Department of Agriculture, the University of Minnesota, and any other interested agencies, to promote and stimulate the use, sale and consumption of such commodities and to improve methods of production, processing and marketing thereof; it is further declared that provision for the establishment of Minnesota agricultural commodity research and promotion councils is deemed an appropriate means to accomplish such objectives. Sections 17.51 to 17.69 shall not be construed to abrogate or limit in any way the rights, powers, duties and functions of the commissioner of agriculture or any other agency of the state, but shall be supplementary thereto, and in aid and cooperation therewith.

History: *1969 c 1021 s 2; 1976 c 149 s 8,62 subd 2*

17.53 DEFINITIONS.

Subdivision 1. **Scope of application.** As used in sections 17.51 to 17.69, the terms defined in this section shall have the following meanings.

Subd. 2. **Agricultural commodity.** (a) Except as provided in paragraph (b), "agricultural commodity" means any agricultural product, including, without limitation, animals and animal products, grown, raised, produced, or fed within Minnesota for use as food, feed, seed, or any industrial or chemurgic purpose.

(b) For wheat, barley, corn, and cultivated wild rice, "agricultural commodity" means wheat, barley, corn and cultivated wild rice including, without limitation, wheat, barley, corn and cultivated wild rice grown or produced within or outside Minnesota, for use as food, feed, seed, or any industrial or chemurgic purpose.

Subd. 3. **Commercial channels.** "Commercial channels" means the processes of sale of any agricultural commodity to any commercial buyer, dealer, processor, cooperative or to any person, public or private, who resells such commodity or any product produced from such commodity for slaughter, storage, processing or distribution.

Subd. 4. MS 1994 [Repealed, 1996 c 310 s 1]

Subd. 5. **Cooperative.** "Cooperative" means a nonprofit association legally constituted under the laws of Minnesota or of another state of producers who have gathered together for purposes of bargaining for a price for marketing their commodity. This includes all cooperatives domiciled inside or outside of the state which buy commodities from Minnesota producers.

Subd. 6. **Council.** "Council" means a council created under the provisions of sections 17.51 to 17.69.

Subd. 7. **First handler.** "First handler" means a person, whether an owner, agent or other person, who initially places a commodity into commercial channels, or who is engaged in the processing of the commodity into food for human consumption in any form, except for potato flour or potato starch.

Subd. 8. **First purchaser.** (a) Except as provided in paragraph (b), "first purchaser" means any person that buys agricultural commodities for movement into commercial channels from the producer; or any lienholder, secured party or pledgee, public or private, or assignee of said lienholder, secured party or pledgee, who gains title to the agricultural commodity from the producer as the result of exercising any legal rights by the lienholder, secured party, pledgee, or assignee thereof, regardless of when the lien, security interest or pledge was created and regardless of whether the first purchaser is domiciled within the state or without. "First purchaser" does not mean the Commodity Credit Corporation when a commodity is used as collateral for a federal nonrecourse loan unless the commissioner determines otherwise.

(b) For wheat, barley, corn, and cultivated wild rice, "first purchaser" means a person who buys, receives delivery of, or provides storage for the agricultural commodity from a producer for movement into commercial channels; or a lienholder, secured party, or pledgee, who gains title to the agricultural commodity from the producers as the result of exercising any legal rights by the lienholder, secured party, pledgee, or assignee, regardless of when the lien, security interest, or pledge was created and regardless of whether or not the first purchaser is domiciled in the state. "First purchaser" does not mean the Commodity Credit Corporation when the wheat, barley, corn or cultivated wild rice is used as collateral for a federal nonrecourse loan unless the commissioner determines otherwise.

Subd. 9. **Marketing year.** "Marketing year" means a one-year period from July 1 through June 30, or any other one-year period determined by the promotion order of a specific council.

Subd. 10. **Participating producer.** "Participating producer" means a producer of an agricultural commodity for which a promotional order has been issued and exists, who produces that commodity in the organized area and meets the minimal requirements established by the council to qualify as a producer.

Subd. 11. MS 1994 [Repealed, 1996 c 310 s 1]

Subd. 12. **Private processor.** "Private processor" means a privately owned commodity processor legally constituted under the laws of Minnesota for the purpose of buying or marketing the commodity and commodity products, whether the processor is domiciled within the state or without.

Subd. 13. **Producer.** (a) Except as provided in paragraph (b), "producer" means any person who owns or operates an agricultural producing or growing facility for an agricultural commodity and shares in the profits and risk of loss from such operation, and who grows, raises, feeds or produces the agricultural commodity in Minnesota during the current or preceding marketing year.

(b) For wheat, barley, corn, and cultivated wild rice, "producer" means in addition to the meaning in paragraph (a) and for the purpose of the payment or the refund of the checkoff fee paid pursuant to sections 17.51 to 17.69 only, a person who delivers into, stores within, or makes the first sale of the agricultural commodity in Minnesota.

Subd. 14. **Producer-processor.** "Producer-processor" means a producer who processes and markets the producer's own product. For the purpose of collecting the checkoff fee, a producer-processor is the first purchaser.

Subd. 15. **Promotional order.** "Promotional order" means an order issued by the commissioner, with the advice and consent of a council and after a referendum pursuant to this chapter, which establishes a program for promotion, advertising, production, market research, and market development of the growing, processing, distributing, sale or handling of an agricultural commodity and provides for the collection of checkoff fees.

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

Subd. 17. **Retailer.** "Retailer" means a person who sells directly to the consumer in small quantities or broken lots.

Subd. 18. **Sale.** "Sale" means any passing of title from the producer to the first purchaser. Sale includes any pledge, security interest or lien after harvest.

History: *1969 c 1021 s 3; 1976 c 149 s 9,62 subd 2; 1982 c 582 s 1; 1986 c 444; 1994 c 452 s 1-3; 1Sp2001 c 2 s 27-29; 2016 c 184 s 2; 2017 c 88 art 2 s 5-7*

17.54 COUNCILS.

Subdivision 1. **Creation.** A commodity research and promotion council may be created for the producers of each agricultural commodity by filing with the commissioner a petition requesting that the producers of such commodity be subjected to the provisions of sections 17.51 to 17.69. The petition must be signed by 1,000 producers or 15 percent of the producers proposed to be covered by the promotion order, whichever is less. At least two producers shall certify under oath that the petition has been signed only by producers of the commodity involved.

Subd. 2. **Membership.** Upon petition of the required number of producers the commissioner shall, after consultation with the various producer or commodity organizations of the particular commodity petitioning for a referendum, determine the size of the council and distribution of the council membership.

Subd. 3. **Nominating committee.** Within 30 days after the filing of the petition by the required number of producers of an agricultural commodity the commissioner shall appoint a nominating committee of at least five producers of that commodity who shall, within 60 days from the filing of the petition, nominate at least two producer candidates for each council position and certify the names of such nominees to the commissioner. Nominees shall be selected with a view to establishing a fair representation of all producers of the particular commodity throughout the area to be organized, which shall comprise the entire state unless the commissioner determines that at least 95 percent of the production of the commodity is in a lesser area, in which event the commissioner shall define the area following county lines. Whenever possible, the areas represented by council members shall correspond to state crop reporting districts as defined by the Minnesota crop and livestock reporting service.

Subd. 4. **Election.** Upon receipt of the nominations the commissioner shall promptly arrange an election to be held at places designated by the commissioner reasonably convenient to all producers in the organized area and provide notice of the election to all of the media having a general circulation in the organized area. Ballots setting forth the names of the nominated candidates and providing for write-in candidates shall be made available at all polling places. Only producers of the agricultural commodity involved shall be qualified to vote. General polling procedures shall be established by the commissioner by rule pursuant to chapter 14 to avoid voting by other than qualified producers. An impartial committee appointed by the commissioner shall tabulate the votes, and the candidates receiving the most votes shall be declared elected to the first council.

After the first council for a commodity is elected, an election shall be held annually to elect members of the council. The election shall be held in the same manner as prescribed for the first council election except that the manner of choosing nominating committee members, the time of nominations and the time

and place of elections shall be fixed by the commissioner. Mail balloting may be permitted by the commissioner.

Subd. 5. **Terms.** At the first meeting of the first council for each commodity the commissioner shall determine by lot one-third of the council members whose terms shall expire June 30 in the calendar year following the year of the first election, one-third of the council members whose terms shall expire June 30 in the second calendar year and the remaining council members whose terms shall expire June 30 in the third calendar year. In the event the commissioner has designated specific areas for representation on the council, the terms of council members in any one area shall not expire in the same year. All council members elected in succeeding elections shall serve three-year terms and until their successors are elected and qualified. All terms shall expire on June 30 of the last year of the term unless another date is established by the commissioner for specific councils. In the event a council member ceases to have any of the qualifications herein established, that office shall be deemed vacant. An interim vacancy on the council shall be filled by the council for the remainder of the term vacated. The successor so appointed shall be a commodity producer residing in the same crop reporting district as the former member.

Subd. 6. **Organization.** (a) The commissioner shall serve as a member of each council without vote. Each council shall elect from its own membership a chair, a vice-chair, a secretary, and other officers the council deems appropriate. An executive committee of no more than five members including the officers may also be elected. Except as provided in paragraph (b), terms of the officers shall expire on June 30 of each year; however, they may serve until their successors have been elected but not beyond July 15.

(b) If the commissioner establishes an alternative expiration date for a specific council under subdivision 5 or 13, council members may serve on the council until their successors have been elected but not beyond 15 days after the expiration date.

Subd. 7. **Meetings; quorum.** Subject to the requirements of sections 17.51 to 17.69, a council shall meet at times and places as it may determine or upon call of the chair or of any three members or one-third of the council, whichever is greater. A majority of the voting members of a council shall constitute a quorum for the transaction of all business in carrying out the duties of the council.

Subd. 8. **Existing councils.** Any council established pursuant to any act on or before July 1, 1982, may maintain the number and regional distribution of council members in effect at that time and council members elected under the provisions of any act in effect prior to July 1, 1982, may serve out their terms according to those provisions. Any promotional order in effect prior to July 1, 1982, shall remain in effect until the promotional order would terminate under the terms of the promotional order itself, or under the provisions of the legislation authorizing that promotional order, or until the promotional order is terminated pursuant to section 17.64, whichever occurs first. No referendum need be held by the commissioner to establish any promotion order in effect prior to July 1, 1982. No referendum need be held by the commissioner to bring any promotion order into early compliance with Laws 1982, chapter 582, sections 1 to 11, when the proposed changes in the promotion order are requested by the council members and approved by the commissioner.

Subd. 9. **Potato industry promotion.** For the purpose of the administration of sections 17.51 to 17.69 as they pertain to a Minnesota Area Potato Research and Promotion Council established pursuant to Laws 1967, chapter 417, as amended, the state is divided into two areas. Area number one includes the counties of Kittson, Marshall, Polk, Pennington, Red Lake, Norman, Mahnomen, Clay, Wilkin, Roseau, Lake of the Woods, Beltrami, Clearwater, and Becker. Area number two includes the rest of the counties of the state. Sections 17.51 to 17.69 shall apply to any of the above areas of the state where the commissioner has determined that the area was organized prior to July 1, 1982, pursuant to section 30.464, subdivision 3, as amended through June 30, 1982.

Subd. 10. **Existing area potato councils.** For the purposes of sections 17.51 to 17.69, any area potato council established pursuant to section 30.465, prior to July 1, 1982, shall maintain the number and distribution of council members in effect at that time. Council members elected or appointed under the provisions of section 30.465 may serve out their terms. For the purposes of sections 17.51 to 17.69, the provisions of sections 30.462, 30.463, 30.467, 30.469 and 30.472 as amended through June 30, 1982, shall be considered to be the promotional order for an area potato council, and shall remain in effect as a promotional order until terminated or modified by referendum.

