

Sec. 3. Minnesota Statutes 1998, section 244.18, subdivision 5, is amended to read:

Subd. 5. **RESTITUTION PAYMENT PRIORITY.** If a defendant has been ordered by a court to pay restitution and a local correctional fee, the defendant shall be obligated to pay the restitution ordered before paying the local correctional fee. However, if the defendant is making reasonable payments to satisfy the restitution obligation, the local correctional agency may also collect a local correctional fee.

Sec. 4. Minnesota Statutes 1998, section 609.102, subdivision 2, is amended to read:

Subd. 2. **IMPOSITION OF FEE.** When a court sentences a person convicted of a crime, and places the person under the supervision and control of a local correctional agency, the court shall impose that agency may collect a local correctional fee based on the local correctional agency's fee schedule adopted under section 244.18.

Sec. 5. **REPORT REQUIRED.**

(a) The chief executive officer of each local correctional agency shall cooperate to develop a statewide uniform schedule of local correctional fees. The schedule must be reasonably related to the ability of defendants to pay and the actual costs of correctional services. The schedule must include clear standards that describe the circumstances justifying or requiring waiver or reduction of the fee based upon a defendant's ability to pay or other extenuating circumstances.

(b) By January 15, 2000, the chief executive officers shall report to the chairs of the senate and house committees having jurisdiction over criminal justice policy on their recommendations.

Sec. 6. **REPEALER.**

Minnesota Statutes 1998, section 609.102, subdivisions 3 and 4, are repealed.

Sec. 7. **EFFECTIVE DATE.**

Sections 1 to 6 are effective August 1, 1999, and apply to crimes committed on or after that date.

Presented to the governor April 26, 1999

Signed by the governor April 27, 1999, 11:28 a.m.

## CHAPTER 112—H.F.No. 1

*An act relating to agricultural relief; providing for a payment to farmers at risk based on the acreage of agricultural use land; providing for an agricultural property tax refund for certain livestock producers; appropriating money.*

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

Section 1. **AGRICULTURAL ASSISTANCE IN 1999.**

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

New language is indicated by underline, deletions by ~~strikeout~~.

(b) "Acre" means an acre of effective agricultural use land within the state of Minnesota as reported to the farm service agency on form 156EZ.

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

(d) "Effective agricultural use land" means the land suitable for growing an agricultural crop and excludes land enrolled in the conservation reserve program established by Minnesota Statutes, section 103F.515, or the water bank program established by Minnesota Statutes, section 103F.601.

(e) "Farm" or "farm operation" means an agricultural production operation with a unique farm number as reported on form 156EZ to the farm service agency, which includes at least 40 acres of effective agricultural use land.

(f) "Farm operator" means a person who is identified as the operator of a farm on form 156EZ filed with the farm service agency.

(g) "Farm service agency" means the United States Farm Service Agency.

(h) "Farmer" or "farmer at risk" means a person who produces an agricultural crop or livestock and is reported to the farm service agency as bearing a percentage of the risk for the farm operation.

(i) "Livestock" means cattle, hogs, poultry, and sheep.

(j) "Livestock production facility" means a farm that has produced at least \$10,000 in sales of unprocessed livestock or unprocessed dairy products as reported on schedule F or form 1065 or form 1120 or 1120S of the farmer's federal income tax return for either taxable years beginning in calendar year 1997 or 1998.

(k) "Person" includes individuals, fiduciaries, estates, trusts, partnerships, joint ventures, and corporations.

Subd. 2. PAYMENT TO FARMERS. Every farm operator may apply on a separate form for each farm that they operate to the commissioner for payments as provided under this subdivision. The payment shall be made to each farmer at risk for a farm operation and shall equal \$4, multiplied by the number of acres of the farm operation, multiplied by the percentage of the risk borne by that farmer for that farm operation. If total payments for a farm to all farmers at risk for that farm would exceed \$5,600, the payment to each farmer at risk shall be prorated so that the total payments to all farmers at risk for that farm do not exceed \$5,600.

Applications shall be based on information reported to the farm service agency for crop year 1998 by December 31, 1998. The applications shall include the social security number or federal employer identification number or a producer number assigned by the farm service agency for each farmer and the farm service agency farm number from form 156EZ. The commissioner shall prepare application forms for the payment and ensure that they are available throughout the state. The commissioner shall make payments by June 30, 1999, to each eligible farmer who applies by May 31, 1999, or within 30 days of the application if the application is received after May 31, 1999. In no case will applications be accepted after September 30, 1999.

Subd. 3. LIVESTOCK PRODUCERS. A farmer who owns and operates a livestock production facility on 160 acres or less may elect the agricultural property tax re-

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fund under subdivisions 4 to 8 in lieu of the per acre payment under subdivision 2. To qualify, the farmer must apply for the refund as provided in subdivisions 4 to 8. The 40 acre minimum farm size under subdivision 1 does not apply to eligibility under subdivisions 4 to 8.

