

1.1 CONFERENCE COMMITTEE REPORT ON S.F. No. 1955

1.2 A bill for an act

1.3 relating to state government; establishing a budget for the Department of
1.4 Agriculture, the Board of Animal Health, the Agricultural Utilization Research
1.5 Institute, and the Office of Broadband Development; making policy and technical
1.6 changes to agriculture provisions; making policy and technical changes to
1.7 broadband provisions; providing civil penalties; appropriating money; requiring
1.8 reports; transferring money to the border-to-border broadband fund account;
1.9 creating the grain indemnity account; transferring money to the grain indemnity
1.10 account; amending Minnesota Statutes 2022, sections 17.1016, subdivision 2;
1.11 17.133, subdivision 2; 28A.152, subdivision 2; 41A.14, subdivision 2; 41A.19;
1.12 116J.395, subdivision 7; 116J.396, subdivision 2; 223.16, by adding a subdivision;
1.13 223.17, subdivisions 6, 7, 7a; 223.175; 223.19; 232.22, subdivision 5; Laws 2021,
1.14 First Special Session chapter 3, article 1, section 2, subdivision 5, as amended;
1.15 Laws 2022, chapter 95, article 2, section 29, subdivision 6; proposing coding for
1.16 new law in Minnesota Statutes, chapters 17; 116J; 223; repealing Minnesota
1.17 Statutes 2022, sections 17.055, subdivision 2; 41A.12, subdivision 4; 41A.21;
1.18 223.17, subdivisions 4, 8; 232.22, subdivisions 4, 6, 6a, 7.

1.19 May 10, 2023

1.20 The Honorable Bobby Joe Champion

1.21 President of the Senate

1.22 The Honorable Melissa Hortman

1.23 Speaker of the House of Representatives

1.24 We, the undersigned conferees for S.F. No. 1955 report that we have agreed upon the
1.25 items in dispute and recommend as follows:

1.26 That the House recede from its amendments and that S.F. No. 1955 be further amended
1.27 as follows:

1.28 Delete everything after the enacting clause and insert:

1.29 **"ARTICLE 1**

1.30 **APPROPRIATIONS**

1.31 Section 1. **AGRICULTURE APPROPRIATIONS.**

2.1 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
 2.2 and for the purposes specified in this article. The appropriations are from the general fund,
 2.3 or another named fund, and are available for the fiscal years indicated for each purpose.
 2.4 The figures "2024" and "2025" used in this article mean that the appropriations listed under
 2.5 them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.
 2.6 "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium"
 2.7 is fiscal years 2024 and 2025.

	<u>APPROPRIATIONS</u>
	<u>Available for the Year</u>
	<u>Ending June 30</u>
	<u>2024</u> <u>2025</u>

2.12 **Sec. 2. DEPARTMENT OF AGRICULTURE**

2.13 **Subdivision 1. Total Appropriation** \$ **92,025,000** \$ **72,223,000**

	<u>Appropriations by Fund</u>	
	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>91,626,000</u>	<u>71,824,000</u>
<u>Remediation</u>	<u>399,000</u>	<u>399,000</u>

2.18 The amounts that may be spent for each
 2.19 purpose are specified in the following
 2.20 subdivisions.

2.21 **Subd. 2. Protection Services**

	<u>Appropriations by Fund</u>	
	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>32,034,000</u>	<u>18,743,000</u>
<u>Remediation</u>	<u>399,000</u>	<u>399,000</u>

2.26 (a) \$399,000 the first year and \$399,000 the
 2.27 second year are from the remediation fund for
 2.28 administrative funding for the voluntary
 2.29 cleanup program.

2.30 (b) \$625,000 the first year and \$625,000 the
 2.31 second year are for the soil health financial
 2.32 assistance program under Minnesota Statutes,
 2.33 section 17.134. The commissioner may award
 2.34 no more than \$50,000 of the appropriation
 2.35 each year to a single recipient. The

3.1 commissioner may use up to 6.5 percent of
3.2 this appropriation for costs incurred to
3.3 administer the program. Any unencumbered
3.4 balance does not cancel at the end of the first
3.5 year and is available in the second year.

3.6 Appropriations encumbered under contract on
3.7 or before June 30, 2025, for soil health
3.8 financial assistance grants are available until
3.9 June 30, 2027. The base for this appropriation
3.10 is \$639,000 in fiscal year 2026 and each year
3.11 thereafter.

3.12 (c) \$800,000 the first year is for transfer to the
3.13 pollinator research account established under
3.14 Minnesota Statutes, section 18B.051. The base
3.15 for this transfer is \$100,000 in fiscal year 2026
3.16 and each year thereafter.

3.17 (d) \$150,000 the first year and \$150,000 the
3.18 second year are for transfer to the noxious
3.19 weed and invasive plant species assistance
3.20 account established under Minnesota Statutes,
3.21 section 18.89, to award grants under
3.22 Minnesota Statutes, section 18.90, to counties,
3.23 municipalities, and other weed management
3.24 entities, including Minnesota Tribal
3.25 governments as defined in Minnesota Statutes,
3.26 section 10.65. This is a onetime appropriation.

3.27 (e) \$175,000 the first year and \$175,000 the
3.28 second year are for compensation for
3.29 destroyed or crippled livestock under
3.30 Minnesota Statutes, section 3.737. The first
3.31 year appropriation may be spent to compensate
3.32 for livestock that were destroyed or crippled
3.33 during fiscal year 2023. If the amount in the
3.34 first year is insufficient, the amount in the
3.35 second year is available in the first year. The

4.1 commissioner may use up to \$5,000 each year
4.2 to reimburse expenses incurred by university
4.3 extension educators to provide fair market
4.4 values of destroyed or crippled livestock. If
4.5 the commissioner receives federal dollars to
4.6 pay claims for destroyed or crippled livestock,
4.7 an equivalent amount of this appropriation
4.8 may be used to reimburse nonlethal prevention
4.9 methods performed by federal wildlife services
4.10 staff.

4.11 (f) \$155,000 the first year and \$155,000 the
4.12 second year are for compensation for crop
4.13 damage under Minnesota Statutes, section
4.14 3.7371. If the amount in the first year is
4.15 insufficient, the amount in the second year is
4.16 available in the first year. The commissioner
4.17 may use up to \$10,000 of the appropriation
4.18 each year to reimburse expenses incurred by
4.19 the commissioner or the commissioner's
4.20 approved agent to investigate and resolve
4.21 claims, as well as for costs associated with
4.22 training for approved agents. The
4.23 commissioner may use up to \$40,000 of the
4.24 appropriation each year to make grants to
4.25 producers for measures to protect stored crops
4.26 from elk damage. If the commissioner
4.27 determines that claims made under Minnesota
4.28 Statutes, section 3.737 or 3.7371, are
4.29 unusually high, amounts appropriated for
4.30 either program may be transferred to the
4.31 appropriation for the other program.

4.32 (g) \$825,000 the first year and \$825,000 the
4.33 second year are to replace capital equipment
4.34 in the Department of Agriculture's analytical
4.35 laboratory.

5.1 (h) \$75,000 the first year and \$75,000 the
5.2 second year are to support a meat processing
5.3 liaison position to assist new or existing meat
5.4 and poultry processing operations in getting
5.5 started, expanding, growing, or transitioning
5.6 into new business models.

5.7 (i) \$2,200,000 the first year and \$1,650,000
5.8 the second year are additional funding to
5.9 maintain the current level of service delivery
5.10 for programs under this subdivision. The base
5.11 for this appropriation is \$1,925,000 for fiscal
5.12 year 2026 and each year thereafter.

5.13 (j) \$250,000 the first year and \$250,000 the
5.14 second year are for grants to organizations in
5.15 Minnesota to develop enterprises, supply
5.16 chains, and markets for continuous-living
5.17 cover crops and cropping systems in the early
5.18 stages of commercial development. For the
5.19 purposes of this paragraph, "continuous-living
5.20 cover crops and cropping systems" refers to
5.21 agroforestry, perennial biomass, perennial
5.22 forage, perennial grains, and winter-annual
5.23 cereal grains and oilseeds that have market
5.24 value as harvested or grazed commodities. By
5.25 February 1 each year, the commissioner must
5.26 submit a report to the chairs and ranking
5.27 minority members of the legislative
5.28 committees with jurisdiction over agriculture
5.29 finance and policy detailing uses of the funds
5.30 in this paragraph, including administrative
5.31 costs, and the achievements these funds
5.32 contributed to. The commissioner may use up
5.33 to 6.5 percent of this appropriation for
5.34 administrative costs. This is a onetime
5.35 appropriation.

6.1 (k) \$45,000 the first year and \$45,000 the
6.2 second year are appropriated for
6.3 wolf-livestock conflict-prevention grants. The
6.4 commissioner may use some of this
6.5 appropriation to support nonlethal prevention
6.6 work performed by federal wildlife services.
6.7 This is a onetime appropriation.

6.8 (l) \$10,000,000 the first year is for transfer to
6.9 the grain indemnity account established in
6.10 Minnesota Statutes, section 223.24. This is a
6.11 onetime transfer.

6.12 (m) \$125,000 the first year and \$125,000 the
6.13 second year are for the PFAS in pesticides
6.14 review. This is a onetime appropriation.

6.15 (n) \$1,941,000 the first year is for transfer to
6.16 the food handler license account. This is a
6.17 onetime transfer.

6.18 **Subd. 3. Agricultural Marketing and**
6.19 **Development**

5,165,000

4,985,000

6.20 (a) \$150,000 the first year and \$150,000 the
6.21 second year are to expand international trade
6.22 opportunities and markets for Minnesota
6.23 agricultural products.

6.24 (b) \$186,000 the first year and \$186,000 the
6.25 second year are for transfer to the Minnesota
6.26 grown account and may be used as grants for
6.27 Minnesota grown promotion under Minnesota
6.28 Statutes, section 17.102. Notwithstanding
6.29 Minnesota Statutes, section 16A.28, the
6.30 appropriations encumbered under contract on
6.31 or before June 30, 2025, for Minnesota grown
6.32 grants in this paragraph are available until June
6.33 30, 2027.

7.1 (c) \$634,000 the first year and \$634,000 the
7.2 second year are for the continuation of the
7.3 dairy development and profitability
7.4 enhancement programs, including dairy
7.5 profitability teams and dairy business planning
7.6 grants under Minnesota Statutes, section
7.7 32D.30.

7.8 (d) The commissioner may use funds
7.9 appropriated in this subdivision for annual
7.10 cost-share payments to resident farmers or
7.11 entities that sell, process, or package
7.12 agricultural products in this state for the costs
7.13 of organic certification. The commissioner
7.14 may allocate these funds for assistance to
7.15 persons transitioning from conventional to
7.16 organic agriculture.

7.17 (e) \$600,000 the first year and \$420,000 the
7.18 second year are to maintain the current level
7.19 of service delivery. The base for this
7.20 appropriation is \$490,000 for fiscal year 2026
7.21 and each year thereafter.

7.22 (f) \$100,000 the first year and \$100,000 the
7.23 second year are for mental health outreach and
7.24 support to farmers, ranchers, and others in the
7.25 agricultural community and for farm safety
7.26 grant and outreach programs under Minnesota
7.27 Statutes, section 17.1195. Mental health
7.28 outreach and support may include a 24-hour
7.29 hotline, stigma reduction, and education.
7.30 Notwithstanding Minnesota Statutes, section
7.31 16A.28, any unencumbered balance does not
7.32 cancel at the end of the first year and is
7.33 available in the second year. This is a onetime
7.34 appropriation.

8.1 (g) \$100,000 the first year and \$100,000 the
 8.2 second year are to award and administer grants
 8.3 for infrastructure to support EBT, SNAP,
 8.4 SFMNP, and related programs at farmers
 8.5 markets. Notwithstanding Minnesota Statutes,
 8.6 section 16A.28, any unencumbered balance
 8.7 does not cancel at the end of the first year and
 8.8 is available in the second year. This is a
 8.9 onetime appropriation.

8.10 (h) \$200,000 the first year and \$200,000 the
 8.11 second year are to award cooperative grants
 8.12 under Minnesota Statutes, section 17.1016.
 8.13 The commissioner may use up to 6.5 percent
 8.14 of the appropriation each year to administer
 8.15 the grant program. Notwithstanding Minnesota
 8.16 Statutes, section 16A.28, any unencumbered
 8.17 balance does not cancel at the end of the first
 8.18 year and is available in the second year. This
 8.19 is a onetime appropriation.

8.20 **Subd. 4. Agriculture, Bioenergy, and Bioproduct**
 8.21 **Advancement**

37,809,000

33,809,000

8.22 (a) \$10,702,000 the first year and \$10,702,000
 8.23 the second year are for the agriculture
 8.24 research, education, extension, and technology
 8.25 transfer program under Minnesota Statutes,
 8.26 section 41A.14. Except as provided below,
 8.27 the appropriation each year is for transfer to
 8.28 the agriculture research, education, extension,
 8.29 and technology transfer account under
 8.30 Minnesota Statutes, section 41A.14,
 8.31 subdivision 3, and the commissioner shall
 8.32 transfer funds each year to the Board of
 8.33 Regents of the University of Minnesota for
 8.34 purposes of Minnesota Statutes, section
 8.35 41A.14. To the extent practicable, money

9.1 expended under Minnesota Statutes, section
9.2 41A.14, subdivision 1, clauses (1) and (2),
9.3 must supplement and not supplant existing
9.4 sources and levels of funding. The
9.5 commissioner may use up to one percent of
9.6 this appropriation for costs incurred to
9.7 administer the program.

9.8 Of the amount appropriated for the agriculture
9.9 research, education, extension, and technology
9.10 transfer grant program under Minnesota
9.11 Statutes, section 41A.14:

9.12 (1) \$600,000 the first year and \$600,000 the
9.13 second year are for the Minnesota Agricultural
9.14 Experiment Station's agriculture rapid
9.15 response fund under Minnesota Statutes,
9.16 section 41A.14, subdivision 1, clause (2);

9.17 (2) up to \$1,000,000 the first year and up to
9.18 \$1,000,000 the second year are for research
9.19 on avian influenza, salmonella, and other
9.20 turkey-related diseases and disease prevention
9.21 measures;

9.22 (3) \$2,250,000 the first year and \$2,250,000
9.23 the second year are for grants to the Minnesota
9.24 Agricultural Education Leadership Council to
9.25 enhance agricultural education with priority
9.26 given to Farm Business Management
9.27 challenge grants;

9.28 (4) \$450,000 the first year is for the cultivated
9.29 wild rice breeding project at the North Central
9.30 Research and Outreach Center to include a
9.31 tenure track/research associate plant breeder;

9.32 (5) \$350,000 the first year and \$350,000 the
9.33 second year are for potato breeding;

10.1 (6) \$802,000 the first year and \$802,000 the
10.2 second year are to fund the Forever Green
10.3 Initiative and protect the state's natural
10.4 resources while increasing the efficiency,
10.5 profitability, and productivity of Minnesota
10.6 farmers by incorporating perennial and
10.7 winter-annual crops into existing agricultural
10.8 practices. The base for the allocation under
10.9 this clause is \$802,000 in fiscal year 2026 and
10.10 each year thereafter. By February 1 each year,
10.11 the dean of the College of Food, Agricultural
10.12 and Natural Resource Sciences must submit
10.13 a report to the chairs and ranking minority
10.14 members of the legislative committees with
10.15 jurisdiction over agriculture finance and policy
10.16 and higher education detailing uses of the
10.17 funds in this paragraph, including
10.18 administrative costs, and the achievements
10.19 these funds contributed to; and
10.20 (7) \$350,000 each year is for farm-scale winter
10.21 greenhouse research and development
10.22 coordinated by University of Minnesota
10.23 Extension Regional Sustainable Development
10.24 Partnerships. The allocation in this clause is
10.25 onetime.
10.26 (b) The base for the agriculture research,
10.27 education, extension, and technology transfer
10.28 program is \$10,352,000 in fiscal year 2026
10.29 and \$10,352,000 in fiscal year 2027.
10.30 (c) \$27,107,000 the first year and \$23,107,000
10.31 the second year are for the agricultural growth,
10.32 research, and innovation program under
10.33 Minnesota Statutes, section 41A.12. Except
10.34 as provided below, the commissioner may
10.35 allocate this appropriation each year among

11.1 the following areas: facilitating the start-up,
11.2 modernization, improvement, or expansion of
11.3 livestock operations, including beginning and
11.4 transitioning livestock operations with
11.5 preference given to robotic dairy-milking
11.6 equipment; assisting value-added agricultural
11.7 businesses to begin or expand, to access new
11.8 markets, or to diversify, including aquaponics
11.9 systems, with preference given to hemp fiber
11.10 processing equipment; facilitating the start-up,
11.11 modernization, or expansion of other
11.12 beginning and transitioning farms, including
11.13 by providing loans under Minnesota Statutes,
11.14 section 41B.056; sustainable agriculture
11.15 on-farm research and demonstration; the
11.16 development or expansion of food hubs and
11.17 other alternative community-based food
11.18 distribution systems; enhancing renewable
11.19 energy infrastructure and use; crop research,
11.20 including basic and applied turf seed research;
11.21 Farm Business Management tuition assistance;
11.22 and good agricultural practices and good
11.23 handling practices certification assistance. The
11.24 commissioner may use up to 6.5 percent of
11.25 this appropriation for costs incurred to
11.26 administer the program.