Subd. 11. **Membership and terms; area potato councils.** Notwithstanding subdivisions 3, 4, and 5, any area potato council which continues in existence pursuant to subdivision 10 shall include one voting member who represents potato wash plants. This member shall be appointed by the governor for a four-year term coterminous with that of the governor.

Subd. 12. **Dairy industry promotion.** For the purpose of the administration of sections 17.51 to 17.69 as they pertain to the Dairy Research and Promotion Council established pursuant to Laws 1969, chapter 851, as amended, the vote in the name of a cooperative association of producers may be deemed the vote of all members of that cooperative association. The commissioner shall schedule and specify procedures for bloc voting by a cooperative. A ballot prepared by the council and the commissioner shall be sent by each cooperative to all member and nonmember producers with a return envelope addressed to the commissioner. The ballot shall indicate that the cooperative association intends to vote in favor of or in opposition to the question. In the case of members the ballot shall indicate the expiration date of the ballot and state that if the ballot is not returned by that date the ballot shall be considered to be in favor of the vote of the association. The cooperative shall return the completed bloc vote ballot to the commissioner. A cooperative association shall not be required to bloc vote its producers but in that event it shall inform each producer of its decision and provide each producer with an individual referendum ballot with a return envelope addressed to the commissioner.

Each private processor of dairy products and each cooperative shall file with the commissioner a list of producers who market the bulk of their production with that private processor or cooperative. The polling procedures established by the commissioner pursuant to subdivision 4 shall ensure that dairy producers marketing the bulk of their production with a private processor have the option to vote in any referendum held pursuant to Laws 1982, chapter 586, sections 1 to 11.

Subd. 13. **Terms; dairy council.** Notwithstanding subdivision 5, the term of office of members of any council established for the producers of cows' milk or products derived from cows' milk shall be as provided in this subdivision. The term of office shall be two years, with the terms of half the council members expiring in odd-numbered years, and the terms of the remaining council members expiring in even-numbered years. All terms expire on June 30 of the last year of the term unless another date is established by the commissioner for the council.

History: *1969 c 1021 s 4; 1973 c 237 s 1; 1973 c 242 s 1; 1976 c 149 s 10,62 subd 2; 1982 c 424 s 130; 1982 c 582 s 2; 1986 c 318 s 1; 1986 c 444; 1990 c 417 s 1; 1997 c 187 art 3 s 4; 2000 c 285 s 1,2; 2014 c 181 s 3*

17.55 MS 1980 [Repealed, 1982 c 582 s 14]

17.56 COUNCIL TO FORMULATE AND SUBMIT PROMOTIONAL ORDER.

Subdivision 1. **Formulation.** Within 15 days after certification by the commissioner of its election the first council for producers of a particular commodity shall meet and formulate a promotional order establishing a program for development, promotion, advertising, research, distribution and the expansion of the sale, use

and consumption of the commodity it represents and establishing a checkoff fee to be paid by producers to finance the proposed activities.

Subd. 2. **Hearings.** The commissioner, after consultation with the council, shall hold public hearings on the proposed promotional order in areas and at times affording reasonable opportunities for producers to attend. After such hearings and after consultation with the council, the commissioner shall determine whether or not the promotional order shall be amended, modified or supplemented. If changes or additions of substance are made, commissioner shall hold public hearings on the amended or supplemented promotional order.

Subd. 3. **Referendum.** Following the hearings, the commissioner shall conduct a referendum on the proposed final promotional order. At least ten days' notice of the time and places of such referendum shall be published in a legal newspaper of general circulation in each county affected. Notice shall also be given to other media in each county affected. A complete copy of the promotional order shall be given to each county extension office in any county involved in the referendum to afford all producers of the commodity access to complete information about the promotional order and the referendum.

Subd. 4. **Adoption.** The promotional order shall become effective if approved by a majority of those voting.

Subd. 5. **Failed referendum.** If a referendum is conducted and a proposed promotional order is not approved, the commissioner shall not conduct another referendum on any promotional order for the same commodity until one year has elapsed, except for the Minnesota Canola Council, for which six months must have elapsed.

History: *1969 c 1021 s 6; 1973 c 242 s 2; 1976 c 149 s 62 subd 2; 1982 c 424 s 130; 1982 c 582 s 3; 1996 c 290 s 1; 1997 c 187 art 3 s 5*

17.57 ADDITIONAL POWERS AND DUTIES OF COUNCIL.

Subdivision 1. **Adoption of rules.** Each council shall at its regular meetings adopt rules consistent with sections 17.51 to 17.69 for the administration of the promotional order.

Subd. 2. **Budget.** Each council shall prepare and submit to the commissioner on a date the commissioner determines an estimated budget for the operation of the promotional order.

Subd. 3. **Report.** Each council shall prepare an annual report on the programs pursuant to its promotional order for the previous operating year. The report shall be mailed to each county extension office in any county involved in the promotional order.

Subd. 4. **Collection of checkoff fees and data.** The promotion order shall provide a procedure for the collection of the checkoff fee by each council to finance promotional orders and for the collection of information and data which are necessary for the proper administration of orders.

Subd. 5. **Donations.** Each council is authorized to accept donations of funds, property, services or other assistance from public or private sources for the purpose of furthering the objectives of sections 17.51 to 17.69.

Subd. 6. **Right to sue and be sued.** Each council shall have the right to investigate and prosecute in the name of the state of Minnesota any action or suit to enforce the collection or insure payment of the checkoff fees authorized by the provisions of sections 17.51 to 17.69, to sue and be sued in the name of the council to hire attorneys as necessary and to do all other things necessary to the administration and implementation of sections 17.51 to 17.69.

Subd. 7. **Financial statement.** Each council shall make available an annual financial statement of the council to any producer upon request.

History: *1969 c 1021 s 7; 1976 c 149 s 62 subd 2; 1982 c 424 s 130; 1982 c 582 s 4; 1986 c 444; 1997 c 187 art 3 s 6*

17.58 POWERS AND DUTIES OF COMMISSIONER.

Subdivision 1. **Contracts.** A council, with the approval of the commissioner, may contract and cooperate with any person, firm, corporation or association, or with any local, state, federal or international agency or institution, for market development, education, publicity, promotion, research, transportation and advertising within the purposes of sections 17.51 to 17.69.

Subd. 2. **Personnel.** The council, with the approval of the commissioner, shall appoint, employ, provide necessary bond, discharge, fix compensation for and prescribe the duties of the first chief administrative officer of any council established after July 1, 1982. The council, after consultation with the commissioner, shall appoint, employ, provide necessary bond, discharge, fix compensation for and provide duties of subsequent chief administrative officers. A council may employ other personnel as it deems necessary.

Subd. 3. **General powers.** In administering sections 17.51 to 17.69, the commissioner shall have such other powers as may be conferred by law not inconsistent with the provisions of sections 17.51 to 17.69. The commissioner is authorized to cooperate with any appropriate agency of any state for the purpose of carrying out the provisions of sections 17.51 to 17.69, and in securing uniformity of administration and enforcement.

Subd. 4. **Rules.** The organization, conduct of elections, referenda, and meetings of a council and the administration of a promotional order for any commodity shall be governed by rules promulgated by the commissioner pursuant to chapter 14.

Subd. 5. **Audits.** Each year the commissioner shall conduct a fiscal audit, and at least every three years the commissioner shall conduct a compliance audit of each council. A compliance audit is an audit to determine that a council has complied with the terms of sections 17.51 to 17.69, with all other applicable federal or state laws, and with the terms of any promotional orders established.

History: *1969 c 1021 s 8; 1976 c 149 s 62 subd 2; 1982 c 424 s 130; 1982 c 582 s 5; 1986 c 444*

17.59 FEES TO DEFRAY EXPENSES.

Subdivision 1. **Checkoff fees.** For the purpose of providing funds to defray the necessary expenses incurred by the commissioner and the council in formulating, submitting to referendum, issuing, administering and enforcing a promotional order, the promotional order shall provide for checkoff fees in amounts sufficient to defray such expenses, and shall indicate the maximum checkoff rate which shall not exceed one percent of the market value of the year's production of participating producers. Any increase in the maximum checkoff provided for in the promotional order must be within the limit herein prescribed and must be approved by the majority of voting participating producers in a referendum held for that purpose after reasonable notice of such proposed increase.

Subd. 1a. **Dairy industry checkoff rate.** (a) Notwithstanding subdivision 1, the Minnesota dairy research and promotion order, or any provision to the contrary in this chapter or rules adopted under this chapter, the checkoff rate applicable to the Dairy Research and Promotion Council must be equal to the maximum credit allowed under the Dairy Promotion and Research Order, adopted under the Dairy Production Stabilization Act of 1983, United States Code, title 7, sections 4501 to 4538, for producers participating in a qualified

state or regional dairy product promotion or nutrition education program. The checkoff rate provided in this subdivision is effective and must be automatically adjusted without amendment to the Minnesota dairy research and promotion order.

(b) Subdivision 1 applies for the establishment of the checkoff rate applicable to the Dairy Research and Promotion Council if:

(1) the Dairy Production Stabilization Act of 1983 is repealed;

(2) the Dairy Promotion and Research Order is suspended or terminated, in which case subdivision 1 applies only during the period of suspension or termination; or

(3) the federal credit for participation in a qualified state or regional dairy product or nutrition education program is eliminated.

Subd. 2. **Payment.** The commissioner shall establish the procedure for the timely payment of the checkoff fee by the producer to the council. The procedure shall be clearly outlined in the proposed promotional order. The procedure must be fair, reasonable and the checkoff fee shall be deducted by the first purchaser at the time of sale. The first purchaser shall submit to the council any checkoff fees so deducted once every 30 days in accordance with the commissioner's rules.

Subd. 3. **Financing referendums.** The commissioner shall require producers petitioning for a promotional order to deposit in advance an amount necessary to defray the expense of electing the first council, formulating an order, submitting it to referendum and issuing the order. Funds received for that purpose shall be deposited in the commodity research and promotion account. If the order is issued, the producers shall be reimbursed when funds are available from assessments. If the order is not issued the commissioner shall refund only that portion of the deposit remaining after payment of expenses incurred on a pro rata basis.

Subd. 4. **Deposit and use of checkoff fees.** Checkoff fees collected pursuant to sections 17.51 to 17.69 shall be deposited in a federally insured depository institution or an institution insured by an approved credit union share guaranty corporation and shall be disbursed by the officers and employees approved by the council for the necessary expenses incurred in the administration of sections 17.51 to 17.69. Checkoff fees collected shall be used exclusively for the purpose collected and not to support or oppose a political party or a candidate for nomination or election to a public office.

Subd. 5. **Commodities research and promotion account.** All fees collected by the department under sections 17.51 to 17.69 and any other fees and income received by the department in the administration of these statutes shall be deposited in a separate account known as the commodity research and promotion account in the agricultural fund. Money in the account, including interest, is appropriated to the commissioner to carry out the duties of sections 17.51 to 17.69.

History: *1969 c 1021 s 9; 1976 c 149 s 62 subd 2; 1981 c 41 s 1-3; 1981 c 356 s 256; 1982 c 582 s 6-8; 1987 c 384 art 2 s 5; 1989 c 350 art 5 s 1; 1993 c 172 s 21; 1999 c 231 s 31; 2026 c 56 s 2*

17.60 COMPENSATION AND EXPENSES.

Each member of a council, except the commissioner, shall be entitled to a reasonable per diem, not exceeding the same rate of compensation per day as is authorized for payment to members of advisory councils and committees pursuant to section 15.059, subdivision 3, while engaged in the performance of

duties, and actual expenses incurred while attending council meetings or executive committee meetings. Payments to council members for other official business of the council require approval by the council.

