

Subd. 14. DAMAGE AWARDS. In any action brought challenging the validity of a municipal contract under this section, the court shall not award, as any part of its judgment, damages, or attorney's fees, but may award an unsuccessful bidder the costs of preparing an unsuccessful bid.

Sec. 7. Minnesota Statutes 1990, section 471.88, subdivision 5, is amended to read:

Subd. 5. A contract for which competitive bids are not required by law and where the amount does not exceed \$5,000.

Sec. 8. **REPEALER.**

Minnesota Statutes 1990, section 471.88, subdivision 8, is repealed.

Presented to the governor March 30, 1992

Signed by the governor March 31, 1992, 6:02 p.m.

CHAPTER 381—S.F.No. 1300

An act relating to agriculture; allowing exemption of certain garbage from requirements for feeding to livestock or poultry; providing for certain farm loans; regulating excavations; regulating livestock tests; amending Minnesota Statutes 1990, sections 35.73, subdivision 4; 41.55; 41.57, subdivision 3; 41B.036; 41B.039; and 216D.01, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 35.

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

Section 1. Minnesota Statutes 1990, section 35.73, subdivision 4, is amended to read:

Subd. 4. **GARBAGE.** "Garbage" means animal or vegetable refuse, including all waste material, by-products of a kitchen, restaurant, or slaughter house, and refuse accumulation of animal, fruit, or vegetable matter, liquid or solid, but does not mean vegetable waste or by-products resulting from the manufacture or processing of canned or frozen vegetables or materials exempted under section 2.

Sec. 2. **[35.751] EXEMPT MATERIALS PERMIT.**

Subdivision 1. PERMIT REQUIRED. If it is considered by the board to be in the best interest of the livestock industry of the state and not detrimental to the public health, safety, or general welfare, the board may adopt rules authorizing an exempt materials permit for specified materials of a nonmeat nature. No person may feed material exempted under section 35.73, subdivision 4, to livestock or poultry without first securing a permit from the board, and no person

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may transport exempted material over the public highways of the state for the purpose of feeding it to livestock or poultry unless the person has a permit. A permit must be renewed on or before July 1 each year.

Subd. 2. APPLICATION. A person desiring a permit or the renewal of a permit under this section shall make written application to the board in accordance with its rules.

Subd. 3. REVOCATION; DENIAL. Upon determination that a person who has a permit or who has applied for a permit issued under this section has violated sections 35.73 to 35.79 or any rules made under those sections, the board may revoke the permit or refuse to issue a permit to the applicant.

Sec. 3. Minnesota Statutes 1990, section 41.55, is amended to read:

41.55 ELIGIBILITY.

A family farm security loan approval may be granted if the following criteria are satisfied:

- (a) that the applicant is a resident of the state of Minnesota;
- (b) that the applicant has sufficient education, training, or experience in the type of farming for which the loan is desired and ~~continued~~ participation in a farm management program; approved by the commissioner; ~~for at least the first ten years of the family farm security loan;~~
- (c) that the applicant and the applicant's dependents and spouse have total net worth valued at less than \$75,000 and have demonstrated a need for the loan;
- (d) that the applicant intends to purchase farm land to be used by the applicant for agricultural purposes;
- (e) that the applicant is credit worthy according to standards prescribed by the commissioner.

Sec. 4. Minnesota Statutes 1990, section 41.57, subdivision 3, is amended to read:

Subd. 3. ANNUAL REVIEW OF NET WORTH. (a) The participant and the participant's dependents and spouse shall annually submit to the commissioner a statement of their net worth. If their net worth in any year exceeds the sum of \$135,000, the participant shall be ineligible for a payment adjustment in that year.

(b) The participant shall annually submit to the commissioner evidence of participation in an approved farm management program for at least the first ten years of the family farm security loan. The commissioner may waive this requirement if the participant requests a waiver and provides justification.

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Sec. 5. Minnesota Statutes 1990, section 41B.036, is amended to read:

41B.036 GENERAL POWERS OF THE AUTHORITY.

For the purpose of exercising the specific powers granted in section 41B.04 and effectuating the other purposes of sections 41B.01 to 41B.23 the authority has the general powers granted in this section.