11.27 Of the amount appropriated for the agricultural
11.28 growth, research, and innovation program
11.29 under Minnesota Statutes, section 41A.12:

11.30 (1) \$1,000,000 the first year and \$1,000,000
11.31 the second year are for distribution in equal
11.32 amounts to each of the state's county fairs to
11.33 preserve and promote Minnesota agriculture;

11.34 (2) \$5,750,000 the first year and \$5,750,000
11.35 the second year are for incentive payments

12.1 under Minnesota Statutes, sections 41A.16,
12.2 41A.17, 41A.18, and 41A.20. Notwithstanding
12.3 Minnesota Statutes, section 16A.28, the first
12.4 year appropriation is available until June 30,
12.5 2025, and the second year appropriation is
12.6 available until June 30, 2026. If this
12.7 appropriation exceeds the total amount for
12.8 which all producers are eligible in a fiscal
12.9 year, the balance of the appropriation is
12.10 available for other purposes under this
12.11 paragraph. The base under this clause is
12.12 \$3,000,000 in fiscal year 2026 and each year
12.13 thereafter;
12.14 (3) \$3,375,000 the first year and \$3,375,000
12.15 the second year are for grants that enable retail
12.16 petroleum dispensers, fuel storage tanks, and
12.17 other equipment to dispense biofuels to the
12.18 public in accordance with the biofuel
12.19 replacement goals established under
12.20 Minnesota Statutes, section 239.7911. A retail
12.21 petroleum dispenser selling petroleum for use
12.22 in spark ignition engines for vehicle model
12.23 years after 2000 is eligible for grant money
12.24 under this clause if the retail petroleum
12.25 dispenser has no more than 10 retail petroleum
12.26 dispensing sites and each site is located in
12.27 Minnesota. The grant money must be used to
12.28 replace or upgrade equipment that does not
12.29 have the ability to be certified for E25. A grant
12.30 award must not exceed 65 percent of the cost
12.31 of the appropriate technology. A grant award
12.32 must not exceed \$200,000 per station. The
12.33 commissioner must cooperate with biofuel
12.34 stakeholders in the implementation of the grant
12.35 program. The commissioner, in cooperation
12.36 with any economic or community development

13.1 financial institution and any other entity with
13.2 which the commissioner contracts, must
13.3 submit a report on the biofuels infrastructure
13.4 financial assistance program by January 15 of
13.5 each year to the chairs and ranking minority
13.6 members of the legislative committees and
13.7 divisions with jurisdiction over agriculture
13.8 policy and finance. The annual report must
13.9 include but not be limited to a summary of the
13.10 following metrics: (i) the number and types
13.11 of projects financed; (ii) the amount of dollars
13.12 leveraged or matched per project; (iii) the
13.13 geographic distribution of financed projects;
13.14 (iv) any market expansion associated with
13.15 upgraded infrastructure; (v) the demographics
13.16 of the areas served; (vi) the costs of the
13.17 program; and (vii) the number of grants to
13.18 minority-owned or female-owned businesses.
13.19 The base under this clause is \$3,000,000 for
13.20 fiscal year 2026 and each year thereafter;
13.21 (4) \$1,250,000 the first year and \$1,250,000
13.22 the second year are for grants to facilitate the
13.23 start-up, modernization, or expansion of meat,
13.24 poultry, egg, and milk processing facilities. A
13.25 grant award under this clause must not exceed
13.26 \$200,000. Any unencumbered balance at the
13.27 end of the second year does not cancel until
13.28 June 30, 2026, and may be used for other
13.29 purposes under this paragraph. The base under
13.30 this clause is \$250,000 in fiscal year 2026 and
13.31 each year thereafter;
13.32 (5) \$1,150,000 the first year and \$1,150,000
13.33 the second year are for providing more fruits,
13.34 vegetables, meat, poultry, grain, and dairy for
13.35 children in school and early childhood

14.1 education centers, including, at the
14.2 commissioner's discretion, providing grants
14.3 to reimburse schools and early childhood
14.4 education centers for purchasing equipment
14.5 and agricultural products. Of the amount
14.6 appropriated, \$150,000 each year is for a
14.7 statewide coordinator of farm-to-institution
14.8 strategy and programming. The coordinator
14.9 must consult with relevant stakeholders and
14.10 provide technical assistance and training for
14.11 participating farmers and eligible grant
14.12 recipients. The base under this clause is
14.13 \$1,294,000 in fiscal year 2026 and each year
14.14 thereafter;

14.15 (6) \$4,000,000 the first year is for Dairy
14.16 Assistance, Investment, Relief Initiative
14.17 (DAIRI) grants and other forms of financial
14.18 assistance to Minnesota dairy farms that enroll
14.19 in coverage under a federal dairy risk
14.20 protection program and produced no more
14.21 than 16,000,000 pounds of milk in 2022. The
14.22 commissioner must make DAIRI payments
14.23 based on the amount of milk produced in
14.24 2022, up to 5,000,000 pounds per participating
14.25 farm, at a rate determined by the commissioner
14.26 within the limits of available funding. Any
14.27 unencumbered balance does not cancel at the
14.28 end of the first year and is available in the
14.29 second year. Any unencumbered balance at
14.30 the end of the second year does not cancel
14.31 until June 30, 2026, and may be used for other
14.32 purposes under this paragraph. The allocation
14.33 in this clause is onetime;

14.34 (7) \$2,000,000 the first year and \$2,000,000
14.35 the second year are for urban youth

15.1 agricultural education or urban agriculture
 15.2 community development; and
 15.3 (8) \$1,000,000 the first year and \$1,000,000
 15.4 the second year are for the good food access
 15.5 program under Minnesota Statutes, section
 15.6 17.1017.
 15.7 Notwithstanding Minnesota Statutes, section
 15.8 16A.28, any unencumbered balance does not
 15.9 cancel at the end of the first year and is
 15.10 available for the second year, and
 15.11 appropriations encumbered under contract on
 15.12 or before June 30, 2025, for agricultural
 15.13 growth, research, and innovation grants are
 15.14 available until June 30, 2028.

15.15 (d) The base for the agricultural growth,
 15.16 research, and innovation program is
 15.17 \$16,294,000 in fiscal year 2026 and each year
 15.18 thereafter and includes \$200,000 each year for
 15.19 cooperative development grants.

15.20 **Subd. 5. Administration and Financial**
 15.21 **Assistance**

16,618,000

14,287,000

15.22 (a) \$474,000 the first year and \$474,000 the
 15.23 second year are for payments to county and
 15.24 district agricultural societies and associations
 15.25 under Minnesota Statutes, section 38.02,
 15.26 subdivision 1. Aid payments to county and
 15.27 district agricultural societies and associations
 15.28 must be disbursed no later than July 15 of each
 15.29 year. These payments are the amount of aid
 15.30 from the state for an annual fair held in the
 15.31 previous calendar year.

15.32 (b) \$350,000 the first year and \$350,000 the
 15.33 second year are for grants to the Minnesota
 15.34 Agricultural Education and Leadership

- 16.1 Council for programs of the council under
16.2 Minnesota Statutes, chapter 41D. The base for
16.3 this appropriation is \$250,000 in fiscal year
16.4 2026 and each year thereafter.
- 16.5 (c) \$2,000 the first year is for a grant to the
16.6 Minnesota State Poultry Association. This is
16.7 a onetime appropriation. Notwithstanding
16.8 Minnesota Statutes, section 16A.28, any
16.9 unencumbered balance does not cancel at the
16.10 end of the first year and is available for the
16.11 second year.
- 16.12 (d) \$18,000 the first year and \$18,000 the
16.13 second year are for grants to the Minnesota
16.14 Livestock Breeders Association. This is a
16.15 onetime appropriation.
- 16.16 (e) \$60,000 the first year and \$60,000 the
16.17 second year are for grants to the Northern
16.18 Crops Institute that may be used to purchase
16.19 equipment. This is a onetime appropriation.
- 16.20 (f) \$34,000 the first year and \$34,000 the
16.21 second year are for grants to the Minnesota
16.22 State Horticultural Society. This is a onetime
16.23 appropriation.
- 16.24 (g) \$25,000 the first year and \$25,000 the
16.25 second year are for grants to the Center for
16.26 Rural Policy and Development. This is a
16.27 onetime appropriation.
- 16.28 (h) \$75,000 the first year and \$75,000 the
16.29 second year are appropriated from the general
16.30 fund to the commissioner of agriculture for
16.31 grants to the Minnesota Turf Seed Council for
16.32 basic and applied research on: (1) the
16.33 improved production of forage and turf seed
16.34 related to new and improved varieties; and (2)

17.1 native plants, including plant breeding,
17.2 nutrient management, pest management,
17.3 disease management, yield, and viability. The
17.4 Minnesota Turf Seed Council may subcontract
17.5 with a qualified third party for some or all of
17.6 the basic or applied research. Any
17.7 unencumbered balance does not cancel at the
17.8 end of the first year and is available in the
17.9 second year. The Minnesota Turf Seed Council
17.10 must prepare a report outlining the use of the
17.11 grant money and related accomplishments. No
17.12 later than January 15, 2025, the council must
17.13 submit the report to the chairs and ranking
17.14 minority members of the legislative
17.15 committees and divisions with jurisdiction
17.16 over agriculture finance and policy. This is a
17.17 onetime appropriation.

17.18 (i) \$100,000 the first year and \$100,000 the
17.19 second year are for grants to GreenSeam for
17.20 assistance to agriculture-related businesses to
17.21 support business retention and development,
17.22 business attraction and creation, talent
17.23 development and attraction, and regional
17.24 branding and promotion. These are onetime
17.25 appropriations. No later than December 1,
17.26 2024, and December 1, 2025, GreenSeam
17.27 must report to the chairs and ranking minority
17.28 members of the legislative committees with
17.29 jurisdiction over agriculture and rural
17.30 development with information on new and
17.31 existing businesses supported, number of new
17.32 jobs created in the region, new educational
17.33 partnerships and programs supported, and
17.34 regional branding and promotional efforts.

18.1 (j) \$1,950,000 the first year and \$1,950,000
18.2 the second year are for grants to Second
18.3 Harvest Heartland on behalf of Minnesota's
18.4 six Feeding America food banks for the
18.5 following purposes:

18.6 (1) at least \$850,000 each year must be
18.7 allocated to purchase milk for distribution to
18.8 Minnesota's food shelves and other charitable
18.9 organizations that are eligible to receive food
18.10 from the food banks. Milk purchased under
18.11 the grants must be acquired from Minnesota
18.12 milk processors and based on low-cost bids.
18.13 The milk must be allocated to each Feeding
18.14 America food bank serving Minnesota
18.15 according to the formula used in the
18.16 distribution of United States Department of
18.17 Agriculture commodities under The
18.18 Emergency Food Assistance Program. Second
18.19 Harvest Heartland may enter into contracts or
18.20 agreements with food banks for shared funding
18.21 or reimbursement of the direct purchase of
18.22 milk. Each food bank that receives funding
18.23 under this clause may use up to two percent
18.24 for administrative expenses. Notwithstanding
18.25 Minnesota Statutes, section 16A.28, any
18.26 unencumbered balance the first year does not
18.27 cancel and is available the second year;

18.28 (2) to compensate agricultural producers and
18.29 processors for costs incurred to harvest and
18.30 package for transfer surplus fruits, vegetables,
18.31 and other agricultural commodities that would
18.32 otherwise go unharvested, be discarded, or be
18.33 sold in a secondary market. Surplus
18.34 commodities must be distributed statewide to
18.35 food shelves and other charitable organizations

19.1 that are eligible to receive food from the food
19.2 banks. Surplus food acquired under this clause
19.3 must be from Minnesota producers and
19.4 processors. Second Harvest Heartland may
19.5 use up to 15 percent of each grant awarded
19.6 under this clause for administrative and
19.7 transportation expenses; and
19.8 (3) to purchase and distribute protein products,
19.9 including but not limited to pork, poultry, beef,
19.10 dry legumes, cheese, and eggs to Minnesota's
19.11 food shelves and other charitable organizations
19.12 that are eligible to receive food from the food
19.13 banks. Second Harvest Heartland may use up
19.14 to two percent of each grant awarded under
19.15 this clause for administrative expenses. Protein
19.16 products purchased under the grants must be
19.17 acquired from Minnesota processors and
19.18 producers.
19.19 Second Harvest Heartland must submit
19.20 quarterly reports to the commissioner and the
19.21 chairs and ranking minority members of the
19.22 legislative committees with jurisdiction over
19.23 agriculture finance in the form prescribed by
19.24 the commissioner. The reports must include
19.25 but are not limited to information on the
19.26 expenditure of funds, the amount of milk or
19.27 other commodities purchased, and the
19.28 organizations to which this food was
19.29 distributed. The base for this appropriation is
19.30 \$1,700,000 for fiscal year 2026 and each year
19.31 thereafter.
19.32 (k) \$25,000 the first year and \$25,000 the
19.33 second year are for grants to the Southern
19.34 Minnesota Initiative Foundation to promote
19.35 local foods through an annual event that raises

20.1 public awareness of local foods and connects
20.2 local food producers and processors with
20.3 potential buyers.

20.4 (l) \$300,000 the first year and \$300,000 the
20.5 second year are for grants to The Good Acre
20.6 for the Local Emergency Assistance Farmer
20.7 Fund (LEAFF) program to compensate
20.8 emerging farmers for crops donated to hunger
20.9 relief organizations in Minnesota. This is a
20.10 onetime appropriation.

20.11 (m) \$750,000 the first year and \$750,000 the
20.12 second year are to expand the Emerging
20.13 Farmers Office and provide services to
20.14 beginning and emerging farmers to increase
20.15 connections between farmers and market
20.16 opportunities throughout the state. This
20.17 appropriation may be used for grants,
20.18 translation services, training programs, or
20.19 other purposes in line with the
20.20 recommendations of the Emerging Farmer
20.21 Working Group established under Minnesota
20.22 Statutes, section 17.055, subdivision 1. The
20.23 base for this appropriation is \$1,000,000 in
20.24 fiscal year 2026 and each year thereafter.

20.25 (n) \$50,000 the first year is to provide
20.26 technical assistance and leadership in the
20.27 development of a comprehensive and
20.28 well-documented state aquaculture plan. The
20.29 commissioner must provide the state
20.30 aquaculture plan to the legislative committees
20.31 with jurisdiction over agriculture finance and
20.32 policy by February 15, 2025.

20.33 (o) \$337,000 the first year and \$337,000 the
20.34 second year are for farm advocate services.
20.35 Of these amounts, \$50,000 the first year and

- 21.1 \$50,000 the second year are for the
21.2 continuation of the farmland transition
21.3 programs and may be used for grants to
21.4 farmland access teams to provide technical
21.5 assistance to potential beginning farmers.
21.6 Farmland access teams must assist existing
21.7 farmers and beginning farmers with
21.8 transitioning farm ownership and farm
21.9 operation. Services provided by teams may
21.10 include but are not limited to mediation
21.11 assistance, designing contracts, financial
21.12 planning, tax preparation, estate planning, and
21.13 housing assistance.
- 21.14 (p) \$260,000 the first year and \$260,000 the
21.15 second year are for a pass-through grant to
21.16 Region Five Development Commission to
21.17 provide, in collaboration with Farm Business
21.18 Management, statewide mental health
21.19 counseling support to Minnesota farm
21.20 operators, families, and employees, and
21.21 individuals who work with Minnesota farmers
21.22 in a professional capacity. Region Five
21.23 Development Commission may use up to 6.5
21.24 percent of the grant awarded under this
21.25 paragraph for administration.
- 21.26 (q) \$1,000,000 the first year is for transfer to
21.27 the agricultural emergency account established
21.28 under Minnesota Statutes, section 17.041.
- 21.29 (r) \$1,084,000 the first year and \$500,000 the
21.30 second year are to support IT modernization
21.31 efforts, including laying the technology
21.32 foundations needed for improving customer
21.33 interactions with the department for licensing
21.34 and payments. This is a onetime appropriation.

22.1 (s) \$275,000 the first year is for technical
22.2 assistance grants to certified community
22.3 development financial institutions that
22.4 participate in United States Department of
22.5 Agriculture loan or grant programs for small
22.6 or emerging farmers, including but not limited
22.7 to the Increasing Land, Capital, and Market
22.8 Access Program. For purposes of this
22.9 paragraph, "emerging farmer" has the meaning
22.10 given in Minnesota Statutes, section 17.055,
22.11 subdivision 1. The commissioner may use up
22.12 to 6.5 percent of this appropriation for costs
22.13 incurred to administer the program.
22.14 Notwithstanding Minnesota Statutes, section
22.15 16A.28, any unencumbered balance does not
22.16 cancel at the end of the first year and is
22.17 available in the second year. This is a onetime
22.18 appropriation.
22.19 (t) \$1,425,000 the first year and \$1,425,000
22.20 the second year are for transfer to the
22.21 agricultural and environmental revolving loan
22.22 account established under Minnesota Statutes,
22.23 section 17.117, subdivision 5a, for low-interest
22.24 loans under Minnesota Statutes, section
22.25 17.117.
22.26 (u) \$150,000 the first year and \$150,000 the
22.27 second year are for administrative support for
22.28 the Rural Finance Authority.
22.29 (v) The base in fiscal years 2026 and 2027 is
22.30 \$150,000 each year to coordinate
22.31 climate-related activities and services within
22.32 the Department of Agriculture and
22.33 counterparts in local, state, and federal
22.34 agencies and to hire a full-time climate
22.35 implementation coordinator. The climate

- 23.1 implementation coordinator must coordinate
23.2 efforts seeking federal funding for Minnesota's
23.3 agricultural climate adaptation and mitigation
23.4 efforts and develop strategic partnerships with
23.5 the private sector and nongovernment
23.6 organizations.
- 23.7 (w) \$1,200,000 the first year and \$930,000 the
23.8 second year are to maintain the current level
23.9 of service delivery. The base for this
23.10 appropriation is \$1,085,000 in fiscal year 2026
23.11 and \$1,085,000 in fiscal year 2027.
- 23.12 (x) \$250,000 the first year is for a grant to the
23.13 Board of Regents of the University of
23.14 Minnesota to purchase equipment for the
23.15 Veterinary Diagnostic Laboratory to test for
23.16 chronic wasting disease, African swine fever,
23.17 avian influenza, and other animal diseases.
23.18 The Veterinary Diagnostic Laboratory must
23.19 report expenditures under this paragraph to
23.20 the legislative committees with jurisdiction
23.21 over agriculture finance and higher education
23.22 with a report submitted by January 3, 2024,
23.23 and a final report submitted by December 31,
23.24 2024. The reports must include a list of
23.25 equipment purchased, including the cost of
23.26 each item.
- 23.27 (y) \$1,000,000 the first year and \$1,000,000
23.28 the second year are to award and administer
23.29 down payment assistance grants under
23.30 Minnesota Statutes, section 17.133, with
23.31 priority given to emerging farmers as defined
23.32 in Minnesota Statutes, section 17.055,
23.33 subdivision 1. Notwithstanding Minnesota
23.34 Statutes, section 16A.28, any unencumbered
23.35 balance at the end of the first year does not

24.1 cancel and is available in the second year and
24.2 appropriations encumbered under contract by
24.3 June 30, 2025, are available until June 30,
24.4 2027.

24.5 (z) \$222,000 the first year and \$322,000 the
24.6 second year are for meat processing training
24.7 and retention incentive grants under section
24.8 5. The commissioner may use up to 6.5
24.9 percent of this appropriation for costs incurred
24.10 to administer the program. Notwithstanding
24.11 Minnesota Statutes, section 16A.28, any
24.12 unencumbered balance does not cancel at the
24.13 end of the first year and is available in the
24.14 second year. This is a onetime appropriation.

24.15 (aa) \$300,000 the first year and \$300,000 the
24.16 second year are for transfer to the Board of
24.17 Regents of the University of Minnesota to
24.18 evaluate, propagate, and maintain the genetic
24.19 diversity of oilseeds, grains, grasses, legumes,
24.20 and other plants including flax, timothy,
24.21 barley, rye, triticale, alfalfa, orchard grass,
24.22 clover, and other species and varieties that
24.23 were in commercial distribution and use in
24.24 Minnesota before 1970, excluding wild rice.
24.25 This effort must also protect traditional seeds
24.26 brought to Minnesota by immigrant
24.27 communities. This appropriation includes
24.28 funding for associated extension and outreach
24.29 to small and Black, Indigenous, and People of
24.30 Color (BIPOC) farmers. This is a onetime
24.31 appropriation.

24.32 (bb) The commissioner shall continue to
24.33 increase connections with ethnic minority and
24.34 immigrant farmers to farming opportunities
24.35 and farming programs throughout the state.