History: *1969 c 1021 s 10; 1976 c 149 s 62 subd 2; 1982 c 582 s 9; 1986 c 444*

17.601 MS 1980 [Repealed, 1982 c 582 s 14]

17.61 LEGAL COUNSEL.

The council may appoint an attorney who shall act for the council and the commissioner when required. The council shall fix the compensation and terms of employment of such attorney. The provisions of chapter 8 shall not apply to this attorney.

History: *1969 c 1021 s 11; 1976 c 149 s 62 subd 2*

17.62 COUNCIL RECORDS.

All of the records of a council, except as otherwise provided in this section, shall be open to the public and shall be available for inspection by any person for any lawful purpose, provided, however, that the council shall be empowered to make reasonable rules concerning the inspection of the records, the time or place of inspection, or the manner in which the information shall be made available. Financial information pertaining to individual participating producers shall not be open to the public.

History: *1969 c 1021 s 12; 1976 c 149 s 62 subd 2; 1982 c 582 s 10*

17.63 REFUND OF FEES.

(a) Any producer, except a producer of potatoes in area number one, as listed in section 17.54, subdivision 9, a producer of wheat or barley, a producer of canola, or a producer of cultivated wild rice, may, by the use of forms to be provided by the commissioner and upon presentation of such proof as the commissioner requires, have the checkoff fee paid pursuant to sections 17.51 to 17.69 fully or partially refunded, provided the checkoff fee was remitted on a timely basis. The request for refund must be received in the office of the commissioner within the time specified in the promotion order following the payment of the checkoff fee. In no event shall these requests for refund be accepted more often than 12 times per year. Refund shall be made by the commissioner and council within 30 days of the request for refund provided that the checkoff fee sought to be refunded has been received. Rules governing the refund of checkoff fees for all commodities shall be formulated by the commissioner, shall be fully outlined in the promotion order, and shall be available for the information of all producers concerned with the referendum.

(b) The commissioner must allow partial refund requests from corn producers who have checked off and must allow for assignment of payment to the Minnesota Corn Growers Association if the Minnesota Corn Research and Promotion Council requests such action by the commissioner.

(c) The Minnesota Corn Research and Promotion Council shall not elect to impose membership on any individual producer not requesting a partial refund or assignment of payment to the association.

(d) For any wheat, barley, or cultivated wild rice for which the checkoff fee must be paid pursuant to sections 17.51 to 17.69 and for which a checkoff fee or fee that serves a comparable purpose in a jurisdiction outside Minnesota had been previously paid for the same wheat, barley, or cultivated wild rice, the producer of the wheat, barley, or cultivated wild rice is exempt from payment of the checkoff fee. The commissioner, in consultation with the Wheat Research and Promotion Council, Barley Research and Promotion Council, and Cultivated Wild Rice Research and Promotion Council, shall determine jurisdictions outside of Minnesota which collect a checkoff fee or fee that serves a comparable purpose. In order to qualify for the exemption,

the producer must demonstrate to the first purchaser that a checkoff fee or fee has been paid to such a jurisdiction.

History: *1969 c 1021 s 13; 1976 c 149 s 62 subd 2; 1982 c 582 s 11; 1986 c 444; 1990 c 477 s 1; 1991 c 191 s 1; 1992 c 513 art 2 s 14; 1994 c 452 s 4; 1Sp2001 c 2 s 30; 2014 c 181 s 4*

17.64 TERMINATION OF ORDER.

Subdivision 1. **By council.** The council after consultation with the commissioner and by a majority vote shall suspend or terminate a promotional order whenever it finds, after a public hearing, that an order is contrary to or does not effectuate the purposes or provisions of sections 17.51 to 17.69, provided that the suspension or termination shall not become effective until the expiration of the current marketing year.

Subd. 2. **By referendum.** Upon petition of the same number of producers as required to initiate the promotional order, the commissioner shall within 60 days conduct a referendum to determine whether or not the promotional order shall be continued. The commissioner shall terminate the order at the end of the current marketing year if a majority of the producers voting in the referendum vote in favor of termination. The petition of producers shall include a statement certifying that the signatures are those of qualified producers of the commodity involved. The commissioner shall not conduct a referendum for termination of a promotional order if a referendum for termination of the same promotional order has been conducted within the preceding year.

History: *1969 c 1021 s 14; 1976 c 149 s 62 subd 2; 1982 c 424 s 130; 1982 c 582 s 12; 1986 c 444; 1997 c 187 art 3 s 7*

17.65 MS 1980 [Repealed, 1982 c 582 s 14]

17.66 PERMITTED ACTIVITIES.

No activity, including meetings, undertaken in pursuance of the provisions of sections 17.51 to 17.69 and intended to benefit the producers, handlers and processors of such agricultural commodity shall be deemed or considered illegal or in restraint of trade.

History: *1969 c 1021 s 16*

17.67 PENALTY FOR VIOLATIONS.

Any person who violates any provision of sections 17.51 to 17.69 or any rule of the commissioner promulgated pursuant to sections 17.51 to 17.69 is guilty of a misdemeanor. Any first handler who fails to make collections or to file a return or to pay any assessment within the time required by sections 17.51 to 17.69, or who files a falsified return, shall be liable to the council for the amount due, plus a penalty of six percent of the amount due, plus one percent of the amount for each month of delay. If satisfied that the delay was excusable, the council may return all or any part of the penalty. Penalties shall be paid to the council and disposed of as provided with respect to other money collected under sections 17.51 to 17.69.

History: *1969 c 1021 s 17; 1976 c 149 s 62 subd 2; 1982 c 582 s 13*

17.68 MS 1980 [Repealed, 1982 c 582 s 14]

17.69 NONLIABILITY OF STATE.

No liability shall be imposed upon the state of Minnesota for any acts or omissions of the commissioner or any council established pursuant to sections 17.51 to 17.69.

History: *1969 c 1021 s 19; 1976 c 149 s 62 subd 2*

AGRICULTURAL MARKETING AND BARGAINING

17.691 CITATION.

Sections 17.691 to 17.701 shall be known and may be cited as the "Agricultural Marketing and Bargaining Act of 1973."

History: *1973 c 736 s 1*

17.692 DECLARATION OF POLICY.

Agricultural products are produced in Minnesota by many individual farmers, ranchers, and handlers scattered throughout the state. The efficient production and marketing of agricultural products by farmers, ranchers, and handlers is of vital concern to their welfare and to the general economy of Minnesota. The marketing and bargaining position of individual farmers, ranchers, and handlers will be adversely affected unless they are free to join together voluntarily in cooperative organizations as authorized by law. Interference with this right is contrary to the public interest, adversely affects the free and orderly flow of goods in interstate and foreign commerce, and affects the welfare of the people of Minnesota. It is, therefore, declared to be the policy of this state and the purpose of this chapter to establish standards of fair practices required of handlers and producers in their dealings in agricultural products and to encourage settlement of disputes between handlers and producers of agricultural products.

History: *1973 c 736 s 2; 1998 c 373 s 2*

17.693 DEFINITIONS.

Subdivision 1. **Scope.** For the purposes of sections 17.691 to 17.702, the terms defined in this section have the meanings given them.

Subd. 2. **Association; association of producers.** "Association" or "association of producers" means an association of producers of agricultural commodities engaged in marketing, bargaining, shipping, or processing an agricultural commodity into agricultural products on behalf of its members who are producers of the agricultural commodity, which has been accredited by the commissioner.

Subd. 3. MS 1994 [Repealed, 1996 c 310 s 1]

Subd. 4. **Producer.** "Producer" means any person, who in any one calendar year within the previous two calendar years, produces or causes to be produced any agricultural commodity in quantity beyond the person's own family use, and who is able to transfer, during the calendar year, to a handler or an association a merchantable title to the agricultural commodity or provide management, labor, machinery, facilities, or any other production input, with the assumption of risk, for the production of the agricultural commodity under a written contract.

Subd. 5. **Agricultural commodity.** "Agricultural commodity" includes all agricultural goods produced under contract for marketing as defined by the commissioner of agriculture. It does not include any commodity

sold by a producer to another producer for the other's own exclusive use and not for resale. The kinds, types and subtypes of products to be classed together as an agricultural commodity for the purposes of sections 17.691 to 17.701 shall be determined by the commissioner on the basis of common usage and practice.

Subd. 6. **Handler.** "Handler" means a person, other than an association, engaged in the business or practice of acquiring agricultural commodities from producers or associations for processing or sale; grading, packaging, handling, storing, or processing agricultural commodities received from producers or associations; contracting or negotiating contracts or other arrangements with or on behalf of producers or associations with respect to the production of any agricultural commodity; or acting as an agent or broker for a handler in the performance of any function or act specified above. It does not include a producer who sells at a retail establishment which the producer owns and operates or who sells at a produce market, agricultural commodities produced by the producer and agricultural commodities produced by another producer subject to value limitation established by the commissioner.

Subd. 7. MS 1994 [Repealed, 1996 c 310 s 1]

Subd. 8. **Marketing year.** "Marketing year" shall mean, generally, any time between the second day of February of the previous calendar year and the first day of February of the subsequent year, unless the commissioner shall determine an alternative time period for a specific agricultural commodity to be designated as its marketing year.

History: *1973 c 736 s 3; 1986 c 444; 1998 c 373 s 3-5; 2001 c 161 s 57*

17.694 ACCREDITATION.

Subdivision 1. **Procedures.** Any association accredited under this section may engage in bargaining as provided for under sections 17.691 to 17.702.

(1) An association desiring accreditation shall file with the commissioner in the form required by the commissioner. The request shall contain properly certified evidence that the association meets the standards for accreditation and shall be accompanied by a report of the names and addresses of member producers, the name of each handler to whom the member producer delivered or contracted to deliver the agricultural commodity during the previous two calendar years. A fee to cover the costs of the commissioner in processing the request shall be established pursuant to chapter 14, and paid by the association when the request is filed.

(2) The commissioner shall notify all handlers named in the request for accreditation of an association of producers. The notice must be sent to the handlers named in the request by first class mail within ten days of the commissioner receiving the request for accreditation. The commissioner shall maintain records indicating the date of mailing.

(3) The commissioner may require all handlers of an agricultural commodity produced in a bargaining unit area as individuals to file within 30 days following a request, a report, properly certified, showing the correct names and addresses of all producers of the agricultural commodity who have delivered the agricultural commodity to the handler during the two calendar years preceding the filing of the report.

(4) Data submitted to the commissioner by producer associations under clause (1) and by commodity handlers under clause (3) are private data on individuals or nonpublic data, as defined in section 13.02, subdivision 9 or 12.

Subd. 2. **Bargaining unit determination.** In determination of accreditation, the commissioner shall determine the appropriate bargaining unit by plant, but may define the bargaining unit by processor or company if there is a history of identical contracts offered to producers on a processor or companywide

basis. This determination shall be the unit area for the bargaining provisions of sections 17.691 to 17.702 as is applicable to associations and handlers. In making a determination, the commissioner shall define as appropriate the bargaining unit area in terms of the agricultural commodity produced, the definition of the agricultural commodity, geographic area covered, and number of producers included as is consistent with the following criteria:

(1) the community of interest of the producers included;

(2) the potential serious conflicts of interests among members of the proposed unit;

(3) the effect of exclusions on the capacity of the association to effectively bargain for the bargaining unit as defined;

(4) the kinds, types, and subtypes of products to be classed together as agricultural commodity for which the bargaining unit is proposed;

(5) whether the producers eligible for membership in the proposed bargaining unit meet the definition of "producer" for the agricultural commodity involved;

(6) the wishes of the producers; and

(7) the pattern of past marketing of the commodity.