- (a) It may sue and be sued.
- (b) It may have a seal and alter the seal.
- (c) It may make, and from time to time, amend and repeal rules consistent with sections 41B.01 to 41B.23.
- (d) It may acquire, hold, and dispose of real or personal property for its corporate purposes.
- (e) It may enter into agreements, contracts, or other transactions with any federal or state agency, any person and any domestic or foreign partnership, corporation, association, or organization, including contracts or agreements for administration and implementation of all or part of sections 41B.01 to 41B.23.
- (f) It may acquire real property, or an interest therein, in its own name, by purchase or foreclosure, where such acquisition is necessary or appropriate.
- (g) It may provide general technical services related to rural finance.
- (h) It may provide general consultative assistance services related to rural finance.
- (i) It may promote research and development in matters related to rural finance.
- (j) It may enter into agreements with lenders, borrowers, or the issuers of securities for the purpose of regulating the development and management of farms financed in whole or in part by the proceeds of qualified agricultural loans.
- (k) It may enter into agreements with other appropriate federal, state, or local governmental units to foster rural finance. It may give advance reservations of loan financing as part of the agreements, with the understanding that the authority will only approve the loans pursuant to normal procedures, and may adopt special procedures designed to meet problems inherent in such programs.
- (l) It may undertake and carry out studies and analyses of rural financing needs within the state and ways of meeting such needs including: data with respect to geographical distribution; farm size; the distribution of farm credit needs according to debt ratios and similar factors; the amount and quality of available financing and its distribution according to factors affecting rural financing needs and the meeting thereof; and may make the results of such studies and analyses available to the public and may engage in research and disseminate information on rural finance.

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(m) It may survey and investigate the rural financing needs throughout the state and make recommendations to the governor and the legislature as to legislation and other measures necessary or advisable to alleviate any existing shortage in the state.

(n) It may establish cooperative relationships with such county and multi-county authorities as may be established and may develop priorities for the utilization of authority resources and assistance within a region in cooperation with county and multicounty authorities.

(o) It may contract with, use, or employ any federal, state, regional, or local public or private agency or organization, legal counsel, financial advisors, investment bankers or others, upon terms it deems necessary or desirable, to assist in the exercise of any of the powers granted in sections 41B.01 to 41B.23 and to carry out the objectives of sections 41B.01 to 41B.23 and may pay for the services from authority funds.

(p) It may establish cooperative relationships with counties to develop priorities for the use of authority resources and assistance within counties and to consider county plans and programs in the process of setting the priorities.

(q) It may delegate any of its powers to its officers or staff.

(r) It may enter into agreements with qualified agricultural lenders or others insuring or guaranteeing to the state the payment of all or a portion of qualified agricultural loans.

(s) It may enter into agreements with eligible agricultural lenders providing for advance reservations of purchases of participation interests in restructuring loans, if the agreements provide that the authority may only purchase participation interests in restructuring loans under the normal procedure. The authority may provide in an agreement for special procedures or requirements designed to meet specific conditions or requirements.

(t) It may allow farmers who are natural persons to combine programs of the federal Agriculture Credit Act of 1987 with programs of the rural finance authority.

(u) From within available funds generated by program fees, it may provide partial or full tuition assistance for farm management programs required under section 41B.03, subdivision 3, clause (7).

Sec. 6. Minnesota Statutes 1990, section 41B.039, subdivision 2, is amended to read:

Subd. 2. **STATE PARTICIPATION.** The state may participate in a new real estate loan with an eligible lender to a beginning farmer to the extent of ~~35~~ 45 percent of the principal amount of the loan or \$50,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the lender's retained portion of the loan.

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Sec. 7. Minnesota Statutes 1990, section 216D.01, subdivision 5, is amended to read:

Subd. 5. **EXCAVATION.** "Excavation" means an activity that moves, removes, or otherwise disturbs the soil by use of a motor, engine, hydraulic or pneumatically-powered tool, or machine-powered equipment of any kind, or by explosives. Excavation does not include:

(1) the repair or installation of agricultural drainage tile for which notice has been given as provided by section 116I.07, subdivision 2;

(2) the extraction of minerals;

(3) the opening of a grave in a cemetery;

(4) normal maintenance of roads and streets if the maintenance does not change the original grade and does not involve the road ditch;

(5) plowing, cultivating, planting, harvesting, and similar operations in connection with growing crops, unless any of these activities disturbs the soil to a depth of 18 inches or more; ~~or~~

(6) landscaping or gardening unless one of the activities disturbs the soil to a depth of 12 inches or more; or

(7) planting of windbreaks, shelterbelts, and tree plantations, unless any of these activities disturbs the soil to a depth of 18 inches or more.

Sec. 8. **MANDATORY ANAPLASMOSIS TESTING; REPORT.**

(a) The board of animal health must study the feasibility and consequences of eliminating mandatory anaplasmosis testing of breeding cattle entering Minnesota. It must consult with veterinarians, livestock producers, and others interested in anaplasmosis control.

(b) Not later than February 1, 1992, the board of animal health must report to the agriculture committees of the Minnesota senate and house of representatives on the findings of the study in paragraph (a) and recommendations for changes in statute or rule.

Presented to the governor March 30, 1992

Signed by the governor April 1, 1992, 4:49 p.m.

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