25.1	Sec. 3. <u>BOARD OF ANIMAL HEALTH</u>	<u>\$</u>	<u>6,241,000</u>	<u>\$</u>	<u>6,401,000</u>
25.2	<u>(a) \$200,000 the first year and \$200,000 the</u>				
25.3	<u>second year are for agricultural emergency</u>				
25.4	<u>preparedness and response.</u>				
25.5	<u>(b) \$160,000 the first year and \$320,000 the</u>				
25.6	<u>second year are to maintain the current level</u>				
25.7	<u>of service delivery.</u>				
25.8	Sec. 4. <u>AGRICULTURAL UTILIZATION</u>				
25.9	<u>RESEARCH INSTITUTE</u>	<u>\$</u>	<u>6,143,000</u>	<u>\$</u>	<u>4,343,000</u>
25.10	<u>(a) \$300,000 the first year is for equipment</u>				
25.11	<u>upgrades, equipment replacement, installation</u>				
25.12	<u>expenses, and laboratory infrastructure at the</u>				
25.13	<u>Agricultural Utilization Research Institute's</u>				
25.14	<u>laboratories in the cities of Crookston,</u>				
25.15	<u>Marshall, and Waseca.</u>				
25.16	<u>(b) \$1,500,000 the first year is to replace</u>				
25.17	<u>analytical and processing equipment and make</u>				
25.18	<u>corresponding facility upgrades at Agricultural</u>				
25.19	<u>Utilization Research Institute facilities in the</u>				
25.20	<u>cities of Marshall, Crookston, and Waseca. Of</u>				
25.21	<u>this amount, up to \$500,000 may be used for</u>				
25.22	<u>renewable natural gas and anaerobic digestion</u>				
25.23	<u>projects. This is a onetime appropriation and</u>				
25.24	<u>is available until June 30, 2026.</u>				
25.25	<u>(c) \$300,000 the first year and \$300,000 the</u>				
25.26	<u>second year are to maintain the current level</u>				
25.27	<u>of service delivery.</u>				
25.28	Sec. 5. <u>GRANTS FOR MEAT PROCESSING TRAINING AND RETENTION</u>				
25.29	<u>INCENTIVES.</u>				
25.30	<u>Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have</u>				
25.31	<u>the meanings given.</u>				
25.32	<u>(b) "Partner organizations" include:</u>				
25.33	<u>(1) foundations engaged in economic development;</u>				

26.1 (2) community development financial institutions;

26.2 (3) federally recognized economic development districts; and

26.3 (4) community development corporations.

26.4 (c) "Small- to medium-sized meat and poultry processor" means a meat and poultry
26.5 processor licensed by the state of Minnesota or the federal government that has fewer than
26.6 150 employees.

26.7 Subd. 2. Grants. (a) The commissioner of agriculture must provide grants to partner
26.8 organizations to assist small- to medium-sized meat and poultry processors with hiring and
26.9 training new employees. New employees at eligible meat and poultry processing plants may
26.10 receive up to \$10,000 in the form of tuition reimbursement for programs at Minnesota State
26.11 Colleges and Universities, sign-on bonuses, relocation assistance, retention incentives, child
26.12 care stipends, and other related expenses. Employees at any one meat or poultry processor
26.13 may not receive more than \$50,000 under this paragraph.

26.14 (b) Up to 20 percent of a grant to a partner organization may be used for direct services
26.15 to employees, including but not limited to translation services.

26.16 (c) Priority must be given to applications from partner organizations working in
26.17 partnership with Minnesota State Colleges and Universities.

26.18 **ARTICLE 2**

26.19 **AGRICULTURE STATUTORY CHANGES**

26.20 Section 1. **[17.033] LICENSE AND PERMIT SURCHARGES.**

26.21 The commissioner may collect license and permit surcharges on all licensing and
26.22 permitting transactions conducted by the Department of Agriculture for which a fee is
26.23 charged. The surcharge applies to all initial and renewal license and permit applications
26.24 and is calculated based on the license or permit base fee. Late penalties or other assessments
26.25 are not included in the calculation of the surcharge. The fee is set at five percent beginning
26.26 August 1, 2023, with a minimum fee of \$5 for each transaction. The surcharge rate must
26.27 be reviewed and set annually by the commissioner and may be assessed at a rate of between
26.28 three and eight percent of the licensing or permitting fee, with a minimum fee of \$5 for each
26.29 transaction. The fees collected for this surcharge must be deposited in a dedicated account
26.30 in the agricultural fund. Money in the account, including interest, is appropriated to the
26.31 commissioner for the information technology improvement activities needed to create

27.1 electronic systems for conducting licensing and permitting transactions and to modernize
27.2 the department's inspection and customer management systems.

27.3 Sec. 2. Minnesota Statutes 2022, section 17.055, subdivision 1, is amended to read:

27.4 Subdivision 1. **Emerging farmer working group.** To advise the commissioner and
27.5 legislature regarding the development and implementation of programs and initiatives that
27.6 support emerging farmers in this state, the commissioner must periodically convene a
27.7 working group consisting, to the extent possible, of persons who are, and organizations that
27.8 represent, farmers or aspiring farmers who are women, veterans, persons with disabilities,
27.9 American Indian or Alaskan Natives, members of a community of color, young, ~~and~~ lesbian,
27.10 gay, bisexual, transgender, queer, intersex, or asexual (LGBTQIA+), or urban, and any
27.11 other emerging farmers as determined by the commissioner. ~~No later than January 15 each~~
27.12 ~~year, the commissioner must update the chairs and ranking minority members of the~~
27.13 ~~legislative committees and divisions with jurisdiction over agriculture regarding the working~~
27.14 ~~group's activities and recommendations.~~

27.15 Sec. 3. Minnesota Statutes 2022, section 17.055, is amended by adding a subdivision to
27.16 read:

27.17 Subd. 2a. **Emerging Farmers Office.** The Emerging Farmers Office exists to support
27.18 emerging farmers. For purposes of this subdivision, "emerging farmer" has the meaning
27.19 given in subdivision 1. At a minimum, the office must coordinate the emerging farmer
27.20 working group under subdivision 1 and the beginning farmer equipment and infrastructure
27.21 grant program under subdivision 3.

27.22 Sec. 4. Minnesota Statutes 2022, section 17.055, is amended by adding a subdivision to
27.23 read:

27.24 Subd. 3. **Beginning farmer equipment and infrastructure grants.** (a) The commissioner
27.25 may award and administer equipment and infrastructure grants to beginning farmers. The
27.26 commissioner shall give preference to applicants who are emerging farmers as defined in
27.27 subdivision 1. Grant money may be used for equipment and infrastructure development.

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

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

28.1 Sec. 5. Minnesota Statutes 2022, section 17.055, is amended by adding a subdivision to
28.2 read:

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

28.7 Sec. 6. Minnesota Statutes 2022, section 17.1016, subdivision 2, is amended to read:

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

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

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

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

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

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

28.22 (5) not allow nonpatron voting rights.

28.23 (c) The commissioner may receive applications and make grants up to \$50,000 to eligible
28.24 grantees for feasibility, marketing analysis, assistance with organizational development,
28.25 financing and managing new cooperatives, product development, development of business
28.26 and marketing plans, and predesign of facilities, including site analysis, the development
28.27 of bid specifications, preliminary blueprints and schematics, and the completion of purchase
28.28 agreements and other necessary legal documents.

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

29.1 Sec. 7. Minnesota Statutes 2022, section 17.116, subdivision 3, is amended to read:

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

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

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

29.11 (1) direct or indirect energy savings or production;

29.12 (2) environmental benefit;

29.13 (3) farm profitability;

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

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

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

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

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

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

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

30.1 Sec. 8. Minnesota Statutes 2022, section 17.133, subdivision 2, is amended to read:

30.2 Subd. 2. **Grants.** The commissioner ~~must~~ may award farm down payment assistance
30.3 grants of up to \$15,000 per eligible farmer. ~~An eligible farmer must match the grant with~~
30.4 ~~at least an equivalent amount~~ Each award must be matched with at least \$8,000 of other
30.5 funding. Grants under this subdivision may be awarded by a randomized selection process
30.6 after applications are collected over a period of no less than 30 calendar days. An eligible
30.7 farmer must commit to own and farm the land purchased with assistance provided under
30.8 this section for at least five years. For each year that a grant recipient does not own and
30.9 farm the land during the five-year period, the grant recipient must pay a penalty to the
30.10 commissioner equal to 20 percent of the grant amount.

30.11 Sec. 9. Minnesota Statutes 2022, section 17.133, subdivision 3, is amended to read:

30.12 Subd. 3. **Report to legislature.** No later than December 1, 2023, and annually thereafter,
30.13 the commissioner must provide a report to the chairs and ranking minority members of the
30.14 legislative committees having jurisdiction over agriculture and rural development, in
30.15 compliance with sections 3.195 and 3.197, on the farm down payment assistance grants
30.16 under this section. The report must include:

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

30.20 (2) the number and amount of grants;

30.21 (3) the geographic distribution of grants by county;

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

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

30.24 ~~(5)~~ (6) the number of farmers who cease to own land and are subject to payment of a
30.25 penalty, along with the reasons for the land ownership cessation; and

30.26 ~~(6)~~ (7) the number and amount of grant applications that exceeded the allocation available
30.27 in each year.

30.28 Sec. 10. [17.134] SOIL HEALTH FINANCIAL ASSISTANCE PROGRAM.

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

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

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

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

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

31.9 (4) increase the usage of precision agricultural practices;

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

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

31.14 Subd. 3. **Grant eligibility.** Any owner or lessee of farmland may apply for a grant under
31.15 this section. The commissioner must give preference to owners and lessees that have not
31.16 previously implemented an eligible project. Local government units, including cities; towns;
31.17 counties; soil and water conservation districts; Minnesota Tribal governments as defined
31.18 in section 10.65; and joint powers boards, are also eligible for a grant. A local government
31.19 unit that receives a grant for equipment or technology must make those purchases available
31.20 for use by the public.

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

31.26 Sec. 11. Minnesota Statutes 2022, section 17.457, is amended to read:

31.27 **17.457 RESTRICTED SPECIES.**

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

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

32.1 (c) "Restricted species" means Eurasian wild pigs and their hybrids (*Sus scrofa* subspecies
32.2 and *Sus scrofa* hybrids), excluding domestic hogs (*S. scrofa domesticus*).

32.3 (d) "Release" means an intentional introduction or accidental escape of a species from
32.4 the control of the owner or responsible party.

32.5 Subd. 2. **Importation; possession; release of restricted species.** It is unlawful for a
32.6 person to import, possess, propagate, transport, or release restricted species, ~~except as~~
32.7 ~~provided~~ unless the person has a permit as described in subdivision 3.

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

32.13 ~~(b) The commissioner may issue permits for a person to possess and raise a restricted~~
32.14 ~~species for commercial purposes if the person was in possession of the restricted species~~
32.15 ~~on March 1, 1993. Under the permit, the number of breeding stock of the restricted species~~
32.16 ~~in the possession of the person may not increase by more than 25 percent and the person~~
32.17 ~~must comply with the certification requirements in subdivision 7.~~

32.18 ~~(c) A person may possess a restricted species without a permit for a period not to exceed~~
32.19 ~~two days for the purpose of slaughtering the restricted species for human consumption.~~

32.20 Subd. 4. **Notice of escape release of restricted species.** In the event of an ~~escape~~ a
32.21 release of a restricted species, the owner must notify within 24 hours a conservation officer
32.22 and the Board of Animal Health and is responsible for the recovery of the species. The
32.23 commissioner may capture or destroy the ~~escaped~~ released animal at the owner's expense.

32.24 Subd. 5. **Enforcement.** This section may be enforced by an enforcement officer under
32.25 sections 97A.205 and 97A.211 and by the commissioner under sections 17.982 to 17.984.

32.26 Subd. 6. **Penalty.** A person who violates subdivision 2, 4, or 7 is guilty of a misdemeanor.

32.27 Subd. 7. **~~Certification and Identification requirements.~~** ~~(a) A person who possesses~~
32.28 ~~restricted species on July 1, 1993, must submit certified numbers of restricted species in~~
32.29 ~~the person's possession to the Board of Animal Health by June 1, 1993.~~

32.30 ~~(b)~~ A restricted species in the possession of a person must be marked in a permanent
32.31 fashion to identify ownership. The restricted species must be marked as soon as practicable
32.32 after birth or purchase.

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

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

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

33.11 **EFFECTIVE DATE.** This section is effective August 1, 2023.

33.12 Sec. 12. Minnesota Statutes 2022, section 17.710, is amended to read:

33.13 **17.710 AGRICULTURAL PRODUCTION CONTRACTS.**

33.14 (a) A production contract entered into, renewed, or amended on or after July 1, 1999,
33.15 between an agricultural producer and a processor of agricultural products must not contain
33.16 provisions that prohibit the producer from disclosing terms, conditions, and prices contained
33.17 in the contract. Any provision prohibiting disclosure by the producer is void.

33.18 (b) A contract entered into, renewed, or amended on or after July 1, 2023, between an
33.19 agricultural producer and an entity buying, selling, certifying, or otherwise participating in
33.20 a market for stored carbon must not contain provisions that prohibit the producer from
33.21 disclosing terms, conditions, and prices contained in the contract. Any provision prohibiting
33.22 disclosure by the producer is void.

33.23 **EFFECTIVE DATE.** This section is effective July 1, 2023.

33.24 Sec. 13. Minnesota Statutes 2022, section 17.983, subdivision 1, is amended to read:

33.25 Subdivision 1. **Administrative penalties; citation.** If a person has violated a provision
33.26 of chapter 25; or 31B, ~~or 32D~~; the commissioner may issue a written citation to the person
33.27 by personal service or by certified mail. The citation must describe the nature of the violation
33.28 and the statute or rule alleged to have been violated; state the time for correction, if
33.29 applicable; and the amount of any proposed fine. The citation must advise the person to
33.30 notify the commissioner in writing within 30 days if the person wishes to appeal the citation.
33.31 If the person fails to appeal the citation, the citation is the final order and not subject to
33.32 further review.

34.1 **EFFECTIVE DATE.** This section is effective August 1, 2023.

34.2 Sec. 14. Minnesota Statutes 2022, section 18.78, subdivision 2, is amended to read:

34.3 Subd. 2. **Control of purple loosestrife and nonnative Phragmites.** An owner of
34.4 nonfederal lands underlying public waters or wetlands designated under section 103G.201
34.5 is not required to control or eradicate purple loosestrife or nonnative Phragmites below the
34.6 ordinary high water level of the public water or wetland. The commissioner of natural
34.7 resources is responsible for control and eradication of purple loosestrife and nonnative
34.8 Phragmites on public waters and wetlands designated under section 103G.201, except those
34.9 located upon lands owned in fee title or managed by the United States. The officers,
34.10 employees, agents, and contractors of the commissioner of natural resources may enter upon
34.11 public waters and wetlands designated under section 103G.201 and, after providing
34.12 notification to the occupant or owner of the land, may cross adjacent lands as necessary for
34.13 the purpose of investigating purple loosestrife or nonnative Phragmites infestations,
34.14 formulating methods of eradication, and implementing control and eradication of purple
34.15 loosestrife or nonnative Phragmites. The commissioner of natural resources shall, by June
34.16 1 of each year, compile a priority list of purple loosestrife and nonnative Phragmites
34.17 infestations to be controlled with herbicides in designated public waters. The commissioner
34.18 of natural resources must distribute the list to county agricultural inspectors, local weed
34.19 inspectors, and their appointed agents. The commissioner of natural resources shall control
34.20 listed purple loosestrife and nonnative Phragmites infestations in priority order within the
34.21 limits of funding allocated for that purpose. This procedure shall supersede the other
34.22 provisions for control of noxious weeds set forth elsewhere in this chapter. The responsibility
34.23 of the commissioner of natural resources to control and eradicate purple loosestrife and
34.24 nonnative Phragmites on public waters and wetlands located on private lands and the
34.25 authority to enter upon private lands ends ten days after receipt by the commissioner of a
34.26 written statement from the landowner that the landowner assumes all responsibility for
34.27 control and eradication of purple loosestrife and nonnative Phragmites under sections 18.78
34.28 to 18.88. State officers, employees, agents, and contractors of the commissioner of natural
34.29 resources are not liable in a civil action for trespass committed in the discharge of their
34.30 duties under this section and are not liable to anyone for damages, except for damages
34.31 arising from gross negligence.

34.32 **EFFECTIVE DATE.** This section is effective August 1, 2023.

35.1 Sec. 15. Minnesota Statutes 2022, section 18B.01, subdivision 2b, is amended to read:

35.2 Subd. 2b. **Bee owner.** "Bee owner" means a person who owns ~~an apiary~~ a bee colony
35.3 or colonies.

35.4 Sec. 16. Minnesota Statutes 2022, section 18B.01, is amended by adding a subdivision to
35.5 read:

35.6 Subd. 2c. **Bee kill incident.** "Bee kill incident" means an acute pesticide poisoning of
35.7 a bee colony or colonies located within one-half mile of each other at a single time point.

35.8 Sec. 17. Minnesota Statutes 2022, section 18B.01, is amended by adding a subdivision to
35.9 read:

35.10 Subd. 4d. **Cleaning product.** "Cleaning product" means a pesticide used primarily for
35.11 domestic, commercial, or institutional cleaning purposes, including but not limited to an
35.12 air care product, an automotive maintenance product, a general cleaning product, or a polish
35.13 or floor maintenance product.

35.14 Sec. 18. Minnesota Statutes 2022, section 18B.01, is amended by adding a subdivision to
35.15 read:

35.16 Subd. 6c. **Currently unavoidable use.** "Currently unavoidable use" means a use of
35.17 PFAS that is essential for health, safety, or the functioning of society and for which
35.18 alternatives are not reasonably available. Currently unavoidable use may include
35.19 consideration of the need to prevent or minimize potential pest resistance, and the potential
35.20 human health and environmental impacts of alternative products.

35.21 Sec. 19. Minnesota Statutes 2022, section 18B.01, is amended by adding a subdivision to
35.22 read:

35.23 Subd. 12a. **Intentionally added.** "Intentionally added" means PFAS deliberately added
35.24 during the manufacture of a product where the continued presence of PFAS is desired in
35.25 the final product or one of the product's components to perform a specific function.

35.26 Sec. 20. Minnesota Statutes 2022, section 18B.01, is amended by adding a subdivision to
35.27 read:

35.28 Subd. 14c. **Minimum risk pesticide.** "Minimum risk pesticide" means a pesticide or
35.29 class of pesticides that is exempt from the United States Environmental Protection Agency's

36.1 registration requirements under section 25(b) of the federal Insecticide, Fungicide, and
36.2 Rodenticide Act in Code of Federal Regulations, title 40, section 152.25(f).

36.3 **EFFECTIVE DATE.** This section is effective August 1, 2023.

36.4 Sec. 21. Minnesota Statutes 2022, section 18B.01, is amended by adding a subdivision to
36.5 read:

36.6 Subd. 15c. **Perfluoroalkyl and polyfluoroalkyl substances.** "Perfluoroalkyl and
36.7 polyfluoroalkyl substances" or "PFAS" means a class of fluorinated organic chemicals
36.8 containing at least one fully fluorinated carbon atom.

36.9 Sec. 22. Minnesota Statutes 2022, section 18B.03, subdivision 3, is amended to read:

36.10 Subd. 3. **Delegation and data sharing to approved agencies.** The commissioner may,
36.11 by written agreements, delegate specific inspection, enforcement, and other regulatory duties
36.12 of this chapter to officials of approved agencies. The commissioner may enter into data
36.13 sharing agreements with other state agencies to help assess the potential for unreasonable
36.14 adverse effects to human health and the environment from the use of a pesticide.