Subd. 3. **Standards.** An association shall be accredited only if it complies with the following:

(a) The association meets the requirements of the Capper-Volstead Act, United States Code, title 7, section 291-2.

(b) The association has submitted a copy of its bylaws which provide that: Each member of the association shall have one vote in all votes of the membership of the association; that officers or directors shall be elected by a majority of the members voting or by delegates representing a majority of the membership; and that all elections shall be by secret ballot.

(c) The association would have marketing and bargaining contracts for the current or next marketing year with more than 50 percent of the producers of an agricultural commodity who are in the bargaining unit area. An association whose main purpose is bargaining but which processes a surplus into a form which is not the subject of bargaining is not a processing cooperative. The contracts with members shall specify the agricultural commodity and that the members have appointed the association as their exclusive agent in negotiations with handlers for prices and other terms of trade with respect to the sale and marketing of the agricultural commodity and obligate the members of the association to dispose of their production or holdings of the agricultural commodity through or at the direction of the association.

Subd. 4. **Accreditation determination.** Within 60 days of the filing date of the request for accreditation by an association, the commissioner shall determine whether the association shall be accredited. If the commissioner determines that insufficient evidence was filed by the association, the commissioner may permit the association to file an amended request for accreditation within 30 days following the determination and notification of the association. The commissioner shall then determine, within 30 days of the filing of the amended request, whether the association shall be accredited. An association which is denied accreditation after filing of an amended request may not file another request for accreditation for a period of one year.

Subd. 4a. **Hearing; appeal.** Within 30 days of a decision by the commissioner denying accreditation to an association, the association may request a hearing before the commissioner. The commissioner shall then conduct a hearing to determine whether the association shall be accredited. This hearing shall be

governed by the provisions of sections 14.57 and 14.60. If the commissioner, after this hearing has been held, determines that the association should not be accredited, the association may appeal this decision in accordance with sections 14.63 and 14.69. Only an association denied certification after such hearing may appeal under this chapter.

Subd. 5. **Date of accreditation.** Accreditation of the association by the commissioner shall be effective upon receipt by the association of the notice of accreditation from the commissioner.

Subd. 6. **Revocation.** The commissioner shall consider revocation of accreditation upon any of the following conditions:

(a) Upon receipt of a request from an accredited association for its own disaccreditation.

(b) Upon receipt of a petition requesting that the accredited association be disaccredited and bearing the signatures of at least ten percent of the producers of an accredited association in the bargaining unit. Within ten days following the receipt of a petition bearing the signatures of at least ten percent of the producers of an accredited association in a bargaining unit, the commissioner shall order a referendum, to take place at least seven days but not more than 20 days after the order, among the members of the accredited association and if in the referendum 50 percent of association members approve, the association accreditation shall be revoked by the commissioner. The commissioner shall have representatives of the department present at the referendum vote to conduct the referendum and take action to prevent unfair practices by the association of producers or handlers to obstruct or influence voting. Tabulation of the vote is the responsibility of the department. The department may adopt rules governing any referendum for repeal of accreditation. A request for a revocation of accreditation may occur only during the first three months of a marketing year.

Subd. 7. **Representation.** The accredited association shall represent all member producers who are in the bargaining unit area and it shall act as exclusive sales agents for the members of the accredited association in the bargaining unit area in negotiations with handlers. The association may not assess, bargain for, or claim to represent those producers who choose not to be represented by the association or choose not to have a bargaining committee bargain for them.

History: *1973 c 736 s 4; 1975 c 88 s 1,2; 1982 c 424 s 130; 1986 c 444; 1998 c 373 s 6-10; 2001 c 161 s 57*

17.695 MARKETING AND BARGAINING COMMITTEE.

Subdivision 1. **Establishment.** After accreditation of the association, the association shall establish and authorize a marketing and bargaining committee to negotiate, as the association's exclusive agent, with handlers for the sale and marketing of the agricultural commodity for which the association was accredited.

Subd. 2. **Membership.** This committee shall be comprised of members of the association elected by the association in a secret ballot election, except that the association may contract with legal counsel who shall, at the discretion of the association, be eligible for membership on the committee.

Subd. 3. **Eligibility.** The production of the agricultural commodity shall comprise a significant portion of the total producing operation of each committee member.

Subd. 4. **Ineligible members.** Members who have any quantity contracted with a producer owned and controlled processing cooperative are not eligible to serve on a marketing and bargaining committee for such a commodity.

History: *1973 c 736 s 5*

17.696 UNFAIR PRACTICES OF HANDLERS AND ASSOCIATIONS.

Subdivision 1. **Unfair practices by handler.** Producers of agricultural commodities are free to join together voluntarily in associations as authorized by law without interference by handlers. A handler shall not engage in any of the following practices, defined as unfair practices:

(a) To coerce a producer in the exercise of the right to join and belong to or to refrain from joining or belonging to an association or to refuse to deal with a producer because of the exercise of the right to join and belong to an association.

(b) To discriminate against a producer with respect to price, quantity, quality or other terms of purchase, acquisition or other handling of agricultural products because of membership in or contract with an association.

(c) To coerce or intimidate a producer to breach, cancel or terminate a membership agreement or marketing contract with an association or a contract with a handler.

(d) To pay or loan money, give anything of value or offer any other inducement or reward to a producer for refusing or ceasing to belong to an association.

(e) To make or circulate unsubstantiated reports about the finances, management or activities of associations or other handlers.

(f) To conspire, combine, agree or arrange with any other person to do or aid or abet the doing of any practice which is in violation of sections 17.691 to 17.701.

(g) To refuse to bargain with an association with whom the handler has had prior dealings or with an association whose producers in the bargaining units have had dealings with the handler prior to July 1, 1973.

Subd. 2. **Unfair practices by association.** An association shall not engage nor permit an employee or agent to engage in the following practices, defined as unfair practices:

(1) coerce a producer in the exercise of the right to join and belong to or to refrain from joining or belonging to an association or refuse to deal with a producer because of the exercise of the right to join and belong to or refrain from joining an association;

(2) enter into a contract which discriminates against a producer represented by that association;

(3) act in a manner contrary to the bylaws of the association;

(4) coerce or intimidate a handler to breach, cancel, or terminate an agreement or marketing contract with an association or a contract with a producer;

(5) make or circulate unsubstantiated reports about the finances, management, or activities of other associations or handlers; or

(6) conspire, combine, agree, or arrange with another person to do or aid or abet the doing of any practice which is in violation of sections 17.691 to 17.702.

History: *1973 c 736 s 6; 1986 c 444; 1998 c 373 s 11; 2001 c 161 s 57*

17.697 INFORMATIONAL EXCHANGES; DISPUTE RESOLUTION.

Subdivision 1. **Definition.** As used in sections 17.691 to 17.702, "informational exchange" means the mutual obligation of a handler and an association or their designated representatives to meet at a mutually agreed-upon time in conformance with sections 17.691 to 17.702 and confer and provide information about

their expectations for the upcoming marketing year. The informational exchange must be a serious, fair, and reasonable attempt to reach agreement by acknowledging or refuting with reason points brought up by either party with respect to the terms and conditions of a contract relative to trading between handlers and producers of the agricultural commodity. The topics may include, but are not limited to, the following:

(1) prices and terms of sale;

(2) quality specifications;

(3) quantity to be marketed by acreage or weight;

(4) transactions involving products and services utilized by one party and provided by the other party; and

(5) checkoff procedures pursuant to assessments levied by the association whereby a portion of the producers' annual production payments under a contract are collected by handlers from producers within the bargaining unit and paid to the association on some other arrangement.

Subd. 2. **First two meetings.** The handler and an association of producers or their designated representatives shall meet at least two times for informational exchanges prior to 60 days before the beginning of the marketing year. Neither party, however, is required to disclose proprietary business or financial records or information. Both parties shall inform the department in writing of the time of both informational exchanges at least ten days prior to the first meeting. Verification of completion of training in negotiation, as described in section 17.702, must be included with the notification sent to the commissioner.

Subd. 3. **Continuing negotiations.** After the conclusion of the second informational exchange and no agreement is reached, negotiations may continue between the parties at mutually agreed-upon times. Mediation may be requested in accordance with this section by any party.

Subd. 4. **Agreement not required.** The parties may reach agreement for a contract during the informational exchanges. However, the obligation to meet for informational exchanges does not require either party to agree to a proposal, to make a concession, or to enter into a contract.

Subd. 5. **If no agreement is reached.** If an agreement is not reached during the informational exchanges, negotiations must be considered to continue and either party may request mediation as provided in this section. Negotiations may continue without mediation and an agreement may be reached without the use of mediation. Negotiations must be a serious, fair, and reasonable attempt to reach agreement by acknowledging or refuting with reason points brought up by either party with respect to the terms and conditions of a contract relative to trading between handlers and producers of the agricultural commodity. A request for mediation requires both parties to the negotiation to complete the mediation process described in this section, but does not obligate either party to agree to a proposal, to make a concession, or to enter into a contract. However, the parties are required to perform according to any agreement reached at the conclusion of the mediation process.

Subd. 6. **Mediation request.** An association of producers or a handler may request mediation only within ten days after the second informational exchange meeting. Written notice requesting mediation must be mailed to the commissioner and postmarked within ten days of the second informational exchange, with a copy to the nonrequesting party, and the notice for mediation must contain the last offer made by the party requesting mediation. Within three days after receiving the request for mediation, the commissioner shall require the nonrequesting party to provide reasons for rejecting the last offer made by the requesting party and revisions to the last offer that might be required to reach an agreement. The nonrequesting party will have five days from the date of the postmark to provide a response to the commissioner and also provide a

copy of the response to the requesting party. The commissioner shall request the American Arbitration Association or a comparable dispute resolution organization to make available a list of at least three qualified mediators, but not more than six, for the parties to select one individual to mediate the dispute. Qualified mediators are those who have met the training requirements of Rule 114.12 of the Minnesota General Rules of Practice for the District Courts, are familiar with sections 17.691 to 17.702, and have served as mediator in at least three other commercial disputes or have commensurate experience. The handler and the association may agree on a mediator or, failing agreement, the commissioner may select the mediator from the list provided by allowing each party to strike one mediator and choosing one from the remaining names on the list.

Subd. 7. **Mediation rules.** The American Arbitration Association mediation rules must be followed during the mediation process. If there is a conflict between those rules and this statute, the statute prevails. Any information shared in the mediation process or offers to settle are to be considered confidential and must not be used against either party in any other proceeding, court action, or dispute resolution process unless otherwise discoverable from outside of the mediation process.

Subd. 8. **Duration of mediation.** The mediation process must conclude not more than 20 days after the mediator has been selected and notified by the department. If the mediator feels that additional time may result in an agreement between the parties, the mediator may extend the mediation process for an additional five days. However, the mediation must conclude, under any circumstance, no later than 15 days prior to the start of the marketing year, unless the parties agree to a different date, but no later than the first day of the marketing year.

Subd. 9. **Mediation costs.** All costs for retaining a mediator and proceedings during the mediation process must be shared equally by both parties.

Subd. 10. **Subpoenas.** The commissioner has the subpoena authority to compel participation in the mediation process for either party after the informational exchanges.

Subd. 11. **Enforceability.** Any final written agreement reached during the mediation procedure is enforceable under the law and in the courts of this state. The parties are not required to reach an agreement, but they are required to proceed through the mediation process as outlined in this section.

Subd. 12. **Binding arbitration.** If an agreement is not reached during the mediation process, and upon written consent by both parties, binding arbitration as set forth in this chapter may be used to create a contract or resolve the dispute.