Subd. 4. REFUND. The refund equals the full amount of the property tax payment due and payable on May 15, 1999, on a livestock production facility that is class 1b agricultural homestead property or class 2a agricultural homestead property as defined in Minnesota Statutes, section 273.13, excluding that portion of the tax attributable to the house, garage, and surrounding acre of land. If a portion of the property was leased for the agricultural production year, the refund amount shall be prorated so that only the portion of the property which was not leased for the agricultural production year qualifies for the refund.

Subd. 5. CERTIFICATION. The commissioner shall develop a form by May 10, 1999, for use by the county auditors to ascertain qualification for the refund under subdivisions 4 to 8. The form shall require the property owner to certify (1) that the owner operates a livestock production facility on 160 acres or less, and (2) the percentage of that property, if any, that was leased to anyone for the agricultural production year. Any person qualifying under subdivision 3 shall contact the county auditor in the county where the livestock production facility is located and shall file the required form with the county auditor.

Subd. 6. VERIFICATION. The county auditor shall determine the amount of the refund for all qualifying properties in the county for which the owner has applied under subdivision 5. The county auditor shall notify all applicants of the amount of the refund within 14 days of receipt of the application.

Subd. 7. CERTIFICATION AND PAYMENT. Any person eligible for the refund under subdivisions 4 to 8 shall send the commissioner a copy of the certification that the taxpayer received from the county auditor. In no case will applications be accepted after November 30, 1999. The commissioner shall issue a refund by July 15, 1999, to each qualifying taxpayer who applied by June 15, 1999, or within 30 days of receipt of the application if received after June 15, 1999.

Subd. 8. PROPERTY TAX REFUND. Taxpayers benefiting from the refund under subdivisions 4 to 8 must deduct the amount of the refund from the net property taxes payable when applying for a property tax refund under Minnesota Statutes 1998, section 290A.04, subdivision 2.

Subd. 9. ALTERNATE QUALIFICATION. (a) If an agricultural production operation does not meet the definition of a farm under subdivision 1 solely because (1) the farm operator had not filed a form 156EZ with the farm service agency, (2) there was an error in the farm service agency's records, or (3) an operator operates more than one farm and the acres of effective agricultural use land of each farm is less than 40 acres, but the combined acres of effective agricultural use land is at least 40 acres, the commissioner may allow the farm operator to apply for payment under subdivision 2 after providing such information as the commissioner may require to determine the number of acres that would be comparable to the effective agricultural use land listed on form 156EZ.

(b) If the number of acres of effective agricultural use land for crop year 1998 for a farm is greater than indicated in the farm service agency's records, the commissioner may

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allow a farm operator to apply for payment on the greater acreage after providing such information as the commissioner may require.

(c) If a person who produced an agricultural crop or livestock in 1998 and bore a portion of the risk for the farm operation does not meet the definition of a farmer under subdivision 1 solely because that information was not reported to the farm service agency, or because there was an error in the farm service agency's records, the commissioner may allow the farmer to be included on an application for payment under subdivision 2 after the farmer provides such information as the commissioner may require to determine the farmer was at risk for that farm.

Subd. 10. LIMIT. No person may receive a payment under subdivision 2 or a property tax refund under subdivisions 4 to 8 that exceeds \$5,600.

Subd. 11. APPLICATION OF OTHER LAWS. The payments under subdivisions 2 and 7 are a "Minnesota tax law" for purposes of Minnesota Statutes, section 270B.01, subdivision 8.

Subd. 12. REMEDIES. A farmer denied a refund may appeal that denial under Minnesota Statutes, section 289A.50, subdivision 7.

Subd. 13. INTEREST. Payments under subdivision 2 or subdivisions 4 to 8 shall bear interest at the rate specified in Minnesota Statutes, section 289A.55, subdivision 1, from the later of the payment dates specified under subdivision 2 or 7 or 75 days after a complete payment application was filed with the commissioner.

Subd. 14. PENALTIES. If the commissioner determines that claims for payments under subdivisions 2 and 7 are or were excessive and were filed with fraudulent intent, the claim must be disallowed in full. If the claim has been paid, the amount disallowed must be recovered by assessment and collection under Minnesota Statutes, chapter 289A. The assessment must be made within two years after a check is cashed, but if cashing a check constitutes theft under Minnesota Statutes, section 609.52, or forgery under Minnesota Statutes, section 609.631, the assessment may be made at any time. The assessment may be appealed administratively and judicially.

## **Sec. 2. APPROPRIATION.**

(a) The amount necessary to fund the payments required under section 1, subdivisions 2 and 7, is appropriated in fiscal year 1999 from the general fund to the commissioner of revenue. This appropriation is available until June 30, 2000.

(b) \$68,000 is appropriated in fiscal year 1999 to the commissioner of revenue for distribution to counties for the costs of administering section 1, subdivisions 4 to 8. This appropriation is available until June 30, 2000. The distribution to counties shall be based on the number of refunds received under the provisions of section 1, subdivisions 4 to 8.

## **Sec. 3. EFFECTIVE DATE.**

Sections 1 and 2 are effective the day following final enactment.

Presented to the governor April 21, 1999

Became law without the governor's signature April 23, 1999

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