36.15 Sec. 23. Minnesota Statutes 2022, section 18B.03, is amended by adding a subdivision to
36.16 read:

36.17 Subd. 5. **Perfluoroalkyl and polyfluoroalkyl substances.** The commissioner has the
36.18 sole regulatory authority over the terrestrial application of pesticides containing PFAS,
36.19 including but not limited to the application of pesticides to agricultural crops, structures,
36.20 and other nonaquatic environments. In order to reduce duplication, a registrant is not required
36.21 to provide technical data to another state agency if the registrant previously submitted the
36.22 data to the commissioner and the data is available to the other state agencies.

36.23 Sec. 24. Minnesota Statutes 2022, section 18B.051, is amended to read:

36.24 **18B.051 POLLINATOR RESEARCH ACCOUNT.**

36.25 Subdivision 1. **Account established.** A pollinator research account is established in the
36.26 agricultural fund. Money in the account, including interest, is appropriated to the Board of
36.27 Regents of the University of Minnesota for pollinator research and outreach, including, but
36.28 not limited to, ~~science-based best practices and the identification and establishment of habitat~~
36.29 ~~beneficial to pollinators.;~~

36.30 (1) the identification and establishment of habitat beneficial to pollinators;

- 37.1 (2) the development and promotion of science-based best management practices;
37.2 (3) the development and promotion of practices that can reduce the effects of pesticides
37.3 on pollinators;
37.4 (4) the effects of seed treatments on pollinators; and
37.5 (5) the development and promotion of integrated pest management, including pest
37.6 economic thresholds.

37.7 The University of Minnesota must select projects in consultation with the Minnesota
37.8 Department of Agriculture.

37.9 Subd. 2. **Expiration.** This section expires July 1, ~~2025~~ 2027.

37.10 Sec. 25. Minnesota Statutes 2022, section 18B.055, is amended to read:

37.11 **18B.055 COMPENSATION FOR BEES KILLED BY PESTICIDE;**
37.12 **APPROPRIATION.**

37.13 Subdivision 1. **Compensation required.** (a) The commissioner must compensate a
37.14 ~~person~~ bee owner for an acute pesticide poisoning resulting in the death of bees or loss of
37.15 bee colonies owned by the ~~person, provided:~~ bee owner.

37.16 ~~(1) the person who applied the pesticide cannot be determined;~~

37.17 ~~(2) the person who applied the pesticide did so in a manner consistent with the pesticide~~
37.18 ~~product's label or labeling; or~~

37.19 ~~(3) the person who applied the pesticide did so in a manner inconsistent with the pesticide~~
37.20 ~~product's label or labeling.~~

37.21 (b) Except as provided in this section, the bee owner is entitled to the fair market value
37.22 of the dead bees and bee colonies losses as determined by the commissioner upon
37.23 recommendation by academic experts and bee keepers. ~~In any fiscal year,~~ A bee owner must
37.24 not be compensated for a claim that is less than \$100 or compensated more than ~~\$20,000~~
37.25 ~~for all eligible claims.~~ \$10,000 for a bee kill incident. A bee owner may only make one
37.26 claim for a single bee kill incident.

37.27 (c) A bee owner must not be compensated more than \$20,000 in a fiscal year for bee
37.28 kill incidents.

37.29 ~~(e)~~ (d) To be eligible for compensation under this section, the bee owner and the affected
37.30 apiary must be registered prior to the bee kill incident with a commonly utilized pesticide
37.31 registry program, as designated by the commissioner.

38.1 **Subd. 2. Applicator responsible.** ~~In the event a person applies a pesticide in a manner~~
38.2 ~~inconsistent with the pesticide product's label or labeling requirements as approved by the~~
38.3 ~~commissioner and is determined to have caused the acute pesticide poisoning of bees,~~
38.4 ~~resulting in death or loss of a bee colony kept for commercial purposes, then the person so~~
38.5 ~~identified must bear the responsibility of restitution for the value of the bees to the owner.~~
38.6 ~~In these cases the commissioner must not provide compensation as provided in this section.~~

38.7 **Subd. 3. Claim form.** Within three months of the commissioner making a determination
38.8 of whether the death of bees or loss of bee colonies was caused by acute pesticide poisoning,
38.9 the bee owner must file a claim on forms provided by the commissioner and available on
38.10 the Department of Agriculture's website.

38.11 **Subd. 4. Determination.** The commissioner must determine whether the death of the
38.12 bees or loss of bee colonies was caused by an acute pesticide poisoning, whether the pesticide
38.13 applicator can be determined, and whether the pesticide applicator applied the pesticide
38.14 product in a manner consistent with the pesticide product's label or labeling.

38.15 **Subd. 5. Payments; denial of compensation.** ~~(a) If the commissioner determines the~~
38.16 ~~bee death or loss of bee colony was caused by an acute pesticide poisoning and either the~~
38.17 ~~pesticide applicator cannot be determined or the pesticide applicator applied the pesticide~~
38.18 ~~product in a manner consistent with the pesticide product's label or labeling, the commissioner~~
38.19 ~~may award compensation from the pesticide regulatory account. If the pesticide applicator~~
38.20 ~~can be determined and the applicator applied the pesticide product in a manner inconsistent~~
38.21 ~~with the product's label or labeling, the commissioner may collect a penalty from the pesticide~~
38.22 ~~applicator sufficient to compensate the bee owner for the fair market value of the dead bees~~
38.23 ~~and bee colonies losses, and must award the money to the bee owner.~~

38.24 ~~(b)~~ (a) If the commissioner denies compensation claimed by a bee owner under this
38.25 section, the commissioner must issue a written decision based upon the available evidence.
38.26 The decision must include specification of the facts upon which the decision is based and
38.27 the conclusions on the material issues of the claim. The commissioner must mail a copy of
38.28 the decision to the bee owner.

38.29 ~~(e)~~ (b) A decision to deny compensation claimed under this section is not subject to the
38.30 contested case review procedures of chapter 14, but may be reviewed upon a trial de novo
38.31 in a court in the county where the loss occurred. The decision of the court may be appealed
38.32 as in other civil cases. Review in court may be obtained by filing a petition for review with
38.33 the administrator of the court within 60 days following receipt of a decision under this

39.1 section. Upon the filing of a petition, the administrator must mail a copy to the commissioner
39.2 and set a time for hearing within 90 days of the filing.

39.3 Subd. 6. **Deduction from payment.** The commissioner must reduce payments made
39.4 under this section by any compensation received by the bee owner for dead bees and bee
39.5 colonies losses as proceeds from an insurance policy or from another source.

39.6 Subd. 6a. **Enhanced penalty factor.** If the commissioner determines that a bee death
39.7 or loss of bee colony was caused by acute pesticide poisoning, is able to determine the
39.8 pesticide applicator that was responsible, and determines that the applicator applied the
39.9 pesticide in a manner inconsistent with the product's label or labeling, the commissioner
39.10 may add the amount that the bee owner received from the bee owner's claim to any penalty
39.11 amount assessed by the commissioner under any penalty actions against the pesticide
39.12 applicator under section 18D.315 or 18D.325.

39.13 Subd. 7. **Appropriation.** The amount necessary to pay claims under this section, not to
39.14 exceed \$150,000 per fiscal year, is appropriated from the pesticide regulatory account in
39.15 section 18B.05.

39.16 Sec. 26. Minnesota Statutes 2022, section 18B.065, subdivision 8, is amended to read:

39.17 Subd. 8. **Waste pesticide program surcharge.** (a) Except as provided in paragraph (b),
39.18 the commissioner shall annually collect a waste pesticide program surcharge of \$50 on each
39.19 agricultural waste pesticide product and \$125 on each nonagricultural waste pesticide product
39.20 registered in the state as part of a pesticide product registration application under section
39.21 18B.26, subdivision 3.

39.22 (b) Pesticide products classified as minimum risk by the United States Environmental
39.23 Protection Agency are exempt from the waste pesticide program surcharge.

39.24 Sec. 27. **[18B.091] PESTICIDES ON MEDICAL CANNABIS.**

39.25 A person working on behalf of an approved medical cannabis manufacturer may apply
39.26 minimum risk pesticide for growing medical cannabis as defined in section 152.22,
39.27 subdivision 6, unless:

39.28 (1) the commissioner determines that the product label prohibits the use of minimum
39.29 risk pesticide on medical cannabis;

39.30 (2) the commissioner, in consultation with the commissioner of health, determines that
39.31 the continued use of minimum risk pesticide would cause unreasonable adverse effects on
39.32 human health; or

40.1 (3) the commissioner determines that the continued use of minimum risk pesticide would
40.2 cause unreasonable adverse effects on the environment.

40.3 **EFFECTIVE DATE.** This section is effective August 1, 2023.

40.4 Sec. 28. Minnesota Statutes 2022, section 18B.26, is amended by adding a subdivision to
40.5 read:

40.6 Subd. 7. **Notification required; waivers and extensions.** (a) Beginning January 1,
40.7 2026, a pesticide registrant must annually provide a statement that a product contains no
40.8 intentionally added PFAS or, for products that contain intentionally added PFAS, a pesticide
40.9 registrant must submit to the commissioner the following information:

40.10 (1) the name and purpose for which PFAS are used in the pesticide, including in any
40.11 product components;

40.12 (2) the amount of each PFAS in the product, identified by its name, chemical structure,
40.13 analytical methods, chemical abstracts service registry number, or other unique method
40.14 approved by the commissioner; and

40.15 (3) any additional information required by the commissioner.

40.16 (b) The commissioner may waive all or part of the notification requirement under
40.17 paragraph (a) if the commissioner determines that substantially equivalent information is
40.18 available. The commissioner may extend the deadline for the submission of the information
40.19 required under paragraph (a) if the commissioner determines that more time is needed by
40.20 the registrant to comply with the submission requirement.

40.21 Sec. 29. Minnesota Statutes 2022, section 18B.26, is amended by adding a subdivision to
40.22 read:

40.23 Subd. 8. **PFAS prohibitions.** (a) Beginning January 1, 2026, the commissioner may not
40.24 register a cleaning product if the product contains intentionally added PFAS unless the
40.25 commissioner determines that the use of PFAS is a currently unavoidable use.

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

41.1 Sec. 30. Minnesota Statutes 2022, section 18B.28, subdivision 3, is amended to read:

41.2 Subd. 3. **Application.** A person must file an application for experimental use pesticide
41.3 product registration with the commissioner. An application to register an experimental use
41.4 pesticide product must include:

41.5 (1) the name and address of the applicant;

41.6 (2) a copy of the United States Environmental Protection Agency permit;

41.7 (3) a description of the purpose or objectives of the experimental use;

41.8 (4) a copy of the experimental use pesticide labeling accepted by the United States
41.9 Environmental Protection Agency;

41.10 (5) the name, address, and telephone number of cooperators or participants in this state;

41.11 (6) the amount of material to be shipped or used in this state; ~~and~~

41.12 (7) information about any intentionally added PFAS in the product, including PFAS
41.13 ingredients, amount, chemical structure, analytical methods, and purposes for which PFAS
41.14 are used in the product, including in any product components; and

41.15 ~~(7)~~ (8) other information requested by the commissioner.

41.16 Sec. 31. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision
41.17 to read:

41.18 Subd. 6b. **Currently unavoidable use.** "Currently unavoidable use" means a use of
41.19 PFAS that is essential for health, safety, or the functioning of society and for which
41.20 alternatives are not reasonably available.

41.21 Sec. 32. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision
41.22 to read:

41.23 Subd. 15a. **Intentionally added.** "Intentionally added" has the meaning given in section
41.24 18B.01, subdivision 12a.

41.25 Sec. 33. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision
41.26 to read:

41.27 Subd. 19a. **Manufacturer.** "Manufacturer" means a guarantor, registrant, distributor,
41.28 producer, or other person that creates or produces a product or whose brand name is affixed
41.29 to the product. In the case of a product imported into the United States, manufacturer includes
41.30 the importer or first domestic distributor of the product if the person that manufactured or

42.1 assembled the product or whose brand name is affixed to the product does not have a presence
42.2 in the United States.

42.3 Sec. 34. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision
42.4 to read:

42.5 Subd. 23a. **Perfluoroalkyl and polyfluoroalkyl substances.** "Perfluoroalkyl and
42.6 polyfluoroalkyl substances" or "PFAS" has the meaning given in section 18B.01, subdivision
42.7 15c.

42.8 Sec. 35. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision
42.9 to read:

42.10 Subd. 26a. **Product.** "Product" means a fertilizer, specialty fertilizer, soil amendment,
42.11 plant amendment, agricultural liming material, or other material that is manufactured,
42.12 assembled, packaged, or otherwise prepared for sale to consumers, including its product
42.13 components, sold or distributed for agricultural, personal, residential, commercial, or
42.14 industrial use, including for use in making other products, and that is regulated under this
42.15 chapter.

42.16 Sec. 36. Minnesota Statutes 2022, section 18C.111, subdivision 3, is amended to read:

42.17 Subd. 3. **Delegation and data sharing to approved agencies.** The commissioner may,
42.18 by written agreements, delegate specific inspection, enforcement, and other regulatory duties
42.19 of this chapter to officials of other agencies. The delegation may only be made to a state
42.20 agency, a political subdivision, or a political subdivision's agency that has signed a joint
42.21 powers agreement with the commissioner as provided in section 471.59. The commissioner
42.22 may also enter into data sharing agreements with other state agencies to help assess the
42.23 potential for unreasonable adverse effects to human health and the environment from the
42.24 use of a fertilizer.

42.25 Sec. 37. Minnesota Statutes 2022, section 18C.111, is amended by adding a subdivision
42.26 to read:

42.27 Subd. 5. **Perfluoroalkyl and polyfluoroalkyl substances.** The Department of Agriculture
42.28 is the lead state agency for the regulation of fertilizer containing PFAS, including the storage,
42.29 handling, distribution, use, and disposal of fertilizer containing PFAS. In order to reduce
42.30 duplication, a distributor, registrant, or guarantor is not required to provide technical data

43.1 to another state agency if the distributor, registrant, or guarantor has previously submitted
43.2 the data to the commissioner and the data is available to the other state agencies.

43.3 **Sec. 38. [18C.202] PERFLUOROALKYL AND POLYFLUOROALKYL**
43.4 **SUBSTANCES.**

43.5 **Subdivision 1. Notification required.** Beginning January 1, 2026, a product manufacturer
43.6 must annually provide a statement that a product contains no intentionally added PFAS or,
43.7 for products that contain intentionally added PFAS, must submit to the commissioner the
43.8 following information:

43.9 (1) the name and purpose for which PFAS are used in the product, including in any
43.10 product components;

43.11 (2) the amount of each PFAS chemical, identified by its name, chemical structure,
43.12 analytical methods, chemical abstracts service registry number, or other method approved
43.13 by the commissioner, in the product; and

43.14 (3) any additional information required by the commissioner.

43.15 **Subd. 2. Notification requirement waivers; extensions.** The commissioner may waive
43.16 all or part of the notification requirement under subdivision 1 if the commissioner determines
43.17 that substantially equivalent information is available. The commissioner may extend the
43.18 deadline for the submission of the information required under subdivision 1 if the
43.19 commissioner determines that more time is needed by the manufacturer to comply with the
43.20 submission requirement. With the approval of the commissioner, a manufacturer may supply
43.21 the information for a category or type of product rather than for each individual product.
43.22 This may include raw materials used to produce blended fertilizers.

43.23 **Subd. 3. Prohibition.** Beginning January 1, 2032, the commissioner must not register
43.24 or approve a product for use under this chapter if the product contains intentionally added
43.25 PFAS unless the commissioner determines that the use of PFAS is a currently unavoidable
43.26 use.

43.27 **Sec. 39.** Minnesota Statutes 2022, section 18C.421, subdivision 1, is amended to read:

43.28 **Subdivision 1. Annual tonnage report.** (a) Each registrant under section 18C.411 and
43.29 licensee under section 18C.415 shall file an annual tonnage report for the previous year
43.30 ending June 30 with the commissioner, on forms provided or approved by the commissioner,
43.31 stating the number of net tons of each brand or grade of fertilizer, soil amendment, or plant

44.1 amendment distributed in this state or the number of net tons and grade of each raw fertilizer
44.2 material distributed in this state during the reporting period.

44.3 (b) A tonnage report is not required to be submitted and an inspection fee under section
44.4 18C.425, subdivision 6, is not required to be paid to the commissioner by a licensee who
44.5 distributes fertilizer solely by custom application.

44.6 (c) The annual tonnage report must be submitted to the commissioner on or before July
44.7 31 of each year.

44.8 (d) The inspection fee ~~at the rate stated in~~ under section 18C.425, subdivision 6, must
44.9 accompany the statement.

44.10 Sec. 40. Minnesota Statutes 2022, section 18C.425, subdivision 6, is amended to read:

44.11 Subd. 6. **Payment of inspection fee.** (a) The person who registers and distributes in the
44.12 state a specialty fertilizer, soil amendment, or plant amendment under section 18C.411 shall
44.13 pay the inspection fee to the commissioner.

44.14 (b) The person licensed under section 18C.415 who distributes a fertilizer to a person
44.15 not required to be so licensed shall pay the inspection fee to the commissioner, except as
44.16 exempted under section 18C.421, subdivision 1, paragraph (b).

44.17 (c) The person responsible for payment of the inspection fees for fertilizers, soil
44.18 amendments, or plant amendments sold and used in this state must pay ~~an~~ the inspection
44.19 ~~fee of 39 cents per ton set under paragraph (e),~~ and until June 30, 2024, an additional 40
44.20 cents per ton, of fertilizer, soil amendment, and plant amendment sold or distributed in this
44.21 state, with a minimum of \$10 on all tonnage reports. Notwithstanding section 18C.131, the
44.22 commissioner must deposit all revenue from the additional 40 cents per ton fee in the
44.23 agricultural fertilizer research and education account in section 18C.80. Products sold or
44.24 distributed to manufacturers or exchanged between them are exempt from the inspection
44.25 fee imposed by this subdivision if the products are used exclusively for manufacturing
44.26 purposes.

44.27 (d) A registrant or licensee must retain invoices showing proof of fertilizer, plant
44.28 amendment, or soil amendment distribution amounts and inspection fees paid for a period
44.29 of three years.

44.30 (e) By commissioner's order, the commissioner must set the inspection fee at no less
44.31 than 39 cents per ton and no more than 70 cents per ton. The commissioner must hold a
44.32 public meeting before increasing the fee by more than five cents per ton.

45.1 Sec. 41. Minnesota Statutes 2022, section 18D.321, subdivision 1, is amended to read:

45.2 Subdivision 1. **Notice of appeal.** (a) After service of an order, a person has ~~45~~ 20 days
45.3 from receipt of the order to notify the commissioner in writing that the person intends to
45.4 contest the order.

45.5 (b) If the person fails to notify the commissioner that the person intends to contest the
45.6 order, the order is a final order of the commissioner and not subject to further judicial or
45.7 administrative review.

45.8 **EFFECTIVE DATE.** This section is effective August 1, 2023.