Subd. 13. **Notification.** The parties shall each notify the commissioner after the end of the mediation period, if an agreement has not been reached, of their desire to use binding arbitration to settle the dispute. An arbitrator must be selected as provided in subdivision 18. The notification must include its final offer in which it shall identify all matters as to which the parties agree with contractual language setting forth these agreements and all matters as to which the parties do not agree with contractual language setting forth the party's final offer for resolution of those disagreements.

Subd. 14. **Process.** For all matters submitted to arbitration, the arbitrator may choose between the final offers of the parties or fashion a different solution between, but not exceeding, the final offers of the parties. If the parties reach an agreement on the matters under arbitration before the arbitrator issues a decision, they may submit a joint final offer that the arbitrator shall accept and render as the decision. The arbitrator may hold hearings and administer oaths, examine witnesses and documents, take testimony and receive evidence, and issue subpoenas to compel the attendance of witnesses and the production of records. A person who fails to obey the subpoena of an arbitrator may be punished for contempt of court on application by the

arbitrator to the district court for the county in which the failure occurs. The arbitrator may use other information in addition to that provided by or elicited from the parties. The arbitrator shall issue a decision within ten days of the commencement of arbitration and that decision is binding on the parties. If the parties reach an agreement on the matters in the arbitrator's decision prior to signing the contract, they may submit a joint final offer to the arbitrator. The arbitrator shall rescind the previous decision and accept and render the joint final offer as the decision.

Subd. 15. **Contract.** Within five days after the arbitrator's decision, the handler shall prepare a contract that must include all terms agreed to by the parties in bargaining or awarded in arbitration and shall present the contract to the association of producers who must accept the terms of the contract within five days of its presentation.

Subd. 16. **List of arbitrators.** The commissioner, in consultation with the American Arbitration Association or comparable dispute resolution organization, shall establish a list of arbitrators who are qualified by education, training, and experience to carry out the responsibilities of an arbitrator under this section.

Subd. 17. **Costs of arbitration.** All costs of arbitration must be borne equally by the parties. The arbitrator shall submit a statement of charges and expenses to the parties and to the commissioner. Each party shall pay the arbitrator directly.

Subd. 18. **Selection of arbitrator.** The arbitrator must be selected by the commissioner. The commissioner shall submit a list composed of the names of three persons knowledgeable in the marketing of the agricultural commodity from which the arbitrator must be chosen. Qualified arbitrators are those who have met the training requirements of Rule 114.12 of the Minnesota General Rules of Practice for the District Courts, are familiar with sections 17.691 to 17.702, and have served as an arbitrator in at least three other commercial disputes or have commensurate experience. The selection must be made by the association representative and the handler representative, each striking one name from the list. If two names remain, the commissioner shall decide which one is the arbitrator.

History: *1973 c 736 s 7; 1975 c 88 s 3; 1986 c 444; 1998 c 373 s 12; 2001 c 161 s 57*

17.698 FACTORS TO BE CONSIDERED IN MEDIATION AND ARBITRATION.

All decisions of mediation and arbitration which result from section 17.697 must consider the following factors:

(1) prices or projected prices for the agricultural commodity paid by the competing handlers in the market area or competing market areas worldwide;

(2) amount of the commodity produced or projections of production in the production area or competing marketing areas worldwide;

(3) relationship between the quantity produced and the quantity handled by the handler;

(4) the producers cost of production including the cost which would be involved in paying farm labor a fair wage rate and providing them with adequate housing;

(5) the efficiency of farm operations of similar size and the projected prices of alternative agricultural commodities grown in the market area;

(6) the cost of production of similar sized handlers;

(7) the average consumer prices for goods and services, commonly known as the cost of living;

(8) the component of the agricultural commodity that makes up the producer's income;

(9) the impact of the award on the competitive position of the handler in the marketing area or competing areas worldwide;

(10) the impact of the award on the competitive position of the agricultural commodity in relationship to competing commodities;

(11) a fair return on investment;

(12) kind, quality, or grade of the commodity involved;

(13) stipulation of the parties; and

(14) other factors which are normally or traditionally taken into consideration in determining prices, quality, quantity, and the costs of other services involved.

History: *1973 c 736 s 8; 1998 c 373 s 13*

17.699 MS 1996 [Repealed, 1998 c 373 s 20]

17.70 VIOLATION PROCEDURE.

Subdivision 1. **Commissioner's duties.** For the purpose of sections 17.691 to 17.702, the commissioner may receive complaints with respect to violations or threatened violations. The commissioner may make all necessary investigations, examinations or inspections of any violation or threatened violation specified in the sworn complaint filed with the commissioner. If, upon such investigation, the commissioner considers that there is reasonable cause to believe that the person charged has committed a practice in violation of sections 17.691 to 17.702, the commissioner shall issue and cause to be served a complaint upon the person. The complaint shall summon the person to a hearing before the commissioner at the time and place fixed.

Subd. 2. **Findings of fact; order.** If the commissioner determines that the person complained of has committed a practice in violation of sections 17.691 to 17.702, the commissioner shall state findings of fact and shall issue and cause to be served on the person an order to cease the violation and shall order further affirmative action as will effectuate the policies of sections 17.691 to 17.702.

Subd. 3. **Dismissal.** If the commissioner is of the opinion that the person complained of has not committed a practice in violation of sections 17.691 to 17.702, the commissioner shall make findings of fact and issue an order dismissing the complaint.

Subd. 4. **Modification or set aside.** Until the record in a case has been filed in a court the commissioner may, at any time upon reasonable notice and in such manner as the commissioner deems proper, modify or set aside, in whole or in part, any finding or order made or issued, with jurisdiction for such a change specified in additional findings of fact.

Subd. 5. **Enforcement.** The commissioner may request the attorney general of the state of Minnesota to seek the appropriate temporary relief or restraining order of injunction in district court to insure the enforcement of the commissioner's findings.

History: *1973 c 736 s 10; 1986 c 444; 1998 c 373 s 14-16; 2001 c 161 s 57*

17.701 RULES.

The commissioner may promulgate rules necessary for the administration of sections 17.691 to 17.702 in accordance with sections 17.691 to 17.702 and chapter 14.

History: *1973 c 736 s 11; 1982 c 424 s 130; 1998 c 373 s 17; 2001 c 161 s 57*

17.702 NEGOTIATION CLASSES REQUIRED.

Upon accreditation of an association of producers, at least two members of bargaining teams from both the association and the handler named in the application must attend instructional classes covering negotiation, mediation, arbitration, and facilitation approved by the commissioner. The instruction period must be at least three hours. The informational exchanges may not commence unless certificates of completion are on file with the commissioner. After an association has been accredited for a period exceeding one year, the association and the handler must have at least one member of their bargaining team in informational exchanges or negotiations complete training in the previous year of at least three hours in negotiation, mediation, arbitration, and facilitation, as described in this section, before the dates for informational exchanges are determined. Verification of training must accompany the notification to the commissioner that informational exchanges are scheduled.

History: *1998 c 373 s 18*

17.703 MS 2000 [Repealed, 2001 c 161 s 58]

DISCLOSURE OF PRODUCTION CONTRACT TERMS

17.710 AGRICULTURAL CONTRACTS.

(a) A production or marketing contract entered into, renewed, or amended on or after July 1, 2024, between an agricultural producer and a processor, marketer, or other purchaser of agricultural products, including a cooperative organized under chapter 308A or 308B, must not contain provisions that prohibit the producer from disclosing terms, conditions, and prices contained in the contract. Any provision prohibiting disclosure by the producer is void.

(b) A contract entered into, renewed, or amended on or after July 1, 2023, between an agricultural producer and an entity buying, selling, certifying, or otherwise participating in a market for stored carbon must not contain provisions that prohibit the producer from disclosing terms, conditions, and prices contained in the contract. Any provision prohibiting disclosure by the producer is void.

History: *1999 c 231 s 32; 2023 c 43 art 2 s 12; 2024 c 126 art 2 s 12; 2024 c 127 art 38 s 12*

17.711 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.712 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.713 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.714 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.715 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.7155 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.716 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.717 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.718 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.719 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.72 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.721 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.722 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.723 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.724 MS 1974 [Repealed, 1975 c 227 s 10]

17.7241 MS 1988 [Repealed, 1988 c 688 art 7 s 8; 1989 c 326 art 6 s 34]

17.7242 MS 1988 [Repealed, 1988 c 688 art 7 s 8; 1989 c 326 art 6 s 34]

17.7243 MS 1988 [Repealed, 1988 c 688 art 7 s 8; 1989 c 326 art 6 s 34]

17.7244 MS 1988 [Repealed, 1988 c 688 art 7 s 8; 1989 c 326 art 6 s 34]

17.7245 MS 1988 [Repealed, 1988 c 688 art 7 s 8; 1989 c 326 art 6 s 34]

17.7246 MS 1988 [Repealed, 1988 c 688 art 7 s 8; 1989 c 326 art 6 s 34]

17.725 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.726 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.727 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.728 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.7285 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.729 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.73 MS 1988 [Repealed, 1989 c 326 art 6 s 34]

17.74 MS 1973 Supp [Repealed, 1974 c 167 s 1]

17.75 MS 1973 Supp [Repealed, 1974 c 167 s 1]

17.76 MS 2000 [Repealed, 2001 c 161 s 58; 1Sp2001 c 2 s 162]

AGRICULTURAL LAND PRESERVATION AND CONSERVATION

17.80 STATE AGRICULTURAL LAND PRESERVATION AND CONSERVATION POLICY.

Subdivision 1. **Policy.** It is the policy of the state to preserve agricultural land and conserve its long-term use for the production of food and other agricultural products by:

(a) Protection of agricultural land and certain parcels of open space land from conversion to other uses;

(b) Conservation and enhancement of soil and water resources to ensure their long-term quality and productivity;

(c) Encouragement of planned growth and development of urban and rural areas to ensure the most effective use of agricultural land, resources and capital; and

(d) Fostering of ownership and operation of agricultural land by resident farmers.

Subd. 2. **Methods.** The legislature finds that the policy in subdivision 1 will be best met by:

(a) Defining and locating lands well suited for the production of agricultural and forest products, and the use of that information as part of any local planning and zoning decision;

(b) Providing local units of government with coordinating guidelines, tools and incentives to prevent the unplanned and unscheduled conversion of agricultural and open space land to other uses;

(c) Providing relief from escalating property taxes and special assessments and protection of normal farm operations in agricultural areas subject to development pressures;

(d) Development of state policy to increase implementation of soil and water conservation by farmers;

(e) Assuring that state agencies act to maximize the preservation and conservation of agricultural land and minimize the disruption of agricultural production, in accordance with local social, economic and environmental considerations of the agricultural community;

(f) Assuring that public agencies employ and promote the use of management procedures which maintain or enhance the productivity of lands well suited to the production of food and other agricultural products;

(g) Guiding the orderly development and maintenance of transportation systems in rural Minnesota while preserving agricultural land to the greatest possible extent;

(h) Guiding the orderly construction and development of energy generation and transmission systems and enhancing the development of alternative energy to meet the needs of rural and urban communities and preserve agricultural land to the greatest possible extent by reducing energy costs and minimizing the use of agricultural land for energy production facilities; and

(i) Guiding the orderly development of solid and hazardous waste management sites to meet the needs and safety of rural and urban communities and preserve agricultural land to the greatest possible extent by minimizing the use of agricultural land for waste management sites.

History: *1982 c 512 s 1*

17.81 DEFINITIONS.

Subdivision 1. **Applicability.** For the purposes of sections 17.80 to 17.84, the terms defined in this section have the meanings given them.

Subd. 2. **Action which adversely affects.** "Action which adversely affects" means any of the following actions taken in respect to agricultural land which have or would have the effect of substantially restricting the agricultural use of the land: (1) acquisition for a nonagricultural use except acquisition for any unit of the outdoor recreation system described in section 86A.05, other than a trail described in subdivision 4 of that section; (2) granting of a permit, license, franchise or other official authorization for nonagricultural use; (3) lease of state-owned land for nonagricultural use except for mineral exploration or mining; or (4) granting or loaning of state funds for purposes which are not consistent with agricultural use.

Subd. 3. **Agricultural land.** "Agricultural land" means land which is in agricultural use, and which has been identified as agricultural land by a local unit of government pursuant to Minnesota Statutes 2020, sections 366.10 to 366.181, or sections 394.21 to 394.37, 462.351 to 462.364, or 473H.04, or which is composed of predominantly class I, II, III, or IV soils as identified in the land capability classification system of the United States Department of Agriculture Natural Resources Conservation Service and the county soil survey, if completed.

Subd. 4. **Agricultural use.** "Agricultural use" means use of land for the production of livestock, dairy animals, dairy products, poultry and poultry products, fur bearing animals, horticultural and nursery stock which is under chapter 18H, fruit of all kinds, vegetables, forage, grains, bees, and apiary products. Wetlands, pasture and woodlands accompanying land in agricultural use shall be considered to be in agricultural use.

Subd. 5. **Agency.** "Agency" means a department identified in section 15.01, and any other agency of the state whose actions are by virtue of other law governed by the provisions of sections 17.80 to 17.84.

Subd. 6. MS 1994 [Repealed, 1996 c 310 s 1]

History: *1982 c 512 s 2; 2007 c 13 art 3 s 7; 2015 c 21 art 1 s 109; 2023 c 25 s 4*

17.82 PROHIBITED AGENCY ACTION.

Any agency action which the agency determines will adversely affect ten acres or more of agricultural land shall be referred to the commissioner to be reviewed and acted upon as provided in section 17.84. No agency shall take any action which adversely affects ten acres or more of agricultural land without first attempting to find alternative methods or locations for the action or otherwise attempting to reduce the adverse affects. If, after evaluating the alternatives, the agency determines that the benefit to the state from preserving the agricultural use of the land is less than the cost of implementing an alternative action, the agency shall inform the commissioner of that determination in writing.

An agency action is not subject to review under this section or section 17.84 if the action is reviewed as required by chapter 116D and the environmental review rules adopted under that chapter, or if a political subdivision is required by law to review and approve the action.

History: *1982 c 512 s 3*

17.83 MS 1994 [Repealed, 1995 c 233 art 2 s 57]

17.84 DUTIES OF COMMISSIONER.

Within 30 days of the receipt of the notice provided in section 17.82, the commissioner shall review the agency's proposed action, shall negotiate with the agency, and shall recommend to the agency in writing the implementation either of the action as proposed or an alternative. In making recommendations, the commissioner shall follow the statement of policy contained in section 17.80. If the agency receives no response from the commissioner within 30 days, it shall be deemed a recommendation that the agency take the action as proposed.

History: *1982 c 512 s 5; 1995 c 233 art 2 s 35*

LIVESTOCK PRODUCTION POLICY

17.844 LIVESTOCK PRODUCTION POLICY.

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

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

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

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

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

History: *2004 c 254 s 2*

AGRICULTURAL LABORATORY SERVICES

17.85 LABORATORY SERVICES.

Subdivision 1. **Account.** A laboratory services account is established in the agricultural fund. Payments for laboratory services performed by the Laboratory Services Division of the Department of Agriculture must be deposited in the agricultural fund and credited to the laboratory services account. Money in the account, including interest earned on the account, is annually appropriated to the commissioner of agriculture to administer the programs of the Laboratory Services Division.

Subd. 2. **Agriculture laboratory.** The agriculture laboratory exists to provide analytical and technical services in support of agency programs that protect and enhance the states' agriculture, environment, and food chain. The laboratory may provide analytical and technical services for a fee to any public or private entity as requested or required to meet department objectives in support of Minnesota agriculture and a national food safety system.

History: *1988 c 688 art 20 s 1; 1999 c 231 s 33; 1Sp2001 c 2 s 31*

URBAN FOREST PROMOTION AND DEVELOPMENT

17.86 URBAN FOREST PROMOTION AND DEVELOPMENT.

Subdivision 1. **Overall.** The following course of action is intended as a basis for prompt action to the maximum extent practical within the limits of state, local, and commercial resources. The assignment of a basic responsibility to a particular agency is not intended to confer exclusive responsibility or authority unless specifically stated, for joint action is intended as the key to a successful program.

Subd. 2. **Research.** The University of Minnesota and its Extension Service in cooperation with the commissioner of agriculture shall institute a continuing research program on tree varieties most suitable for growth within the state; and the proper placement of individual trees and groups of trees in new or existing

commercial, industrial, and residential settings to maximize energy saving benefits. The University of Minnesota and the commissioner shall work closely with nurseries and other suppliers of trees to assure a constant and reliable supply of the desirable varieties is available for planting.

Subd. 3. **Information.** The University of Minnesota Extension Service, in cooperation with the commissioners of agriculture, education, natural resources, and commerce, shall serve as the principal agency for publishing and circulating information derived from research under subdivision 2 among the various municipalities and individual property owners in the state. Where practical, the Extension Service and the State Energy Office in the Department of Commerce shall secure the advice and assistance of various energy utilities interested and concerned with conservation. The commissioner of agriculture shall establish an information source for requests for nursery stock, to match needs of municipalities with stocks of trees available for planting from private and governmental sources.

Subd. 4. **Transportation plantings.** The commissioner of transportation shall utilize information on varieties and placement of trees to provide maximum forestation in rest areas and other areas controlled by the department. The commissioner of transportation should consider the use of trees in conjunction with solid noise walls along urban freeways to the maximum extent practical.

Subd. 5. **School Arbor Day activities.** The commissioners of education, agriculture, and natural resources, with the state Arbor Month Committee and its individual public and private members, shall jointly work to expand and strengthen programs available to all levels of schools in forestry education and shall encourage reinstitution of Arbor Day activities. Information on desirable shade tree varieties and efficient spacing and location of shade trees shall be made available for use in related adult education courses.

Subd. 6. **Municipal action.** A city of the first or second class shall, by ordinance, require of the developer the use of properly placed trees in new subdivisions and plantings on lands dedicated to parks and open spaces. Cities of the third and fourth class may adopt such ordinances. Counties may assist and encourage the smaller cities in tree planting programs. A municipality may contract on a long-term basis with nurseries and shade tree wholesalers to assure continued availability of nursery stock of the desirable shade tree varieties.

History: *1990 c 445 s 1; 1Sp1995 c 3 art 16 s 13; 1Sp2001 c 4 art 6 s 11; 2003 c 130 s 12*

MERCURY MANOMETERS

17.861 REPLACEMENT OF MERCURY MANOMETERS.

The commissioner, in cooperation with the Pollution Control Agency, dairy equipment manufacturers and suppliers, and other interested parties, shall develop a program to provide replacement nonmercury manometers for a $50 fee and to arrange for the acceptance, disposal, and recycling of the mercury, apparatus, and manometers at no cost to the dairy farmer. The mercury, manometers, and apparatus shall be managed in accordance with sections 115A.932 and 116.92.

History: *1997 c 216 s 26; 1Sp2005 c 1 art 2 s 161*

AGRICULTURAL CONTRACTS

17.90 DEFINITIONS.

Subdivision 1. **Applicability.** The definitions in this section apply to sections 17.90 to 17.98.

Subd. 1a. **Agricultural contract.** "Agricultural contract" means any written contract between a contractor and a producer, but does not include a contract between a grain buyer licensed under section 223.17, subdivision 1, who purchases grain from a producer as a merchant or seller of grain and does not contract with the producer to grow or raise the crops producing the grain.

Subd. 2. **Agricultural commodity.** "Agricultural commodity" means a material produced for use in or as food, feed, seed, or fiber and includes crops for fiber, food, oilseeds, seeds, livestock, livestock products, poultry, poultry products, and other products or by-products of the farm produced for the same or similar use.

Subd. 3. **Contractor.** "Contractor" means a person who in the ordinary course of business buys agricultural commodities grown or raised in this state or who contracts with a producer to grow or raise agricultural commodities in this state.

Subd. 3a. [Renumbered subd 3c]

Subd. 3b. **Grain.** "Grain" has the meaning given in section 223.16, subdivision 4.

Subd. 3c. **Legible type.** "Legible type" means a typeface at least as large as ten-point modern type, one-point leaded.

Subd. 4. **Producer.** "Producer" means a person who produces or causes to be produced an agricultural commodity in a quantity beyond the person's own family use and:

(1) is able to transfer title to another; or

(2) provides management, labor, machinery, facilities, or any other production input for the production of an agricultural commodity.

History: *1990 c 517 s 1; 2000 c 470 s 1-3; 2002 c 373 s 4,5*

17.91 REQUIRED LANGUAGE.

Subdivision 1. **Mediation; arbitration.** A contract for an agricultural commodity between a contractor and a producer must contain language providing for resolution of contract disputes by either mediation or arbitration. If there is a contract dispute, either party may make a written request to the commissioner for mediation or arbitration services as specified in the contract, to facilitate resolution of the dispute.

Subd. 2. **Written disclosure of risks.** An agricultural contract must be accompanied by a clear written disclosure setting forth the nature of the material risks faced by the producer if the producer enters into the contract. The statement must meet the plain language requirements of section 17.943. The statement may be in the form of a written statement or checklist and may be developed in cooperation with producers or producer organizations. A contractor may submit a sample material risk disclosure statement to the commissioner for examination. If the commissioner approves of the statement or fails to respond within 30 days of receipt of the statement, the statement will be deemed to comply with this subdivision and with the plain language requirements of section 17.943.

History: *1990 c 517 s 2; 2000 c 470 s 4*

17.92 RECAPTURE OF CAPITAL INVESTMENT REQUIRED BY AN AGRICULTURAL CONTRACT.

Subdivision 1. **Notice and damages to be paid.** A contractor must not terminate or cancel a contract that requires a producer of agricultural commodities to make a capital investment in buildings or equipment that cost $100,000 or more and have a useful life of five or more years until:

(1) the producer has been given written notice of the intention to terminate or cancel the contract at least 180 days before the effective date of the termination or cancellation or as provided in subdivision 3; and

(2) the producer has been reimbursed for damages incurred by an investment in buildings or equipment that was made for the purpose of meeting minimum requirements of the contract.

Subd. 2. **Notice when producer breaches contract.** Except as provided in subdivision 3, if a producer fails to comply with the provisions of a contract that requires a capital investment subject to subdivision 1, a contractor may not terminate or cancel that contract until:

(1) the contractor has given written notice with all the reasons for the termination or cancellation at least 90 days before termination or cancellation or as provided in subdivision 3; and

(2) the recipient of the notice fails to correct the reasons stated for termination or cancellation in the notice within 60 days of receipt of the notice.

Subd. 3. **Immediate effect of notice.** The 180-day notice period under subdivision 1, clause (1), and the 90-day notice period and 60-day notice period under subdivision 2, clauses (1) and (2), are waived and the contract may be canceled or terminated immediately if the alleged grounds for termination or cancellation are:

(1) voluntary abandonment of the contract relationship by the producer; or

(2) conviction of the producer of an offense directly related to the business conducted under the contract.

History: *1990 c 517 s 3*

17.93 PARENT COMPANY RESPONSIBILITY FOR CONTRACTS OF SUBSIDIARIES.

Subdivision 1. **Licensing.** If a contractor is required to obtain a license to purchase agricultural commodities, the licensing authority may require the parent company of a licensee subsidiary to guarantee payment or contract performance as a condition of licensing.