45.9 Sec. 42. Minnesota Statutes 2022, section 18F.01, is amended to read:

45.10 **18F.01 PURPOSE.**

45.11 The purpose of sections 18F.01 to 18F.13 is to establish ~~permits~~ conditions for the release
45.12 of certain genetically engineered agriculturally related organisms to protect humans and the
45.13 environment from the potential for significant adverse effects of those releases.

45.14 **EFFECTIVE DATE.** This section is effective August 1, 2023.

45.15 Sec. 43. Minnesota Statutes 2022, section 18F.02, is amended by adding a subdivision to
45.16 read:

45.17 **Subd. 3a. Coordinated Framework.** "Coordinated Framework" means the federal
45.18 Coordinated Framework for the Regulation of Biotechnology set forth in Federal Register,
45.19 volume 51, pages 23,302 to 23,350 (June 26, 1986), as amended.

45.20 **EFFECTIVE DATE.** This section is effective August 1, 2023.

45.21 Sec. 44. Minnesota Statutes 2022, section 18F.02, is amended by adding a subdivision to
45.22 read:

45.23 **Subd. 7a. Regulated organism.** "Regulated organism" means a genetically engineered
45.24 organism that is not exempt from federal regulations or that is not yet authorized for
45.25 commercial use by the appropriate federal agency in the Coordinated Framework.

45.26 **EFFECTIVE DATE.** This section is effective August 1, 2023.

46.1 Sec. 45. Minnesota Statutes 2022, section 18F.07, is amended to read:

46.2 **18F.07 GENETICALLY ENGINEERED AGRICULTURALLY RELATED**
46.3 **ORGANISM PERMIT.**

46.4 Subdivision 1. **Requirement.** A person may not conduct a release of a genetically
46.5 engineered agriculturally related organism until a permit for the release has been obtained
46.6 from the ~~commissioner~~ United States Department of Agriculture (USDA) or Environmental
46.7 Protection Agency (EPA) unless the organism is exempt from regulation by the applicable
46.8 agency under the Coordinated Framework. The commissioner may accept a USDA or EPA
46.9 permit or may review a USDA or EPA permit and add additional requirements to ensure
46.10 that the proposed release of a genetically engineered agriculturally related organism would
46.11 not create a hazard to the agricultural, forest, or horticultural interests of this state or the
46.12 state's general environmental quality. Each release of a genetically engineered agriculturally
46.13 related organism requires a new permit until the commissioner determines by rule that the
46.14 proposed use of the agriculturally related organism is no longer subject to regulation under
46.15 this chapter.

46.16 Subd. 2. **Permit application and review.** (a) ~~After reviewing a completed application,~~
46.17 ~~the commissioner may issue a genetically engineered agriculturally related organism permit~~
46.18 ~~if the commissioner determines that the applicant has adequately demonstrated that the~~
46.19 ~~proposed release does not have the potential for unreasonable adverse effects on the~~
46.20 ~~environment.~~ If the commissioner reviews a USDA or EPA permit, the commissioner may
46.21 prescribe recommend terms and conditions, including, but not limited to, the period for the
46.22 genetically engineered agriculturally related organism permit, the amount or number of
46.23 genetically engineered agriculturally related organisms to be used, monitoring activities,
46.24 department inspection schedules, reporting of experiment results, and experiment termination
46.25 procedures. A person may not violate terms or conditions of a permit issued under this
46.26 section. After a genetically engineered agriculturally related organism permit is issued, the
46.27 commissioner ~~may revoke or change the permit at any time~~ must inform the permitting
46.28 agency if the commissioner finds that its permit terms or conditions are being violated or
46.29 are inadequate to avoid unreasonable adverse effects on the environment.

46.30 (b) The commissioner may ~~deny issuance of a genetically engineered agriculturally~~
46.31 ~~related organism permit if the commissioner determines that the use to be made of the~~
46.32 ~~agriculturally related organisms under the proposed terms and conditions may cause~~
46.33 ~~unreasonable adverse effects on the environment~~ request that the USDA or EPA not issue
46.34 a permit if the commissioner determines that the release of the genetically engineered

47.1 agriculturally related organism would create a hazard to the agricultural, forest, or
47.2 horticultural interests of this state or the state's general environmental quality.

47.3 (c) The commissioner shall publish a notice of the proposed release at the earliest
47.4 opportunity in the EQB Monitor and shall notify the chair of the county board and, if
47.5 applicable, the Tribal council of any reservation where the organism will be released.

47.6 Subd. 3. **Application.** A person shall file an application for a genetically engineered
47.7 agriculturally related organism permit with the commissioner. ~~The application must include:~~
47.8 appropriate federal agency in the Coordinated Framework, unless exempted as set forth in
47.9 section 18F.13.

47.10 ~~(1) the name and address of the applicant;~~

47.11 ~~(2) any United States Environmental Protection Agency, United States Department of~~
47.12 ~~Agriculture, or other federal agency regulatory application or approval document, if required~~
47.13 ~~under federal law or rule;~~

47.14 ~~(3) the purpose or objectives of the agriculturally related organism;~~

47.15 ~~(4) the name, address, and telephone number of cooperators or participants in this state;~~

47.16 ~~(5) the amount or number of organisms, materials, cultures, or seeds to be shipped or~~
47.17 ~~used in this state; and~~

47.18 ~~(6) other information requested by the commissioner.~~

47.19 Subd. 4. ~~**Application fee.** An application for a permit for a genetically engineered~~
47.20 ~~agriculturally related organism must be accompanied by a nonrefundable application fee~~
47.21 ~~of \$125.~~

47.22 **EFFECTIVE DATE.** This section is effective August 1, 2023.

47.23 Sec. 46. Minnesota Statutes 2022, section 18F.13, is amended to read:

47.24 **18F.13 EXEMPTIONS.**

47.25 ~~(a) The commissioner may provide exemptions to the requirements to prepare an~~
47.26 ~~environmental assessment worksheet and obtain a permit for release of genetically engineered~~
47.27 ~~agriculturally related organisms for which substantial evidence, including past releases, has~~
47.28 ~~shown that the organism can be released without adverse effects on humans and the~~
47.29 ~~environment must recognize federal exemptions for the regulation of genetically engineered~~
47.30 ~~organisms.~~

48.1 (b) The commissioner ~~may provide exemptions from the requirements to prepare an~~
48.2 ~~environmental assessment worksheet and obtain a permit for release of genetically engineered~~
48.3 ~~agriculturally related organisms for which substantial evidence, including past releases, has~~
48.4 ~~shown that the organism can be released under alternative oversight without adverse effects~~
48.5 ~~to humans and the environment~~ must allow the commercial use of agriculturally related
48.6 genetically engineered organisms, pesticides, fertilizers, soil amendments, or plant
48.7 amendments that have been deregulated by any federal agency.

48.8 **EFFECTIVE DATE.** This section is effective August 1, 2023.

48.9 Sec. 47. Minnesota Statutes 2022, section 18G.02, subdivision 2, is amended to read:

48.10 Subd. 2. **Biological control agent.** "Biological control agent" means a ~~parasite~~ parasitoid,
48.11 predator, pathogen, or competitive organism intentionally released by humans for the purpose
48.12 of biological control with the intent of causing a reduction of a host or prey population.

48.13 **EFFECTIVE DATE.** This section is effective August 1, 2023.

48.14 Sec. 48. Minnesota Statutes 2022, section 18G.02, subdivision 6, is amended to read:

48.15 Subd. 6. **Compliance agreement.** "Compliance agreement" means a written agreement
48.16 between a ~~person~~ an entity and a regulatory agency to achieve compliance with regulatory
48.17 requirements.

48.18 **EFFECTIVE DATE.** This section is effective August 1, 2023.

48.19 Sec. 49. Minnesota Statutes 2022, section 18G.02, is amended by adding a subdivision to
48.20 read:

48.21 Subd. 12a. **Individual.** "Individual" means a single human being who is not the sole
48.22 proprietor of a registered business related to plant protection or export certification.

48.23 **EFFECTIVE DATE.** This section is effective August 1, 2023.

48.24 Sec. 50. Minnesota Statutes 2022, section 18G.02, subdivision 14, is amended to read:

48.25 Subd. 14. **Infested.** "Infested" means a plant ~~has been overrun by~~ that contains an
48.26 unacceptable level of plant pests, including weeds, or contains or harbors plant pests in a
48.27 quantity that may threaten other plants.

48.28 **EFFECTIVE DATE.** This section is effective August 1, 2023.

49.1 Sec. 51. Minnesota Statutes 2022, section 18G.02, subdivision 15, is amended to read:

49.2 Subd. 15. **Invasive species.** "Invasive species" means an exotic ~~or nonnative~~ species
49.3 whose introduction and establishment causes, or may cause, economic or environmental
49.4 harm or harm to human health.

49.5 **EFFECTIVE DATE.** This section is effective August 1, 2023.

49.6 Sec. 52. Minnesota Statutes 2022, section 18G.02, subdivision 16, is amended to read:

49.7 Subd. 16. **Mark.** "Mark" means an official indicator affixed by the commissioner for
49.8 purposes of identification or separation, to, on, around, or near, plants or plant material
49.9 known or suspected to be infested or infected with a plant pest or that otherwise needs to
49.10 be distinguished from other plants or materials. This includes, but is not limited to, paint,
49.11 markers, tags, seals, stickers, tape, ribbons, signs, or placards.

49.12 **EFFECTIVE DATE.** This section is effective August 1, 2023.

49.13 Sec. 53. Minnesota Statutes 2022, section 18G.02, subdivision 20, is amended to read:

49.14 Subd. 20. **Person Entity.** "Person Entity" means ~~an individual,~~ a registered business
49.15 such as a firm, corporation, partnership, association, trust, joint stock company, or
49.16 unincorporated organization, or sole proprietorship; the state; a state agency; or a political
49.17 subdivision.

49.18 **EFFECTIVE DATE.** This section is effective August 1, 2023.

49.19 Sec. 54. Minnesota Statutes 2022, section 18G.02, subdivision 22, is amended to read:

49.20 Subd. 22. **Phytosanitary certificate or export certificate.** "Phytosanitary certificate"
49.21 or "export certificate" means a document authorized or prepared by a duly authorized federal
49.22 or state official that affirms, declares, or verifies that an article, ~~nursery stock,~~ plant, plant
49.23 product, shipment, or any other officially regulated article meets applicable, legally
49.24 established, plant pest regulations, including this chapter.

49.25 **EFFECTIVE DATE.** This section is effective August 1, 2023.

49.26 Sec. 55. Minnesota Statutes 2022, section 18G.02, subdivision 24, is amended to read:

49.27 Subd. 24. **Plant pest.** "Plant pest" ~~includes, but is not limited to, an invasive species or~~
49.28 ~~any pest of plants, agricultural commodities, horticultural products, nursery stock, or~~
49.29 ~~noncultivated plants by organisms such as~~ means any organism determined by the
49.30 commissioner to be capable of causing harm to terrestrial plants, including but not limited

50.1 to insects, snails, nematodes, fungi, viruses, bacterium, microorganisms, mycoplasma-like
50.2 organisms, weeds, ~~plants~~, and parasitic plants.

50.3 **EFFECTIVE DATE.** This section is effective August 1, 2023.

50.4 Sec. 56. Minnesota Statutes 2022, section 18G.02, subdivision 30, is amended to read:

50.5 Subd. 30. **Significant damage or harm.** "Significant damage" or "harm" means a level
50.6 of adverse impact that results in unacceptable economic damage, injury, or loss ~~that exceeds~~
50.7 ~~the cost of control~~ for a particular ~~crop~~ plant.

50.8 **EFFECTIVE DATE.** This section is effective August 1, 2023.

50.9 Sec. 57. Minnesota Statutes 2022, section 18G.03, subdivision 1, is amended to read:

50.10 Subdivision 1. **Entry and inspection.** (a) The commissioner may enter and inspect a
50.11 public or private place that might harbor plant pests and may require that the owner destroy
50.12 or treat plant pests, plants, or other material.

50.13 (b) If the owner fails to properly comply with a directive of the commissioner, the
50.14 commissioner may have any necessary work done at the owner's expense. The commissioner
50.15 shall notify the owner of the deadline for paying those expenses. If the owner does not
50.16 reimburse the commissioner for an expense within a time specified by the commissioner,
50.17 the expense is a charge upon the county as provided in subdivision 4.

50.18 (c) If a ~~harmful~~ plant pest infestation or infection threatens plants of an area in the state,
50.19 the commissioner may take any measures necessary to eliminate or alleviate the potential
50.20 significant damage or harm.

50.21 (d) The commissioner may collect fees required by this chapter.

50.22 (e) The commissioner may issue and enforce written or printed "stop-sale" orders,
50.23 compliance agreements, and other directives and requests to the owner or custodian of any
50.24 plants or articles infested or infected with a ~~harmful~~ plant pest.

50.25 **EFFECTIVE DATE.** This section is effective August 1, 2023.

50.26 Sec. 58. Minnesota Statutes 2022, section 18G.04, subdivision 2, is amended to read:

50.27 Subd. 2. **Control order.** In order to prevent the introduction or spread of ~~harmful or~~
50.28 ~~dangerous~~ plant pests, the commissioner may issue orders for necessary control measures.
50.29 These orders may indicate the type of specific control to be used, the compound or material,
50.30 the manner or the time of application, and who is responsible for carrying out the control

51.1 order. Control orders may include directions to control or abate the plant pest to an acceptable
51.2 level; eradicate the plant pest; restrict the movement of the plant pest or any material, article,
51.3 appliance, plant, or means of conveyance suspected to be carrying the plant pest; or destroy
51.4 plants or plant products infested or infected with a plant pest. Material suspected of being
51.5 infested or infected with a plant pest may be confiscated by the commissioner.

51.6 **EFFECTIVE DATE.** This section is effective August 1, 2023.

51.7 Sec. 59. Minnesota Statutes 2022, section 18G.05, is amended to read:

51.8 **18G.05 DISCOVERY OF PLANT PESTS; OFFICIAL MARKING OF INFESTED**
51.9 **OR INFECTED ARTICLES.**

51.10 Upon knowledge of the existence of a ~~dangerous or injurious~~ plant pest ~~or invasive~~
51.11 ~~species~~ within the state, the commissioner may conspicuously mark all plants, infested areas,
51.12 materials, and articles known or suspected to be infected or infested with the plant pest ~~or~~
51.13 ~~invasive species~~. ~~Persons, owners, or tenants~~ An entity or individual in possession of the
51.14 premises or area in which the existence of the plant pest ~~or invasive species~~ is suspected
51.15 must be notified by the commissioner with prescribed control measures. ~~A person~~ An entity
51.16 or individual must comply with the commissioner's control order within the prescribed time.
51.17 If the commissioner determines that satisfactory control or mitigation of the pest has been
51.18 achieved, the order must be released.

51.19 **EFFECTIVE DATE.** This section is effective August 1, 2023.

51.20 Sec. 60. Minnesota Statutes 2022, section 18G.06, subdivision 2, is amended to read:

51.21 Subd. 2. **Quarantine notice.** (a) The commissioner may issue orders to take prompt
51.22 regulatory action in plant pest emergencies on regulated articles. If continuing quarantine
51.23 action is required, a formal quarantine may be imposed. Orders may be issued to retain
51.24 necessary quarantine action on a few properties if eradication treatments have been applied
51.25 and continuing quarantine action is no longer necessary for the majority of the regulated
51.26 area.

51.27 (b) The commissioner may place an emergency regulation or quarantine in effect without
51.28 prior public notice in order to take immediate regulatory action to prevent the introduction
51.29 or establishment of a plant pest.

51.30 (c) The commissioner may enter into cooperative agreements with the United States
51.31 Department of Agriculture and other federal, state, city, or county agencies to assist in the
51.32 enforcement of federal quarantines. The commissioner may adopt a quarantine or regulation

52.1 against a plant pest or an area not covered by a federal quarantine. The commissioner may
52.2 seize, destroy, or require treatment of products moved from a federally regulated area if
52.3 they were not moved in accordance with the federal quarantine regulations or, if certified,
52.4 they were found to be infested with the pest organism.

52.5 (d) The commissioner may impose a quarantine against a plant pest that is not quarantined
52.6 in other states to prevent the spread of the plant pest within this state. The commissioner
52.7 may enact a quarantine against a plant pest of regional or national significance even when
52.8 no federal domestic quarantine has been adopted. These quarantines regulate intrastate
52.9 movement between quarantined and nonquarantined areas of this state. The commissioner
52.10 may enact a parallel state quarantine if there is a federal quarantine applied to a portion of
52.11 the state.

52.12 (e) The commissioner may impose a state exterior quarantine if the plant pest is not
52.13 established in this state but is established in other states. State exterior quarantines may be
52.14 enacted even if no federal domestic quarantine has been adopted. The commissioner may
52.15 issue control orders at destinations necessary to prevent the introduction or spread of plant
52.16 pests.

52.17 **EFFECTIVE DATE.** This section is effective August 1, 2023.

52.18 Sec. 61. Minnesota Statutes 2022, section 18G.06, subdivision 5, is amended to read:

52.19 Subd. 5. **Public notification of a state quarantine or emergency regulation.** (a) For
52.20 plant pest threats of imminent concern, the commissioner may declare an emergency
52.21 quarantine or enact emergency orders.

52.22 (b) If circumstances permit, public notice and a public hearing must be held to solicit
52.23 comments regarding the proposed state quarantine. If a plant pest threat is of imminent
52.24 concern and there is insufficient time to allow full public comment on the proposed
52.25 quarantine, the commissioner may impose an emergency quarantine until a state quarantine
52.26 can be implemented.

52.27 (c) Upon establishment of a state quarantine, and upon institution of modifications or
52.28 repeal, notices must be sent to the principal parties of interest, including federal and state
52.29 authorities, and to organizations representing the public involved in the restrictive measures.

52.30 **EFFECTIVE DATE.** This section is effective August 1, 2023.

53.1 Sec. 62. Minnesota Statutes 2022, section 18G.10, subdivision 4, is amended to read:

53.2 Subd. 4. **Phytosanitary and export certificates.** An exporter of plants or plant products
53.3 desiring to originate shipments from Minnesota to a foreign country requiring a phytosanitary
53.4 certificate or export certificate must submit an application to the commissioner. Application
53.5 for phytosanitary certificates or export certificates must be made on forms provided or
53.6 approved by the commissioner or the USDA. The commissioner may conduct inspections
53.7 of plants, plant products, or facilities for persons that have applied for or intend to apply
53.8 for a phytosanitary certificate or export certificate from the commissioner.

53.9 The commissioner may issue a phytosanitary certificate or export certificate if the plants
53.10 or plant products satisfactorily meet the requirements of the importing state or foreign
53.11 country and the United States Department of Agriculture requirements. The requirements
53.12 of the destination states or countries must be met by the applicant.

53.13 **EFFECTIVE DATE.** This section is effective August 1, 2023.

53.14 Sec. 63. Minnesota Statutes 2022, section 18G.10, subdivision 5, is amended to read:

53.15 Subd. 5. **Certificate fees.** (a) The commissioner shall assess fees sufficient to recover
53.16 all costs for the inspection, service, and work performed in carrying out the issuance of a
53.17 phytosanitary certificate or export certificate.

53.18 (b) If laboratory analysis or other technical analysis is required to issue a certificate, the
53.19 commissioner must set and collect the fee to recover this additional cost.

53.20 (c) The certificate fee is \$75 or a fee amount, not to exceed \$300, that is sufficient to
53.21 recover all processing costs for each phytosanitary or export certificate issued. The certificate
53.22 fee is in addition to any mileage or inspection time charges that are assessed.

53.23 (d) For services provided for in subdivision 7 that are goods and services provided for
53.24 the direct and primary use of a private individual, business, or other entity, the commissioner
53.25 must set and collect the fees to cover the cost of the services provided.

53.26 **EFFECTIVE DATE.** This section is effective August 1, 2023.

53.27 Sec. 64. Minnesota Statutes 2022, section 18G.10, subdivision 6, is amended to read:

53.28 Subd. 6. **Certificate denial or cancellation.** The commissioner may deny or cancel the
53.29 issuance of a phytosanitary or export certificate for any of the following reasons:

54.1 (1) failure of the plants or plant products to meet quarantine, regulations, and requirements
54.2 imposed by the country, state, or other jurisdiction for which the phytosanitary or export
54.3 certificate is being requested;

54.4 (2) failure to completely or accurately provide the information requested on the
54.5 application form;

54.6 (3) failure to ship the exact plants or plant products which were inspected and approved;
54.7 or

54.8 (4) failure to pay any fees or costs due the commissioner.

54.9 **EFFECTIVE DATE.** This section is effective August 1, 2023.

54.10 Sec. 65. Minnesota Statutes 2022, section 18G.11, subdivision 1, is amended to read:

54.11 Subdivision 1. **Detection and control agreements.** The commissioner may enter into
54.12 cooperative agreements with organizations, ~~persons~~ entities, civic groups, governmental
54.13 agencies, or other organizations to adopt and execute plans to detect and control areas
54.14 infested or infected with ~~harmful~~ plant pests. The cooperative agreements may include
54.15 provisions of joint funding of any control treatment.

54.16 If a ~~harmful~~ plant pest infestation or infection occurs and cannot be adequately controlled
54.17 by ~~individual persons~~ individuals, entities, owners, tenants, or local units of government,
54.18 the commissioner may conduct the necessary control measures independently or on a
54.19 cooperative basis with federal or other units of government.

54.20 **EFFECTIVE DATE.** This section is effective August 1, 2023.

54.21 Sec. 66. Minnesota Statutes 2022, section 18G.12, subdivision 1, is amended to read:

54.22 Subdivision 1. **Plant pest and invasive species research.** The commissioner shall
54.23 conduct research to prevent the introduction or spread of ~~invasive species and~~ plant pests
54.24 that are also terrestrial invasive species into the state and to investigate the feasibility of
54.25 their control or eradication.

54.26 **EFFECTIVE DATE.** This section is effective August 1, 2023.

54.27 Sec. 67. Minnesota Statutes 2022, section 18G.12, subdivision 2, is amended to read:

54.28 Subd. 2. **Statewide program.** The commissioner shall establish a statewide program to
54.29 prevent the introduction and the spread of ~~harmful plant pest and~~ pests that are also terrestrial

55.1 invasive species. To the extent possible, the program must provide coordination of efforts
55.2 among governmental entities and private organizations.

55.3 **EFFECTIVE DATE.** This section is effective August 1, 2023.

55.4 Sec. 68. Minnesota Statutes 2022, section 18H.02, subdivision 2, is amended to read:

55.5 Subd. 2. **Agent.** "Agent" means ~~a person~~ an entity who, on behalf of another ~~person~~
55.6 entity, receives on consignment, contracts for, or solicits for sale on commission, a plant
55.7 product from a producer or supplier of the product or negotiates the consignment or purchase
55.8 of a plant product on behalf of another ~~person~~ entity.

55.9 **EFFECTIVE DATE.** This section is effective August 1, 2023.

55.10 Sec. 69. Minnesota Statutes 2022, section 18H.02, subdivision 3, is amended to read:

55.11 Subd. 3. **Annual.** "Annual" means a plant ~~growing in Minnesota~~ with a life cycle of less
55.12 than one year when grown in Minnesota.

55.13 **EFFECTIVE DATE.** This section is effective August 1, 2023.

55.14 Sec. 70. Minnesota Statutes 2022, section 18H.02, subdivision 8, is amended to read:

55.15 Subd. 8. **Consignee.** "Consignee" means ~~a person~~ an entity to whom a plant, nursery
55.16 stock, horticultural product, or plant product is shipped for handling, planting, sale, resale,
55.17 or any other purpose.

55.18 **EFFECTIVE DATE.** This section is effective August 1, 2023.

55.19 Sec. 71. Minnesota Statutes 2022, section 18H.02, subdivision 9, is amended to read:

55.20 Subd. 9. **Consignor.** "Consignor" means ~~a person~~ an entity who ships or delivers to a
55.21 consignee a plant, nursery stock, horticultural product, or plant product for handling, planting,
55.22 sale, resale, or any other purpose.

55.23 **EFFECTIVE DATE.** This section is effective August 1, 2023.

55.24 Sec. 72. Minnesota Statutes 2022, section 18H.02, subdivision 12, is amended to read:

55.25 Subd. 12. **Distribute.** "Distribute" means offer for sale, sell, barter, give away, ship,
55.26 deliver for shipment, receive and deliver, offer to deliver, receive on consignment, contract
55.27 for, solicit for sale on commission, or negotiate the consignment or purchase in this state.

55.28 **EFFECTIVE DATE.** This section is effective August 1, 2023.

56.1 Sec. 73. Minnesota Statutes 2022, section 18H.02, subdivision 12b, is amended to read:

56.2 Subd. 12b. **Etiolated growth.** "Etiolated growth" means ~~bleached and unnatural growth~~
56.3 ~~resulting from the exclusion of sunlight~~ plant growth with reduced or no chlorophyll
56.4 production due to a lack of sunlight. Etiolated growth is evidenced by pale, yellowish or
56.5 white plants and weak, spindly stems.

56.6 **EFFECTIVE DATE.** This section is effective August 1, 2023.

56.7 Sec. 74. Minnesota Statutes 2022, section 18H.02, subdivision 12c, is amended to read:

56.8 Subd. 12c. **Individual.** "Individual" means a human being who is not the sole proprietor
56.9 of a registered business selling plants for planting.

56.10 **EFFECTIVE DATE.** This section is effective August 1, 2023.

56.11 Sec. 75. Minnesota Statutes 2022, section 18H.02, subdivision 14, is amended to read:

56.12 Subd. 14. **Infested.** "Infested" means a plant ~~has been overrun by~~ that contains an
56.13 unacceptable level of plant pests, including weeds, or contains or harbors plant pests in a
56.14 quantity that may threaten other plants.

56.15 **EFFECTIVE DATE.** This section is effective August 1, 2023.

56.16 Sec. 76. Minnesota Statutes 2022, section 18H.02, is amended by adding a subdivision to
56.17 read:

56.18 Subd. 15a. **Label.** "Label" means a legible tag or other signage attached to a specific
56.19 plant or plant container that provides the identity of the plant and any other required or
56.20 relevant information regarding the plant.

56.21 **EFFECTIVE DATE.** This section is effective August 1, 2023.

56.22 Sec. 77. Minnesota Statutes 2022, section 18H.02, is amended by adding a subdivision to
56.23 read:

56.24 Subd. 15b. **Live plant dealer.** "Live plant dealer" means an entity who:

56.25 (1) raises, grows, or propagates nursery stock for sale, outdoors or indoors;

56.26 (2) acquires and further distributes nursery stock, including through landscaping or
56.27 distribution with a tree spade; or

56.28 (3) operates a business in Minnesota selling nursery stock with or without taking
56.29 ownership or handling the nursery stock.

57.1 **EFFECTIVE DATE.** This section is effective January 1, 2025.

57.2 Sec. 78. Minnesota Statutes 2022, section 18H.02, subdivision 16, is amended to read:

57.3 Subd. 16. **Mark.** "Mark" means an official indicator affixed by the commissioner for
57.4 purposes of identification or separation to, on, around, or near plants or plant material known
57.5 or suspected to be infested or infected with a plant pest or to otherwise distinguish the plants
57.6 or plant material from other plants or materials. This includes, but is not limited to, paint,
57.7 markers, tags, seals, stickers, tape, ribbons, signs, or placards.

57.8 **EFFECTIVE DATE.** This section is effective August 1, 2023.

57.9 Sec. 79. Minnesota Statutes 2022, section 18H.02, subdivision 18, is amended to read:

57.10 Subd. 18. **Nursery certificate.** "Nursery certificate" means a document issued by the
57.11 commissioner recognizing that ~~a person~~ an entity is eligible to sell, offer for sale, or distribute
57.12 certified nursery stock at a particular location under a specified business name.

57.13 **EFFECTIVE DATE.** This section is effective August 1, 2023.

57.14 Sec. 80. Minnesota Statutes 2022, section 18H.02, subdivision 20, is amended to read:

57.15 Subd. 20. **Nursery stock.** "Nursery stock" means a plant intended for planting or
57.16 propagation, including, but not limited to, trees, shrubs, vines, perennials, biennials, grafts,
57.17 cuttings, and buds that may be sold for propagation, whether cultivated or wild, and all
57.18 viable parts of these plants. Nursery stock does not include:

57.19 (1) field and forage crops or sod;

57.20 (2) seeds;

57.21 (3) vegetable plants, bulbs, or tubers;

57.22 (4) cut material such as flowers or other herbaceous or woody plants, unless stems or
57.23 other portions are intended for propagation;

57.24 (5) tropical plants;

57.25 ~~(5)~~ (6) annuals; or

57.26 ~~(6)~~ (7) Christmas trees.

57.27 **EFFECTIVE DATE.** This section is effective August 1, 2023.

58.1 Sec. 81. Minnesota Statutes 2022, section 18H.02, subdivision 24, is amended to read:

58.2 Subd. 24. **Owner.** "Owner" includes, but is not limited to, the person entity with the
58.3 legal right of possession, proprietorship of, or responsibility for the property or place where
58.4 any of the articles regulated in this chapter are found, or the person entity who is in possession
58.5 of, proprietorship of, or has responsibility for the regulated articles.

58.6 **EFFECTIVE DATE.** This section is effective August 1, 2023.

58.7 Sec. 82. Minnesota Statutes 2022, section 18H.02, subdivision 24a, is amended to read:

58.8 Subd. 24a. **Packaged nursery stock.** "Packaged nursery stock" means bare root nursery
58.9 stock packed with the roots in moisture-retaining material encased in plastic film or other
58.10 material designed to hold the moisture-retaining material in place.

58.11 **EFFECTIVE DATE.** This section is effective August 1, 2023.

58.12 Sec. 83. Minnesota Statutes 2022, section 18H.02, subdivision 25, is amended to read:

58.13 Subd. 25. **Person Entity.** "~~Person~~" "Entity" means ~~an individual,~~ a registered business
58.14 such as a firm, a corporation, a partnership, an association, a trust, a joint stock company,
58.15 an unincorporated organization, or a sole proprietorship; the state; a state agency; or a
58.16 political subdivision.

58.17 **EFFECTIVE DATE.** This section is effective August 1, 2023.

58.18 Sec. 84. Minnesota Statutes 2022, section 18H.02, subdivision 26, is amended to read:

58.19 Subd. 26. **Place of origin.** "Place of origin" means the county and state where nursery
58.20 stock was most recently certified or grown for at least one ~~full~~ growing season.

58.21 **EFFECTIVE DATE.** This section is effective August 1, 2023.

58.22 Sec. 85. Minnesota Statutes 2022, section 18H.02, subdivision 28, is amended to read:

58.23 Subd. 28. **Plant pest.** "Plant pest" means ~~a biotic agent that causes or may cause harm~~
58.24 ~~to~~ any organism that the commissioner determines is capable of causing harm to terrestrial
58.25 plants, including but not limited to insects, snails, nematodes, fungi, viruses, bacteria,
58.26 microorganisms, mycoplasma-like organisms, weeds, and parasitic plants.

58.27 **EFFECTIVE DATE.** This section is effective August 1, 2023.

59.1 Sec. 86. Minnesota Statutes 2022, section 18H.02, subdivision 32, is amended to read:

59.2 Subd. 32. **Sales location.** "Sales location" means a fixed location from which certified
59.3 nursery stock is ~~displayed or distributed~~ displayed with the intent to sell.

59.4 **EFFECTIVE DATE.** This section is effective August 1, 2023.

59.5 Sec. 87. Minnesota Statutes 2022, section 18H.02, subdivision 33, is amended to read:

59.6 Subd. 33. **Tree spade.** "Tree spade" means a mechanical device or machinery capable
59.7 of removing nursery stock, root system, and soil from ~~the~~ a planting in one operation.

59.8 **EFFECTIVE DATE.** This section is effective August 1, 2023.

59.9 Sec. 88. Minnesota Statutes 2022, section 18H.03, subdivision 6, is amended to read:

59.10 Subd. 6. **Dissemination of information.** The commissioner may disseminate information
59.11 among ~~growers~~ live plant dealers relative to treatment of nursery stock in both prevention
59.12 and elimination of attack by plant pests and diseases.

59.13 **EFFECTIVE DATE.** This section is effective January 1, 2025.

59.14 Sec. 89. Minnesota Statutes 2022, section 18H.03, subdivision 6, is amended to read:

59.15 Subd. 6. **Dissemination of information.** The commissioner may disseminate information
59.16 among growers ~~relative to~~ regarding the treatment of nursery stock ~~in both prevention and~~
59.17 ~~elimination of~~ to prevent or eliminate the attack by of plant pests and diseases.

59.18 **EFFECTIVE DATE.** This section is effective August 1, 2023.

59.19 Sec. 90. Minnesota Statutes 2022, section 18H.04, is amended to read:

59.20 **18H.04 ADOPTION OF RULES.**

59.21 The commissioner may adopt rules to carry out the purposes of this chapter. The rules
59.22 may include, but are not limited to, rules in regard to labeling and the maintenance of
59.23 viability and vigor of nursery stock. ~~Rules of the commissioner that are in effect on July 1,~~
59.24 ~~2003, relating to plant protection, nursery inspection, or the Plant Pest Act remain in effect~~
59.25 ~~until they are superseded by new rules.~~

59.26 **EFFECTIVE DATE.** This section is effective August 1, 2023.

60.1 Sec. 91. Minnesota Statutes 2022, section 18H.05, is amended to read:

60.2 **18H.05 NURSERY CERTIFICATE REQUIREMENTS.**

60.3 (a) No person may offer for sale or distribute certified nursery stock as a ~~nursery stock~~
60.4 ~~grower or~~ live plant dealer without first obtaining the appropriate nursery stock certificate
60.5 from the commissioner. The commissioner may not issue a certificate to a person who does
60.6 not sell certified nursery stock. Certificates are issued solely for these purposes and may
60.7 not be used for other purposes.

60.8 (b) A certificate issued by the commissioner expires on December 31 of the year it is
60.9 issued.

60.10 (c) A person required to be certified by this section must apply for a certificate or for
60.11 renewal on a form furnished by the commissioner which must contain:

60.12 (1) the name and address of the applicant, the number of locations to be operated by the
60.13 applicant and their addresses, and the assumed business name of the applicant;

60.14 (2) if other than an individual, a statement whether a person is a partnership, corporation,
60.15 or other organization;

60.16 (3) the type of business to be operated and, if the applicant is an agent, the principals
60.17 the applicant represents; and

60.18 (4) source or sources of purchased nursery stock.

60.19 (d) No person may:

60.20 (1) falsely claim to be a certified live plant dealer, ~~grower, broker, or agent~~;

60.21 (2) make willful false statements when applying for a certificate; or

60.22 (3) sell or distribute certified nursery stock to an uncertified ~~nursery stock~~ live plant
60.23 dealer who is required to be certified ~~or nursery stock grower~~.

60.24 (e) Each application for a certificate must be accompanied by the appropriate certificate
60.25 fee under section 18H.07.

60.26 (f) Certificates issued by the commissioner must be prominently displayed to the public
60.27 in the place of business where certified nursery stock is sold or distributed.

60.28 (g) The commissioner may refuse to issue a certificate for cause.

60.29 (h) Each ~~grower or~~ live plant dealer is entitled to one sales location under the certificate
60.30 ~~of the grower or dealer~~. Each additional sales location maintained by the person requires
60.31 the payment of the full certificate fee for each additional sales outlet.

61.1 ~~(i) A grower who is also a dealer is certified only as a grower for that specific site.~~

61.2 ~~(i)~~ (i) A certificate is personal to the applicant and may not be transferred. A new
61.3 certificate is necessary if the business entity is changed or if the membership of a partnership
61.4 is changed, whether or not the business name is changed.

61.5 ~~(k)~~ (j) The certificate issued to a live plant dealer ~~or grower~~ applies to the particular
61.6 premises named in the certificate. However, if prior approval is obtained from the
61.7 commissioner, the place of business may be moved to the other premises or location without
61.8 an additional certificate fee.

61.9 ~~(k)~~ (k) A collector of nursery stock from the wild is required to obtain a dealer's live
61.10 plant dealer certificate from the commissioner and is subject to all the requirements that
61.11 apply to the inspection of nursery stock. All collected nursery stock must be labeled as
61.12 "collected from the wild."

61.13 **EFFECTIVE DATE.** This section is effective January 1, 2025.

61.14 Sec. 92. Minnesota Statutes 2022, section 18H.05, is amended to read:

61.15 **18H.05 NURSERY CERTIFICATE REQUIREMENTS.**

61.16 (a) No person may offer for sale or distribute certified nursery stock as a nursery stock
61.17 grower or dealer without first obtaining the appropriate ~~nursery stock~~ certificate from the
61.18 commissioner. The commissioner may not issue a certificate to a ~~person~~ an entity who does
61.19 not sell certified nursery stock. Certificates are issued solely for these purposes and may
61.20 not be used for other purposes.

61.21 (b) A certificate issued by the commissioner expires on December 31 of the year it is
61.22 issued.

61.23 (c) ~~A person~~ An entity required to be certified by this section must apply for a certificate
61.24 or for renewal on a form ~~furnished~~ established by the commissioner ~~which~~ that must contain:

61.25 (1) ~~the name and, address, and contact information~~ of the applicant, the number of
61.26 ~~locations to be operated by the applicant and their addresses, and;~~

61.27 (2) the assumed business name of the applicant;

61.28 ~~(2) if other than an individual, a statement whether a person is a partnership, corporation,~~
61.29 ~~or other organization;~~

61.30 ~~(3) the type of business to be operated and, if the applicant is an agent, the principals~~
61.31 ~~the applicant represents; and~~

62.1 (3) the address of the sales location;

62.2 (4) the address or geographical description of any additional location where nursery
62.3 stock will be handled, if applicable; and

62.4 ~~(4)~~ (5) the source or sources of purchased nursery stock.

62.5 (d) No ~~person~~ entity may:

62.6 (1) falsely claim to be a certified dealer, grower, broker, or agent;

62.7 (2) make willful false statements when applying for a certificate; or

62.8 (3) sell or distribute certified nursery stock to an uncertified nursery stock dealer who
62.9 is required to be certified or nursery stock grower.

62.10 (e) Each application for a certificate must be accompanied by the appropriate certificate
62.11 fee under section 18H.07.