Subd. 2. **Parent company liability.** If an agricultural contractor is the subsidiary of another corporation, partnership, or association, the parent corporation, partnership, or association is liable to a seller for the amount of any unpaid claim or contract performance claim if the contractor fails to pay or perform according to the terms of the contract.

History: *1990 c 517 s 4*

17.94 IMPLIED PROMISE OF GOOD FAITH.

There is an implied promise of good faith as defined in section 336.1-201(b)(20), by all parties in all agricultural contracts. In an action to recover damages, if the court finds that there has been a violation of this provision, damages, court costs, and attorney fees may be recovered.

History: *1990 c 517 s 5; 2004 c 162 art 3 s 1*

17.941 PRODUCER'S RIGHT TO CANCEL.

A producer may cancel an agricultural contract by mailing a written cancellation notice to the contractor within three business days after the producer receives a copy of the signed contract, or before a later cancellation deadline if a later deadline is specified in the contract. The producer's right to cancel, the method by which the producer may cancel, and the deadline for canceling the contract shall be clearly disclosed in every agricultural contract.

History: *2000 c 470 s 5*

17.942 COVER SHEET REQUIREMENTS.

Subdivision 1. **Mandatory cover page.** An agricultural contract entered into or substantively amended after January 1, 2001, must contain as the first page, or first page of text if it is preceded by a title page or pages, a cover sheet as provided in this section.

Subd. 2. **Requirements.** The cover sheet or sheets must comply with section 17.943, and must contain the following:

(1) a brief statement that the document is a legal contract between the contractor and the producer;

(2) the statement "READ YOUR CONTRACT CAREFULLY. This cover sheet provides only a brief summary of your contract. This is not the contract and only the terms of the actual contract are legally binding. The contract itself sets forth, in detail, the rights and obligations of both you and the contractor. IT IS THEREFORE IMPORTANT THAT YOU READ YOUR CONTRACT CAREFULLY.";

(3) the written disclosure of material risks required by section 17.91, subdivision 2;

(4) a statement detailing, in plain language, the producer's right to review the contract as described in section 17.941; and

(5) an index of the major provisions of the contract and the pages on which they are found, including:

(i) the names of all parties to the contract;

(ii) the definition sections of the contract;

(iii) the provisions governing cancellation, renewal, or amendment of the contract by either party;

(iv) the duties or obligations of each party; and

(v) any provisions subject to change in the contract.

History: *2000 c 470 s 6*

17.943 CONTRACT FORMAT.

Subdivision 1. **Readability.** An agricultural contract must be in legible type, appropriately divided and captioned by its various sections, and written in clear and coherent language using words and grammar that are understandable by a person of average intelligence, education, and experience within the industry.

Subd. 2. **Exceptions.** Subdivision 1 does not apply to particular words, phrases, provisions, or forms of agreement specifically required, recommended, or endorsed by a state or federal statute, rule, or regulation.

Subd. 3. **Customarily used terms.** An agricultural contract may include technical terms to describe the services or property which are the subject of the contract, if the terms are customarily used by producers in the ordinary course of business in connection with the services or property being described.

History: *2000 c 470 s 7*

17.944 REVIEW BY COMMISSIONER.

Subdivision 1. **Agricultural contracts.** For purposes of this section and section 17.943, "agricultural contract" includes, where applicable, the cover sheet as defined in section 17.942, and material risk disclosure statement required by section 17.91, subdivision 2.

Subd. 2. **Process of review.** A contractor may submit an agricultural contract to the commissioner for review as to whether it complies with section 17.943. After reviewing the contract, the commissioner shall:

(1) certify that the contract complies with section 17.943;

(2) decline to certify that the contract complies with section 17.943 and note objections;

(3) decline to review the contract because the contract's compliance with section 17.943 is subject to pending litigation; or

(4) decline to review the contract because the contract is not subject to section 17.943.

Subd. 3. **Factors in determining readability.** In determining whether a contract or cover sheet is readable within the meaning of section 17.943, the commissioner shall consider at least the following factors:

(1) the simplicity of the sentence structure;

(2) the extent to which commonly used and understood words are employed;

(3) the extent to which esoteric legal terms are avoided;

(4) the extent to which references to other sections or provisions of the contract are minimized;

(5) the Flesch scale analysis readability score as outlined in section 72C.09;

(6) the extent to which clear definitions are used in the text of the contract; and

(7) additional factors relevant to the contract being easy to read and understand.

Subd. 4. **Process not reviewable.** Actions of the commissioner under subdivision 1 are not subject to chapter 14 and are not appealable.

Subd. 5. **Limited effect of certification.** A contract certified under subdivision 1 is deemed to comply with section 17.943. Certification of a contract under subdivision 1 does not constitute an approval of the contract's legality or legal effect.

If the commissioner certifies a contract or fails to respond within 30 days of receipt of the contract, the contractor will have complied with sections 17.91 and 17.943, and the remedies stated in subdivisions 7 and 8 are not available.

Subd. 6. **Review not required.** Failure to submit a contract to the commissioner for review under subdivision 1 does not show a lack of good faith or raise a presumption that the contract violates section 17.943.

Subd. 7. **Enforcement remedies.** A violation of section 17.943 is a violation subject to section 8.31, subdivision 1. The remedies in section 8.31, subdivisions 3 and 3a, are limited by section 17.9441.

Subd. 8. **Reformation.** (a) In addition to the remedies provided in section 8.31, a court reviewing an agricultural contract may change the terms of the contract or limit a provision to avoid an unfair result if it finds that:

(1) a material provision of the contract violates section 17.943;

(2) the violation caused the producer to be substantially confused about any of the rights, obligations, or remedies of the contract; and

(3) the violation has caused or is likely to cause financial detriment to the producer.

(b) If the court reforms or limits a provision of a contract, the court shall also make orders necessary to avoid unjust enrichment. Bringing a claim for relief under this subdivision does not entitle a producer to withhold performance of an otherwise valid contractual obligation. No relief may be granted under this subdivision unless the claim is brought before the obligations of the contract have been fully performed.

History: *2000 c 470 s 8*

17.9441 LIMITS ON REMEDIES.

Subdivision 1. **Penalties.** In a proceeding in which civil penalties are claimed from a party for a violation of section 17.943, it is a defense to the claim that the party made a good faith and reasonable effort to comply with section 17.943.

Subd. 2. **Attorney's fees.** A party who has made a good faith and reasonable effort to comply with section 17.943 may not be assessed attorney's fees or costs of investigation in an action for violating section 17.943.

Subd. 3. **Class action attorney's fees.** In a class action or series of class actions that arise from the use by a contractor of an agricultural contract found to violate section 17.943, the amount of attorney's fees and costs of investigation assessed against that contractor and in favor of the class or classes may not exceed $10,000.

Subd. 4. **Limits on producer actions.** Violation of section 17.943 is not a defense to a claim arising from a producer's breach of an agricultural contract. A producer may recover actual damages caused by a violation of section 17.943 only if the violation caused the producer to not understand the rights, obligations, or remedies of the contract.

Subd. 5. **Statute of limitations.** A claim that an agricultural contract violates section 17.943 must be raised within six years of the date the contract is executed by the producer.

History: *2000 c 470 s 9*

17.9442 APPLICABILITY OF CONTRACT REQUIREMENTS.

The requirements for the written disclosure of material risks under section 17.91, subdivision 2; the three-day review period under section 17.941; the cover sheet requirement under section 17.942; and the contract readability requirements under section 17.943, subdivision 1, do not apply to contracts which provide for:

(1) the sale and purchase of a fixed amount of a commodity for delivery at a set price;

(2) cash sale and forward delivery grain contracts for grain meeting certain specifications and does not prescribe the time, manner, and nature of planting, cultivating, and harvesting the crop producing the grain, including fixed price forward contracts, minimum price contracts, mini-max contracts, basis contracts, hedge-to-arrive contracts, and delayed price contracts;

(3) contracts agreed to between a processor and an accredited bargaining organization under sections 17.691 to 17.702;

(4) futures contracts which involve the sale or purchase of a standardized quantity of a commodity for future delivery on a regulated commodity exchange;

(5) agricultural marketing contracts between a capital stock cooperative and its members under section 308A.205; or

(6) occasional sales between persons who produce or cause to be produced food, feed, or fiber in a quantity beyond their own family use.

History: *2000 c 470 s 10; 2001 c 161 s 57; 2002 c 373 s 6*

17.9443 WAIVER OF CONTRACT PROVISIONS IS VOID.

Any provision of an agricultural contract which waives or attempts to waive any provision of sections 17.90 to 17.97 is void.

History: *2000 c 470 s 11*

17.945 RULES.

The commissioner may adopt rules to implement sections 17.90 to 17.98, including the prohibition of specific trade practices.

History: *1990 c 517 s 6*

17.95 DEPARTMENT OF AGRICULTURE OMBUDSMAN.

A position is created in the Department of Agriculture to provide information, investigate complaints arising from this chapter, and provide or facilitate dispute resolutions.

History: *1990 c 517 s 7*

17.97 AGRICULTURAL INPUT PREPAYMENTS.

If a producer makes a prepayment for agricultural production inputs that include but are not limited to seed, feed, fertilizer, pesticides, or fuel for future delivery, the producer may demand a letter of credit or bank guarantee from the provider of the inputs to ensure reimbursement if delivery does not occur.

History: *1990 c 517 s 8*

17.98 DAIRY MARKETING CONTRACTS EXCEPTED.

Dairy marketing agreements between producers and purchasers of milk are not contracts for purposes of sections 17.90 to 17.98.

History: *1990 c 517 s 9*

ENFORCEMENT OF AGRICULTURAL LAWS

17.981 MS 1994 [Repealed, 1996 c 310 s 1]

17.982 CRIMINAL AND ADMINISTRATIVE PENALTIES.

Subdivision 1. **Criminal penalties.** A person who violates a provision of chapter 25 or 31B for which a penalty has not been prescribed is guilty of a misdemeanor.

Subd. 2. **Administrative penalties.** (a) The commissioner may, as an alternative to misdemeanor prosecution, impose an administrative penalty on a person who violates a statute or rule enforceable by the commissioner. For a first violation, the commissioner may impose an administrative penalty of not more than $1,000 for each violation. For a second or succeeding violation, the commissioner may impose an administrative penalty of not more than $1,500 for each violation. Each day a violation continues is a separate violation.

(b) In determining the amount of the administrative penalty the commissioner may consider:

(1) the willfulness of the violation;

(2) the gravity of the violation;

(3) the person's history of past violations;

(4) the number of violations;

(5) the economic benefit from the violation; and

(6) other factors identified in the commissioner's citation.

(c) For a second or succeeding violation, the commissioner shall determine the amount of a penalty by considering the factors in paragraph (b) and:

(1) similarity between the violations;

(2) time elapsed since the last violation; and

(3) the person's response to the most recent violation.

History: *1991 c 316 s 2; 1999 c 231 s 34; 1Sp2005 c 1 art 1 s 11; 2007 c 45 art 1 s 20; 2012 c 244 art 2 s 1*

17.983 ADMINISTRATIVE PENALTIES AND ENFORCEMENT.

Subdivision 1. **Administrative penalties; citation.** If a person has violated a provision of chapter 25 or 31B, the commissioner may issue a written citation to the person by personal service or by certified mail. The citation must describe the nature of the violation and the statute or rule alleged to have been violated; state the time for correction, if applicable; and the amount of any proposed fine. The citation must advise the person to notify the commissioner in writing within 30 days if the person wishes to appeal the citation. If the person fails to appeal the citation, the citation is the final order and not subject to further review.