62.12 (f) Certificates issued by the commissioner ~~must~~ should be prominently displayed to the
62.13 public in the place of business where certified nursery stock is sold or distributed.

62.14 (g) The commissioner may refuse to issue a certificate for cause.

62.15 (h) Each grower or dealer is entitled to one sales location under the certificate of the
62.16 grower or dealer. Each additional sales location maintained by the ~~person~~ entity requires
62.17 the payment of the full certificate fee ~~for each additional sales outlet.~~

62.18 (i) A grower who is also a dealer is certified only as a grower for that specific site.

62.19 (j) A certificate is personal to the applicant and may not be transferred. A new certificate
62.20 is necessary if the business entity is changed or if the membership of a partnership is changed,
62.21 whether or not the business name is changed.

62.22 (k) The certificate issued to a dealer or grower applies to the particular premises named
62.23 in the certificate. However, if prior approval is obtained from the commissioner, the place
62.24 of business may be moved to the other premises or location without an additional certificate
62.25 fee.

62.26 (l) A collector of nursery stock from the wild is required to obtain a dealer's certificate
62.27 from the commissioner and is subject to all the requirements that apply to the inspection of
62.28 nursery stock. All collected nursery stock must be labeled as "collected from the wild."

62.29 **EFFECTIVE DATE.** This section is effective August 1, 2023.

63.1 Sec. 93. Minnesota Statutes 2022, section 18H.06, subdivision 2, is amended to read:

63.2 Subd. 2. **Occasional sales.** (a) An individual may offer nursery stock for sale and be
63.3 exempt from the requirement to obtain a nursery stock certificate if:

63.4 (1) the gross sales of all nursery stock in a calendar year do not exceed ~~\$2,000~~ \$1,000;

63.5 (2) all nursery stock sold or distributed by the individual is intended for planting in
63.6 Minnesota;

63.7 (3) all nursery stock ~~purchased or procured for resale or distribution was grown in~~
63.8 ~~Minnesota and has been certified by the commissioner~~ sold or distributed was grown by
63.9 the individual in Minnesota; and

63.10 (4) the individual conducts sales or distributions of nursery stock on ten or fewer days
63.11 in a calendar year.

63.12 ~~(b) A municipality may offer certified nursery stock for sale and be exempt from the~~
63.13 ~~requirement to obtain a nursery stock certificate if:~~

63.14 ~~(1) all nursery stock offered for sale or distributed is intended for planting by residents~~
63.15 ~~of the municipality on public property or public easements within the municipal boundary;~~

63.16 ~~(2) all nursery stock purchased or procured for resale or distribution is grown in~~
63.17 ~~Minnesota and has been certified by the commissioner; and~~

63.18 ~~(3) the municipality submits to the commissioner before any sale or distribution of~~
63.19 ~~nursery stock a list of all suppliers who provide the municipality with nursery stock.~~

63.20 ~~(e)~~ (b) The commissioner may prescribe the conditions of the exempt nursery sales under
63.21 this subdivision and may conduct routine inspections of the nursery stock offered for sale.

63.22 **EFFECTIVE DATE.** This section is effective August 1, 2023.

63.23 Sec. 94. Minnesota Statutes 2022, section 18H.07, is amended by adding a subdivision to
63.24 read:

63.25 Subd. 3a. **Waiver of fees.** (a) A nonprofit organization or an individual may offer for
63.26 sale certified nursery stock and be exempt from the requirement to pay certificate fees if
63.27 the nonprofit organization or individual:

63.28 (1) sells or distributes certified nursery stock on ten or fewer days in a calendar year;

63.29 (2) uses the proceeds from certified nursery stock sales or distributions for nonprofit
63.30 purposes; and

64.1 (3) obtains a nursery stock certificate.

64.2 (b) A municipality may offer for sale certified nursery stock and be exempt from the
64.3 requirement to pay certificate fees if:

64.4 (1) all nursery stock offered for sale or distributed is intended for planting by residents
64.5 of the municipality on public property or public easements in the municipality;

64.6 (2) all nursery stock purchased or procured for resale or distribution is grown in
64.7 Minnesota and has been certified by the commissioner; and

64.8 (3) the municipality obtains a live plant dealer certificate.

64.9 (c) The commissioner may prescribe the conditions of nursery fee waivers and may
64.10 conduct routine inspections of nursery stock offered for sale.

64.11 **EFFECTIVE DATE.** This section is effective August 1, 2023.

64.12 Sec. 95. Minnesota Statutes 2022, section 18H.07, is amended by adding a subdivision to
64.13 read:

64.14 Subd. 3b. **New live plant dealer certificate.** An entity that was not distributing certified
64.15 nursery stock for the past two full calendar years is considered a new applicant for the basis
64.16 of fee determination. A new live plant dealer must pay the following fees:

64.17 (1) \$50 fee for a live plant dealer certificate that allows for one retail sales location. A
64.18 \$50 certificate is required for each additional retail sales location; and

64.19 (2) a live plant dealer growing nursery stock requires an inspection for certification of
64.20 that nursery stock prior to sale of the nursery stock and must be assessed an additional
64.21 charge of \$100 plus \$10 per acre up to 200 acres. Acreage to be certified should be rounded
64.22 to the nearest one acre. For the basis of fee determination, "growing nursery stock" means
64.23 the purchase of seeds, seedlings, or small plants and the cultivation of the plants in fields
64.24 or containers in Minnesota for eventual sale, including cutting, splitting, and propagating
64.25 plants.

64.26 **EFFECTIVE DATE.** This section is effective January 1, 2025.

64.27 Sec. 96. Minnesota Statutes 2022, section 18H.07, is amended by adding a subdivision to
64.28 read:

64.29 Subd. 3c. **Live plant dealer renewal certificate.** (a) A renewal certificate is for a live
64.30 plant dealer that has had a certificate in at least one of the past two full calendar years. A
64.31 live plant dealer must pay an annual fee based on the following criteria:

65.1 (1) a \$50 fee for a live plant dealer certificate that allows for one retail sales location.

65.2 A \$50 certificate is required for each additional retail sales location;

65.3 (2) a fee of gross annual purchases of certified nursery stock as noted in the table below
 65.4 with the intent to resell in the same year. These are plants that are watered and maintained
 65.5 only for the purposes of keeping the plants alive. Gross annual purchases are calculated for
 65.6 nursery stock purchases from January 1 through December 31 of the most recent certificate
 65.7 year according to the following table;

	<u>Purchases</u>	<u>Fee</u>
65.8		
65.9	<u>\$0</u> to <u>\$3,000</u>	<u>\$0</u>
65.10	<u>\$3,001</u> to <u>\$10,000</u>	<u>\$50</u>
65.11	<u>\$10,001</u> to <u>\$20,000</u>	<u>\$100</u>
65.12	<u>\$20,001</u> to <u>\$50,000</u>	<u>\$225</u>
65.13	<u>\$50,001</u> to <u>\$100,000</u>	<u>\$425</u>
65.14	<u>\$100,001</u> to <u>\$150,000</u>	<u>\$600</u>
65.15	<u>\$150,001</u> to <u>\$200,000</u>	<u>\$750</u>
65.16	<u>\$200,001</u> to <u>\$300,000</u>	<u>\$975</u>
65.17	<u>\$300,001</u> to <u>\$400,000</u>	<u>\$1,200</u>
65.18	<u>\$400,001</u> to <u>\$500,000</u>	<u>\$1,250</u>
65.19	<u>\$500,001</u> to <u>\$600,000</u>	<u>\$1,350</u>
65.20	<u>\$600,001</u> to <u>\$700,000</u>	<u>\$1,400</u>
65.21	<u>\$700,001</u> to <u>\$800,000</u>	<u>\$1,500</u>
65.22	<u>\$800,001</u> to <u>\$900,000</u>	<u>\$1,600</u>
65.23	<u>\$900,001</u> to <u>\$1,000,000</u>	<u>\$1,700</u>
65.24	<u>\$1,000,001</u> to <u>\$2,000,000</u>	<u>\$1,800</u>
65.25	<u>\$2,000,001</u> to <u>\$3,000,000</u>	<u>\$1,900</u>
65.26	<u>\$3,000,001 or more</u>	<u>.0005 x annual purchases; and</u>

65.27 (3) a live plant dealer growing nursery stock requires an inspection for certification of
 65.28 that nursery stock prior to sale and must be assessed an additional charge of \$100 plus \$10
 65.29 per acre up to 200 acres. Acreage to be certified should be rounded to the nearest one acre.
 65.30 For the basis of fee determination, "growing nursery stock" is the purchase of seeds,
 65.31 seedlings, or small plants and the cultivation of plants in fields or containers in Minnesota
 65.32 for eventual sale, including cutting, splitting, and propagating plants.

65.33 (b) In addition to the fees in paragraph (a), a penalty of 25 percent of the fee due may
 65.34 be charged or a portion thereof, if the fee is delinquent or any application for renewal is not
 65.35 postmarked or electronically date stamped by December 31 of the current year.

66.1 (c) A live plant dealer operating without a valid certificate must not offer nursery stock
66.2 for sale or sell nursery stock until a certificate is issued to the live plant dealer by the
66.3 commissioner and the live plant dealer has paid any applicable fees and penalties in full.

66.4 **EFFECTIVE DATE.** This section is effective January 1, 2025.

66.5 Sec. 97. Minnesota Statutes 2022, section 18H.07, subdivision 4, is amended to read:

66.6 Subd. 4. **Reinspection; additional or optional inspection fees.** If a reinspection an
66.7 irregular inspection is required or an additional inspection is needed or requested, a fee must
66.8 may be assessed based on mileage and inspection time as follows:

66.9 (1) mileage must be charged at the current United States Internal Revenue Service
66.10 reimbursement rate; and

66.11 (2) inspection time must be charged at a rate sufficient to recover all inspection costs,
66.12 including the driving time to and from the location in addition to the time spent conducting
66.13 the inspection.

66.14 **EFFECTIVE DATE.** This section is effective August 1, 2023.

66.15 Sec. 98. Minnesota Statutes 2022, section 18H.08, subdivision 1, is amended to read:

66.16 Subdivision 1. **Services and fees.** The commissioner may make small lot inspections
66.17 or perform other necessary services for which another charge is not specified. For these
66.18 services, the commissioner ~~shall~~ may set a fee plus expenses that will recover the cost of
66.19 performing this service. The commissioner may set an additional acreage fee for inspection
66.20 of seed production fields for exporters in order to meet domestic and foreign plant quarantine
66.21 requirements.

66.22 **EFFECTIVE DATE.** This section is effective August 1, 2023.

66.23 Sec. 99. Minnesota Statutes 2022, section 18H.08, subdivision 2, is amended to read:

66.24 Subd. 2. **Virus disease-free certification.** The commissioner may provide special
66.25 services such as virus disease-free certification and other similar programs. Participation
66.26 by ~~nursery stock growers~~ live plant dealers is voluntary. Plants offered for sale as certified
66.27 virus-free must be grown according to certain procedures in a manner defined by the
66.28 commissioner for the purpose of eliminating viruses and other injurious disease or insect
66.29 pests. The commissioner shall collect reasonable fees from participating ~~nursery stock~~
66.30 ~~growers~~ live plant dealers for services and materials that are necessary to conduct this type
66.31 of work.

67.1 **EFFECTIVE DATE.** This section is effective January 1, 2025.

67.2 Sec. 100. Minnesota Statutes 2022, section 18H.09, is amended to read:

67.3 **18H.09 NURSERY STOCK CERTIFICATION REQUIREMENTS.**

67.4 (a) All nursery stock growing at sites identified by ~~nursery stock dealers or nursery stock~~
67.5 ~~growers~~ live plant dealers and submitted for inspection must be inspected by the
67.6 commissioner within the previous 12 months prior to sale and found apparently free from
67.7 quarantine and regulated nonquarantine pests as well as significantly dangerous or potentially
67.8 damaging plant pests. The commissioner may waive a site inspection under the following
67.9 conditions:

67.10 (1) the nursery stock is not going to be sold within 12 months;

67.11 (2) the nursery stock will not be moved out of Minnesota; and

67.12 (3) the nursery site or stock is not subject to certification requirements associated with
67.13 a state or federally regulated or quarantined plant pest.

67.14 All nursery stock originating from out of state and offered for sale in Minnesota must
67.15 have been inspected by the appropriate state or federal agency during the previous 12 months
67.16 and found free from quarantine and regulated nonquarantine pests as well as significantly
67.17 dangerous or potentially damaging plant pests. A nursery stock certificate is valid from
67.18 January 1 to December 31.

67.19 (b) Nursery stock must be accessible to the commissioner for inspection during regular
67.20 business hours. Weeds or other growth that hinder a proper inspection are grounds to suspend
67.21 or withhold a certificate or require a reinspection.

67.22 (c) Inspection reports issued to ~~growers~~ live plant dealers must contain a list of the plant
67.23 pests found at the time of inspection. Withdrawal-from-distribution orders are considered
67.24 part of the inspection reports. A withdrawal-from-distribution order must contain a list of
67.25 plants withdrawn from distribution and the location of the plants.

67.26 (d) The commissioner may post signs to delineate sections withdrawn from distribution.
67.27 These signs must remain in place until the commissioner removes them or grants written
67.28 permission to the grower to remove the signs.

67.29 (e) Inspection reports issued to live plant dealers must outline the violations involved
67.30 and corrective actions to be taken including withdrawal-from-distribution orders which
67.31 would specify nursery stock that could not be distributed from a certain area.

68.1 (f) Optional inspections of plants may be conducted by the commissioner upon request
68.2 by any persons desiring an inspection. A fee as provided in section 18H.07 must be charged
68.3 for such an inspection.

68.4 **EFFECTIVE DATE.** This section is effective January 1, 2025.

68.5 Sec. 101. Minnesota Statutes 2022, section 18H.09, is amended to read:

68.6 **18H.09 NURSERY STOCK CERTIFICATION REQUIREMENTS.**

68.7 (a) All nursery stock growing at sites identified by nursery stock dealers or nursery stock
68.8 growers and submitted for inspection must be inspected by the commissioner within the
68.9 previous 12 months prior to sale and found apparently free from ~~quarantine and regulated~~
68.10 ~~nonquarantine pests as well as significantly dangerous or potentially damaging~~ plant pests.
68.11 The commissioner may waive a site inspection under the following conditions:

68.12 (1) the nursery stock is not going to be sold within 12 months;

68.13 (2) the nursery stock will not be moved out of Minnesota; and

68.14 (3) the nursery site or stock is not subject to certification requirements associated with
68.15 a state or federally regulated or quarantined plant pest.

68.16 All nursery stock originating from out of state and offered for sale in Minnesota must
68.17 have been inspected by the appropriate state or federal agency during the previous 12 months
68.18 and found free from ~~quarantine and regulated nonquarantine pests as well as~~ significantly
68.19 dangerous or potentially damaging plant pests. A nursery stock certificate is valid from
68.20 January 1 to December 31.

68.21 (b) Nursery stock must be accessible to the commissioner for inspection during regular
68.22 business hours. Weeds or other growth that hinder a proper inspection are grounds to suspend
68.23 or withhold a certificate or require a reinspection for which a fee may be charged.

68.24 (c) Inspection reports issued to growers must contain a list of the plant pests found at
68.25 the time of inspection. Withdrawal-from-distribution or other orders are considered part of
68.26 the inspection reports. A withdrawal-from-distribution or other order must contain a list of
68.27 plants withdrawn from distribution and the location of the plants.

68.28 (d) The commissioner may ~~post signs to delineate~~ mark sections withdrawn from
68.29 distribution or subject to other special circumstances. These ~~signs~~ marks must remain in
68.30 place until the commissioner removes ~~them~~ the marks or grants written permission to the
68.31 grower to remove the ~~signs~~ marks.

69.1 (e) Inspection reports issued to dealers must outline the violations involved and corrective
69.2 actions to be taken including withdrawal-from-distribution orders which would specify
69.3 nursery stock that could not be distributed from a certain area.

69.4 (f) Optional inspections of plants may be conducted by the commissioner upon request
69.5 by any ~~persons~~ entity desiring an inspection. A fee as provided in section 18H.07 must be
69.6 charged for such an inspection.

69.7 **EFFECTIVE DATE.** This section is effective August 1, 2023.

69.8 Sec. 102. Minnesota Statutes 2022, section 18H.10, is amended to read:

69.9 **18H.10 STORAGE OF NURSERY STOCK.**

69.10 (a) All nursery stock must be kept and displayed under conditions of temperature, light,
69.11 and moisture sufficient to maintain the viability and vigor of the nursery stock.

69.12 (b) Packaged ~~dormant~~ nursery stock must be stored under conditions that retard growth,
69.13 prevent etiolated growth, and protect its viability.

69.14 (c) Balled and burlapped nursery stock being held for sale ~~to the public~~ must be kept in
69.15 a moisture-holding material approved by the commissioner and not toxic to plants. The
69.16 moisture-holding material must adequately cover and protect the ball of earth and must be
69.17 kept moist at all times. The commissioner may approve alternative nursery stock management
69.18 practices to maintain the viability of balled and burlapped stock.

69.19 **EFFECTIVE DATE.** This section is effective August 1, 2023.

69.20 Sec. 103. Minnesota Statutes 2022, section 18H.12, is amended to read:

69.21 **18H.12 DAMAGED, DISEASED, INFESTED, OR MISREPRESENTED STOCK.**

69.22 (a) No ~~person~~ entity may knowingly offer to distribute, advertise, or display nursery
69.23 stock that is infested or infected with ~~quarantine or regulated nonquarantine pests or~~
69.24 ~~significant dangerous or potentially damaging~~ plant pests, ~~including noxious weeds~~ or
69.25 nursery stock that is in a dying condition, desiccated, frozen or damaged by freezing, or
69.26 materially damaged in any way.

69.27 (b) No ~~person~~ entity may knowingly offer to distribute, advertise, or display nursery
69.28 stock that may result in the capacity and tendency or effect of deceiving any purchaser or
69.29 prospective purchaser as to the quantity, size, grade, kind, species name, age, variety,
69.30 maturity, condition, vigor, hardiness, number of times transplanted, growth ability, growth

70.1 characteristics, rate of growth, time required before flowering or fruiting, price, origin, place
70.2 where grown, or any other material respect.

70.3 (c) Upon discovery or notification of damaged, diseased, infested, or misrepresented
70.4 stock, the commissioner may place a ~~stop-sale~~ stop sale and a withdrawal from distribution
70.5 order on the material. The order makes it an illegal action to distribute, give away, destroy,
70.6 alter, or tamper with the plants.

70.7 (d) The commissioner may conspicuously mark all plants, materials, and articles known
70.8 or suspected to be infected or infested with ~~quarantine or regulated nonquarantine pests or~~
70.9 ~~significant dangerous or potentially damaging~~ plant pests. The commissioner shall notify
70.10 the persons, owners, or the tenants in possession of the premises or area in question of the
70.11 existence of the plant pests.

70.12 (e) If the commissioner determines that this chapter has been violated, the commissioner
70.13 may order that the nuisance, infestation, infection, or plant pest be abated by whatever means
70.14 necessary, including, but not limited to, destruction, confiscation, treatment, return shipment,
70.15 or quarantine.