Subd. 2. MS 2004 [Repealed, 1Sp2005 c 1 art 1 s 98]

Subd. 3. **Contested case.** If a person appeals a citation or a penalty assessment within the time limits in subdivision 1, the commissioner shall initiate a contested proceeding under chapter 14.

History: *1991 c 316 s 3; 1993 c 65 s 2; 1999 c 231 s 35; 1Sp2005 c 1 art 1 s 12,13; 2007 c 45 art 1 s 21; 2012 c 244 art 2 s 2; 2017 c 88 art 3 s 2; 2023 c 43 art 2 s 13*

17.984 MS 2022 [Repealed, 2023 c 43 art 2 s 142]

PASSING ON THE FARM CENTER

17.985 PASSING ON THE FARM CENTER.

Subdivision 1. **Purpose; objectives.** The Passing on the Farm Center is established as a part of Southwest Technical College in Granite Falls to assist individuals beginning farming and family farming operations. The center shall also assist in facilitating the transition of farming operations from established farmers to beginning farmers by creating and maintaining an information base inventorying land and facilities available for acquisition and bringing them together to increase the number of family farming operations in this state. The objectives of the center include, but are not limited to, the following:

(1) using the services of a certified public accountant, real estate agents, and attorneys to provide education in estate planning and farm transfer programs for interested retiring farmers;

(2) assessing needs of beginning farmers and retiring farmers in order to identify program and service opportunities including developing statewide apprenticeship programs between beginning and retiring farmers; and

(3) developing, coordinating, and delivering statewide through Southwest Technical College in Granite Falls and other entities, as appropriate, targeted education to beginning farmers and retiring farm families.

Subd. 2. **Programs and services.** Programs and services provided by the center must include, but are not limited to, the development of skills and knowledge in farm estate planning and other topics related to intergenerational farm transfer. The center shall develop and distribute a detailed questionnaire for interested retired farmers and landowners and beginning farmers for the purpose of connecting them with each other and to develop computerized lists. The center shall coordinate to the extent practicable with agricultural information centers.

Subd. 3. **Annual report.** The center shall submit a report annually to the legislature on or before February 1. The report shall include, but is not limited to, recommendations for methods by which more individuals may be encouraged to enter agriculture.

History: *1995 c 220 s 41*

ENTRY INTO FARM ANIMAL FACILITIES

17.986 ENTRY INTO FARM ANIMAL FACILITIES.

No law enforcement, peace, or animal control officer may enter a facility where confined farm animals are kept unless the officer follows a procedure and directive for biosecurity measures that are identified by the commissioner of natural resources and the Board of Animal Health.

This section does not apply to emergency or exigent circumstances.

History: *1997 c 55 s 1*

17.987 MS 2000 [Repealed, 1Sp2001 c 2 s 162]

WATER QUALITY CERTIFICATION PROGRAM

17.9891 PURPOSE.

The commissioner, in consultation with the commissioner of natural resources, commissioner of the Pollution Control Agency, and Board of Water and Soil Resources, may implement a Minnesota agricultural water quality certification program whereby a producer who demonstrates practices and management sufficient to protect water quality is certified for up to ten years and presumed to be contributing the producer's share of any targeted reduction of water pollutants during the certification period. The program is voluntary. The voluntary program will first be piloted in selected watersheds across the state, until the commissioner, in consultation with the Minnesota Agricultural Water Quality Certification Program Advisory Committee, commissioner of natural resources, commissioner of the Pollution Control Agency, and Board of Water and Soil Resources, determines the program is suitable to be implemented in other watersheds.

History: *2013 c 114 art 2 s 5*

17.9892 DEFINITIONS.

Subdivision 1. **Application.** The definitions in this section apply to sections 17.9891 to 17.993.

Subd. 2. **Certification.** "Certification" means a producer has demonstrated compliance with all applicable environmental rules and statutes for all of the producer's owned and rented agricultural land and has achieved a satisfactory score through the certification instrument as verified by a certifying agent.

Subd. 3. **Certifying agent.** "Certifying agent" means a person who is authorized by the commissioner to assess producers to determine whether a producer satisfies the standards of the program.

Subd. 4. **Effective control.** "Effective control" means possession of land by ownership, written lease, or other legal agreement and authority to act as decision-maker for the day-to-day management of the operation at the time the producer achieves certification and for the required certification period.

Subd. 5. **Eligible land.** "Eligible land" means all acres of a producer's agricultural operation, whether contiguous or not, that are under the effective control of the producer at the time the producer enters into the program and that the producer operates with equipment, labor, and management.

Subd. 6. **Program.** "Program" means the Minnesota agricultural water quality certification program.

Subd. 7. **Technical assistance.** "Technical assistance" means professional, advisory, or cost-share assistance provided to individuals in order to achieve certification.

History: *2013 c 114 art 2 s 6*

17.9893 CERTIFICATION INSTRUMENT.

The commissioner, in consultation with the Minnesota Agricultural Water Quality Certification Program Advisory Committee, commissioner of natural resources, commissioner of the Pollution Control Agency, and Board of Water and Soil Resources, shall develop an analytical instrument to assess the water quality

practices and management of agricultural operations. This instrument shall be used to certify that the water quality practices and management of an agricultural operation are consistent with state water quality goals and standards. The commissioner shall define a satisfactory score for certification purposes. The certification instrument tool shall:

(1) integrate applicable existing regulatory requirements;

(2) utilize technology and prioritize ease of use;

(3) utilize a water quality index or score applicable to the landscape;

(4) incorporate a process for updates and revisions as practices, management, and technology changes become established and approved; and

(5) comprehensively address water quality impacts.

History: *2013 c 114 art 2 s 7*

17.9894 CERTIFYING AGENT LICENSE.

Subdivision 1. **License.** A person who offers certification services to producers as part of the program must satisfy all criteria in subdivision 2 and be licensed by the commissioner. A certifying agent is ineligible to provide certification services to any producer to whom the certifying agent has also provided technical assistance. Notwithstanding section 16A.1283, the commissioner may set license fees.

Subd. 2. **Certifying agent requirements.** In order to be licensed as a certifying agent, a person must:

(1) be an agricultural conservation professional employed by a soil and water conservation district or the Natural Resources Conservation Service, a Minnesota certified crop advisor recognized by the American Society of Agronomy, or an individual with agricultural conservation experience approved by the commissioner. The commissioner may establish eligibility criteria by rule;

(2) have passed a comprehensive exam, as set by the commissioner, evaluating knowledge of water quality, soil health, best farm management techniques, and the certification instrument; and

(3) maintain continuing education requirements as set by the commissioner.

History: *2013 c 114 art 2 s 8*

17.9895 DUTIES OF A CERTIFYING AGENT.

Subdivision 1. **Duties.** A certifying agent shall conduct a formal certification assessment utilizing the certification instrument to determine whether a producer meets program criteria. If a producer satisfies all requirements, the certifying agent shall notify the commissioner of the producer's eligibility and request that the commissioner issue a certificate. All records and documents used in the assessment shall be compiled by the certifying agent and submitted to the commissioner.

Subd. 2. **Violations.** (a) In the event a certifying agent violates any provision of sections 17.9891 to 17.993 or an order of the commissioner, the commissioner may issue a written warning or a correction order and may suspend or revoke a license.

(b) If the commissioner suspends or revokes a license, the certifying agent has ten days from the date of suspension or revocation to appeal. If a certifying agent appeals, the commissioner shall hold an administrative hearing within 30 days of the suspension or revocation of the license, or longer by agreement

of the parties, to determine whether the license is revoked or suspended. The commissioner shall issue an opinion within 30 days. If a person notifies the commissioner that the person intends to contest the commissioner's opinion, the Court of Administrative Hearings shall conduct a hearing in accordance with the applicable provisions of chapter 14 for hearings in contested cases.

History: *2013 c 114 art 2 s 9; 2025 c 39 art 2 s 68*

17.9896 CERTIFICATION PROCEDURES.

Subdivision 1. **Producer duties.** A producer who seeks certification of eligible land shall conduct an initial assessment using the certification instrument, obtain technical assistance if necessary to achieve a satisfactory score on the certification instrument, and apply for certification from a licensed certifying agent.

Subd. 2. **Owned land.** Once certified, if a producer obtains ownership of additional agricultural land, the producer must notify a certifying agent and obtain certification of the additional land within one year in order to retain the producer's original certification.

Subd. 3. **Leased land.** Once certified, if a producer leases additional land, then the producer must notify a certifying agent before farming operations commence on the newly leased land. A producer who operates leased land is not required to implement practices that permanently alter the landscape in order to be certified or remain certified if the land is added following the original certification. A producer who operates leased land must demonstrate sufficient annual crop management practices, consistent with the original certification agreement, in order to remain certified.

Subd. 4. **Violations.** (a) The commissioner may revoke a certification if the producer violates subdivision 2 or 3.

(b) The commissioner may revoke a certification and seek reimbursement of any monetary benefit a producer may have received due to certification from a producer who fails to maintain certification criteria.

(c) If the commissioner revokes a certification, the producer has 30 days from the date of suspension or revocation to appeal. If a producer appeals, the commissioner shall hold an administrative hearing within 30 days of the suspension or revocation of the certification, or longer by agreement of the parties, to determine whether the certification is revoked or suspended. The commissioner shall issue an opinion within 30 days. If the producer notifies the commissioner that the producer intends to contest the commissioner's opinion, the Court of Administrative Hearings shall conduct a hearing in accordance with the applicable provisions of chapter 14 for hearings in contested cases.

History: *2013 c 114 art 2 s 10; 2025 c 39 art 2 s 68*

17.9897 CERTIFICATION CERTAINTY.

(a) Once a producer is certified, the producer:

(1) retains certification for up to ten years from the date of certification if the producer complies with the certification agreement, even if the producer does not comply with new state water protection laws or rules that take effect during the certification period;

(2) is presumed to be meeting the producer's contribution to any targeted reduction of pollutants during the certification period;

(3) is required to continue implementation of practices that maintain the producer's certification; and

(4) is required to retain all records pertaining to certification.

(b) Paragraph (a) does not preclude enforcement of a local rule or ordinance by a local unit of government.

History: *2013 c 114 art 2 s 11*

17.9898 AUDITS.

The commissioner shall perform random audits of producers and certifying agents to ensure compliance with the program. All producers and certifying agents shall cooperate with the commissioner during these audits, and provide all relevant documents to the commissioner for inspection and copying. Any delay, obstruction, or refusal to cooperate with the commissioner's audit or falsification of or failure to provide required data or information is a violation subject to the provisions of section 17.9895, subdivision 2, or 17.9896, subdivision 4.

History: *2013 c 114 art 2 s 12*

17.9899 DATA.

All data collected under the program that identifies a producer or a producer's location are considered nonpublic data as defined in section 13.02, subdivision 9, or private data on individuals as defined in section 13.02, subdivision 12. The commissioner shall make available summary data of program outcomes on data classified as private or nonpublic under this section.

History: *2013 c 114 art 2 s 13*

17.991 RULEMAKING.

The commissioner may adopt rules to implement the program.

History: *2013 c 114 art 2 s 14*

17.992 REPORTS.

The commissioner, in consultation with the Minnesota Agricultural Water Quality Certification Program Advisory Committee, commissioner of natural resources, commissioner of the Pollution Control Agency, and Board of Water and Soil Resources, shall issue a biennial report to the chairs and ranking minority members of the legislative committees with jurisdiction over agricultural policy on the status of the program.

History: *2013 c 114 art 2 s 15*

17.993 FINANCIAL ASSISTANCE.

The commissioner may use contributions from gifts or other state accounts, provided that the purpose of the expenditure is consistent with the purpose of the accounts, for grants, loans, or other financial assistance.

History: *2013 c 114 art 2 s 16*