70.16 (f) The plant owner is liable for all costs associated with a stop order or a quarantine,
70.17 treatment, or destruction of plants. The commissioner is not liable for any actual or incidental
70.18 costs incurred by ~~a person~~ an entity due to authorized actions of the commissioner. The
70.19 commissioner must be reimbursed by the owner of plants for actual expenses incurred by
70.20 the commissioner in carrying out a stop order.

70.21 **EFFECTIVE DATE.** This section is effective August 1, 2023.

70.22 Sec. 104. Minnesota Statutes 2022, section 18H.13, is amended to read:

70.23 **18H.13 SHIPMENT OF NURSERY STOCK INTO MINNESOTA.**

70.24 Subdivision 1. **Identification of origin.** Proof of valid nursery certification and origin
70.25 of all nursery stock must accompany ~~the~~ any shipment. It is the shared responsibility of
70.26 both the consignee and consignor to examine all shipments for the presence of current and
70.27 applicable nursery stock certifications for all plant material from all sources of stock in each
70.28 shipment.

70.29 Subd. 2. **Reciprocity.** ~~A person~~ An entity residing outside the state may distribute nursery
70.30 stock in Minnesota if:

71.1 (1) the ~~person~~ entity is duly certified under the nursery laws of the state where the nursery
71.2 stock originates and the laws of that state are essentially equivalent to the laws of Minnesota
71.3 as determined by the commissioner; and

71.4 (2) the ~~person~~ entity complies with this chapter and the rules governing nursery stock
71.5 distributed in Minnesota.

71.6 Subd. 3. **Reciprocal agreements.** The commissioner may cooperate with and enter into
71.7 reciprocal agreements with other states regarding licensing and movement of nursery stock.
71.8 Reciprocal agreements with other states do not prevent the commissioner from prohibiting
71.9 the distribution in Minnesota of any nursery stock that fails to meet minimum criteria for
71.10 nursery stock of Minnesota certified growers, dealers, or both. An official directory of
71.11 certified nurseries and related nursery industry businesses from other states is acceptable
71.12 in lieu of individual nursery certificates.

71.13 Subd. 4. **Foreign nursery stock.** ~~A person~~ An entity receiving a shipment of nursery
71.14 stock from a foreign country that has not been inspected and released by the United States
71.15 Department of Agriculture at the port of entry must notify the commissioner of the arrival
71.16 of the shipment, its contents, and the name of the consignor. The ~~person~~ entity must hold
71.17 the shipment unopened until inspected or released by the commissioner.

71.18 Subd. 5. **Transportation companies.** ~~A person~~ An entity who acts as the representative
71.19 of a transportation company, private carrier, commercial shipper, common carrier, express
71.20 parcel carrier, or other transportation entity, and receives, ships, or otherwise distributes a
71.21 carload, box, container, or any package of plants, plant materials, or nursery stock, that does
71.22 not have all required certificates attached as required or fails to immediately notify the
71.23 commissioner is in violation of this chapter.

71.24 **EFFECTIVE DATE.** This section is effective August 1, 2023.

71.25 Sec. 105. Minnesota Statutes 2022, section 18H.13, subdivision 3, is amended to read:

71.26 Subd. 3. **Reciprocal agreements.** The commissioner may cooperate with and enter into
71.27 reciprocal agreements with other states regarding licensing and movement of nursery stock.
71.28 Reciprocal agreements with other states do not prevent the commissioner from prohibiting
71.29 the distribution in Minnesota of any nursery stock that fails to meet minimum criteria for
71.30 nursery stock of Minnesota certified ~~growers, dealers, or both~~ live plant dealers. An official
71.31 directory of certified nurseries and related nursery industry businesses from other states is
71.32 acceptable in lieu of individual nursery certificates.

71.33 **EFFECTIVE DATE.** This section is effective January 1, 2025.

72.1 Sec. 106. Minnesota Statutes 2022, section 18H.14, is amended to read:

72.2 **18H.14 LABELING AND ADVERTISING OF NURSERY STOCK.**

72.3 (a) Plants, plant materials, or nursery stock must not be labeled or advertised with false
72.4 or misleading information including, but not limited to, the scientific name, variety, place
72.5 of origin, and hardiness zone as defined by the United States Department of Agriculture,
72.6 ~~and growth habit.~~

72.7 (b) All nonhardy nursery stock as designated by the commissioner must be labeled
72.8 correctly for hardiness or be labeled "nonhardy" in Minnesota.

72.9 (c) ~~A person~~ An entity may not offer for distribution plants, plant materials, or nursery
72.10 stock, represented by some specific or special form of notation, including, but not limited
72.11 to, "free from" or "grown free of," unless the plants are produced under a specific program
72.12 approved by the commissioner to address the specific plant properties addressed in the
72.13 special notation claim.

72.14 (d) Nursery stock collected from the wild state must be inspected and certified prior to
72.15 sale and at the time of sale must be labeled "Collected from the Wild." The label must remain
72.16 on each plant or clump of plants while it is offered for sale and during the distribution
72.17 process. The collected stock may be grown in nursery rows at least two years, after which
72.18 the plants may be sold without the labeling required by this paragraph.

72.19 (e) ~~A person selling at retail or providing to an end user~~ An entity may not label or
72.20 advertise an annual plant, bedding plant, or other plant, plant material, or nursery stock as
72.21 beneficial to pollinators if the annual plant, bedding plant, plant material, or nursery stock
72.22 has:

72.23 (1) been treated with a systemic insecticide that:

72.24 (i) has a pollinator protection box on the label; or

72.25 (ii) has a pollinator, bee, or honey bee precautionary statement in the environmental
72.26 hazards section of the insecticide product label; and

72.27 (2) a concentration in its flowers or leaves greater than the ~~no-observed adverse effect~~
72.28 ~~level of a systemic insecticide~~ reference value.

72.29 The commissioner shall enforce this paragraph as provided in chapter 18J.

72.30 (f) For the purposes of paragraph (e):

72.31 (1) "systemic insecticide" means an insecticide that is both absorbed by the plant and
72.32 translocated through the plant's vascular system; and

73.1 (2) ~~"no observed adverse effect level" means the level established by the United States~~
73.2 ~~Environmental Protection Agency for acute oral toxicity for adult honeybees~~ "reference
73.3 value" means the most appropriate value determined by the commissioner of agriculture
73.4 based on the commissioner's review of pollinator protective reference values published or
73.5 approved by the United States Environmental Protection Agency. If a United States
73.6 Environmental Protection Agency reference value is not available for a specific systemic
73.7 insecticide or is not appropriate for use in Minnesota or for a specific type of plant, plant
73.8 material, or nursery stock, the commissioner may consider reference values from other
73.9 states, peer-reviewed literature, or other appropriate sources.

73.10 **EFFECTIVE DATE.** This section is effective August 1, 2023.

73.11 Sec. 107. Minnesota Statutes 2022, section 18H.15, is amended to read:

73.12 **18H.15 VIOLATIONS.**

73.13 (a) A person who offers to distribute nursery stock that is uncertified, uninspected, or
73.14 falsely labeled or advertised possesses an illegal regulated commodity that is considered
73.15 infested or infected with harmful plant pests and subject to regulatory action and control.
73.16 If the commissioner determines that the provisions of this section have been violated, the
73.17 commissioner may order the destruction of all of the plants unless the person:

73.18 (1) provides proper phytosanitary preclearance, phytosanitary certification, or nursery
73.19 stock certification;

73.20 (2) agrees to have the plants, plant materials, or nursery stock returned to the consignor;
73.21 and

73.22 (3) provides proper documentation, certification, or compliance to support advertising
73.23 claims.

73.24 (b) The plant owner is liable for all costs associated with a withdrawal-from-distribution
73.25 order or the quarantine, treatment, or destruction of plants. The commissioner is not liable
73.26 for actual or incidental costs incurred by a person due to the commissioner's actions. The
73.27 commissioner must be reimbursed by the owner of the plants for the actual expenses incurred
73.28 in carrying out a withdrawal-from-distribution order or the quarantine, treatment, or
73.29 destruction of any plants.

73.30 (c) It is unlawful for a person to:

73.31 (1) misrepresent, falsify, or knowingly distribute, sell, advertise, or display damaged,
73.32 mislabeled, misrepresented, infested, or infected nursery stock;

- 74.1 (2) fail to obtain a nursery certificate as required by the commissioner;
- 74.2 (3) fail to renew a nursery certificate, but continue business operations;
- 74.3 (4) fail to display a nursery certificate;
- 74.4 (5) misrepresent or falsify a nursery certificate;
- 74.5 (6) refuse to submit to a nursery inspection;
- 74.6 (7) fail to provide the cooperation necessary to conduct a successful nursery inspection;
- 74.7 (8) offer for sale uncertified plants, plant materials, or nursery stock;
- 74.8 (9) possess an illegal regulated commodity;
- 74.9 (10) violate or disobey a commissioner's order;
- 74.10 (11) violate a quarantine issued by the commissioner;
- 74.11 (12) fail to obtain phytosanitary certification for plant material or nursery stock brought
- 74.12 into Minnesota;
- 74.13 (13) deface, mutilate, or destroy a nursery stock certificate, phytosanitary certificate, or
- 74.14 phytosanitary preclearance certificate, or other commissioner mark, permit, or certificate;
- 74.15 (14) fail to notify the commissioner of an uncertified shipment of plants, plant materials,
- 74.16 or nursery stock;
- 74.17 (15) transport uncertified plants, plant materials, or nursery stock in Minnesota; or
- 74.18 (16) sell nursery stock to an uncertified ~~nursery stock~~ live plant dealer who is required
- 74.19 to be certified.

74.20 **EFFECTIVE DATE.** This section is effective January 1, 2025.

74.21 Sec. 108. Minnesota Statutes 2022, section 18H.15, is amended to read:

74.22 **18H.15 VIOLATIONS.**

- 74.23 (a) ~~A person~~ An entity who offers to distribute nursery stock that is uncertified,
- 74.24 uninspected, or falsely labeled or advertised possesses an illegal regulated commodity that
- 74.25 is considered infested or infected with ~~harmful~~ plant pests and subject to regulatory action
- 74.26 and control. If the commissioner determines that the provisions of this section have been
- 74.27 violated, the commissioner may order the destruction of all of the plants unless the ~~person~~
- 74.28 entity:

75.1 (1) provides proper phytosanitary preclearance, phytosanitary certification, or nursery
75.2 stock certification;

75.3 (2) agrees to have the plants, plant materials, or nursery stock returned to the consignor;
75.4 and

75.5 (3) provides proper documentation, certification, or compliance to support advertising
75.6 claims.

75.7 (b) The plant owner is liable for all costs associated with a withdrawal-from-distribution
75.8 order or the quarantine, treatment, or destruction of plants. The commissioner is not liable
75.9 for actual or incidental costs incurred by ~~a person~~ an entity due to the commissioner's actions.
75.10 The commissioner must be reimbursed by the owner of the plants for the actual expenses
75.11 incurred in carrying out a withdrawal-from-distribution order or the quarantine, treatment,
75.12 or destruction of any plants.

75.13 (c) It is unlawful for ~~a person~~ an entity to:

75.14 (1) misrepresent, falsify, or knowingly distribute, sell, advertise, or display damaged,
75.15 mislabeled, misrepresented, infested, or infected nursery stock;

75.16 (2) fail to obtain a nursery certificate as required by the commissioner;

75.17 (3) fail to renew a nursery certificate, but continue business operations;

75.18 ~~(4) fail to display a nursery certificate;~~

75.19 ~~(5)~~ (4) misrepresent or falsify a nursery certificate;

75.20 ~~(6)~~ (5) refuse to submit to a nursery inspection;

75.21 ~~(7)~~ (6) fail to provide the cooperation necessary to conduct a successful nursery
75.22 inspection;

75.23 ~~(8)~~ (7) offer for sale uncertified ~~plants, plant materials, or~~ nursery stock;

75.24 ~~(9)~~ (8) possess an illegal regulated commodity;

75.25 ~~(10)~~ (9) violate or disobey a commissioner's order;

75.26 ~~(11)~~ (10) violate a quarantine issued by the commissioner;

75.27 ~~(12)~~ (11) fail to obtain phytosanitary certification for plant material or nursery stock
75.28 brought into Minnesota;

75.29 ~~(13)~~ (12) deface, mutilate, or destroy a nursery stock certificate, phytosanitary certificate,
75.30 or phytosanitary preclearance certificate, or other commissioner mark, permit, or certificate;

76.1 ~~(14)~~ (13) fail to notify the commissioner of an uncertified shipment of ~~plants, plant~~
76.2 ~~materials, or~~ nursery stock;

76.3 ~~(15)~~ (14) transport uncertified ~~plants, plant materials, or~~ nursery stock in Minnesota; or

76.4 ~~(16)~~ (15) sell nursery stock to an uncertified nursery stock dealer who is required to be
76.5 certified.

76.6 **EFFECTIVE DATE.** This section is effective August 1, 2023.

76.7 Sec. 109. Minnesota Statutes 2022, section 18H.18, is amended to read:

76.8 **18H.18 CONSERVATION OF CERTAIN WILDFLOWERS.**

76.9 Subdivision 1. **Restrictions on collecting.** No ~~person~~ entity shall distribute any species
76.10 of orchids (*Orchidaceae*), any gentian (*Gentiana*), arbutus (*Epigaea repens*), lilies (*Lilium*
76.11 species), coneflowers (*Echinacea* species), bloodroot (*Sanguinaria canadensis*), mayapple
76.12 (*Podophyllum peltatum*), any species of trillium (*Trillium* species), or lotus (*Nelumbo*
76.13 *lutea*), ~~which~~ that have been collected in any manner from any public or private property
76.14 without the written permission of the property owner ~~and~~. Plants listed in this subdivision
76.15 that are intended to be offered for sale must have written authorization from the
76.16 commissioner.

76.17 Subd. 2. **Collection without sale.** Wildflower collection from public or private land for
76.18 the purpose of transplanting the plants to a ~~person's~~ an entity's private property and not
76.19 offering for immediate sale, requires the written permission from the property owner of the
76.20 land on which the wildflowers are growing.

76.21 Subd. 3. **Collection with intent to sell or distribute wildflowers.** (a) The wildflowers
76.22 listed in this section may be offered for immediate sale only if the plants are to be used for
76.23 scientific or herbarium purposes.

76.24 (b) The wildflowers listed in this section must not be collected and sold commercially
76.25 unless the plants are:

76.26 (1) growing naturally, collected, and cultivated on the collector's property; or

76.27 (2) collected through the process described in subdivision 2 and transplanted and
76.28 cultivated on the collector's property for at least one growing season before the sale.

76.29 (c) The collector must obtain a written permit from the commissioner before the plants
76.30 may be offered for commercial sale.

77.1 (d) A wildflower listed under this section that is sold commercially must be individually
77.2 labeled with a department permit number.

77.3 **EFFECTIVE DATE.** This section is effective August 1, 2023.

77.4 Sec. 110. Minnesota Statutes 2022, section 18J.08, subdivision 1, is amended to read:

77.5 Subdivision 1. **Notice of appeal.** (a) After service of an order, a person has ~~45~~ 20 days
77.6 from receipt of the order to notify the commissioner in writing that the person intends to
77.7 contest the order.

77.8 (b) If the person fails to notify the commissioner that the person intends to contest the
77.9 order, the order is a final order of the commissioner and not subject to further judicial or
77.10 administrative review.

77.11 **EFFECTIVE DATE.** This section is effective August 1, 2023.

77.12 Sec. 111. Minnesota Statutes 2022, section 18K.04, subdivision 1, is amended to read:

77.13 Subdivision 1. **Requirement; issuance; presumption.** (a) A person must obtain a license
77.14 from the commissioner before (1) growing industrial hemp ~~for commercial or research~~
77.15 ~~purposes, and (2) before processing industrial hemp for commercial purposes, or (3)~~
77.16 researching industrial hemp.

77.17 (b) To obtain a license under paragraph (a), a person must apply to the commissioner
77.18 in the form prescribed by the commissioner and must pay the annual registration and
77.19 inspection fee established by the commissioner in accordance with section 16A.1285,
77.20 subdivision 2.

77.21 (c) For a license to grow industrial hemp ~~for commercial or research purposes~~, the license
77.22 application must include the name and address of the applicant and the legal description of
77.23 the land area or areas where industrial hemp will be grown by the applicant and any other
77.24 information required under Code of Federal Regulations, title 7, part 990.

77.25 (d) For a license to process industrial hemp ~~for commercial purposes~~, the license
77.26 application must include the name and address of the applicant, the legal description of the
77.27 processing location, and any other information required by the commissioner.

77.28 (e) A licensee is responsible for compliance with the license requirements irrespective
77.29 of the acts or omissions of an authorized representative acting on behalf of the licensee.

78.1 (f) When an applicant has paid the fee and completed the application process to the
78.2 satisfaction of the commissioner, the commissioner must issue a license which is valid until
78.3 December 31 of the year of application.

78.4 (g) A person licensed under paragraph (a) to grow industrial hemp is presumed to be
78.5 growing industrial hemp for commercial or research purposes.

78.6 Sec. 112. Minnesota Statutes 2022, section 18K.04, subdivision 2, is amended to read:

78.7 Subd. 2. **Background check; data classification.** The commissioner must require each
78.8 first-time applicant for a license to submit to a background investigation conducted by the
78.9 Bureau of Criminal Apprehension as a condition of licensure. Any first-time authorized
78.10 representatives designated by the applicant must also submit to a background investigation.

78.11 As part of the background investigation, the Bureau of Criminal Apprehension must conduct
78.12 criminal history checks of Minnesota records and is authorized to exchange fingerprints
78.13 with the United States Department of Justice, Federal Bureau of Investigation for the purpose
78.14 of a criminal background check of the national files. The cost of the investigation must be
78.15 paid by the applicant. Criminal history records provided to the commissioner under this
78.16 section must be treated as private data on individuals, as defined in section 13.02, subdivision
78.17 12.

78.18 Sec. 113. Minnesota Statutes 2022, section 18K.06, is amended to read:

78.19 **18K.06 RULEMAKING.**

78.20 (a) The commissioner shall adopt rules governing the production, testing, processing,
78.21 and licensing of industrial hemp. ~~Notwithstanding section 14.125, the commissioner's~~
78.22 ~~authority to adopt these rules expires June 30, 2022.~~ Notwithstanding the two-year limitation
78.23 for exempt rules under section 14.388, subdivision 1, Minnesota Rules, chapter 1565,
78.24 published in the State Register on August 16, 2021, is effective until August 16, 2025, or
78.25 until permanent rules implementing chapter 18K are adopted, whichever occurs first.

78.26 (b) Rules adopted under paragraph (a) must include, but not be limited to, provisions
78.27 governing:

78.28 (1) the supervision and inspection of industrial hemp during its growth and harvest;

78.29 (2) the testing of industrial hemp to determine delta-9 tetrahydrocannabinol levels;

78.30 (3) the use of background check results required under section 18K.04 to approve or
78.31 deny a license application; and

79.1 (4) any other provision or procedure necessary to carry out the purposes of this chapter.

79.2 (c) Rules issued under this section must be consistent with federal law regarding the
79.3 production, distribution, and sale of industrial hemp.

79.4 Sec. 114. Minnesota Statutes 2022, section 25.39, subdivision 1, is amended to read:

79.5 Subdivision 1. **Amount of fee.** (a) An inspection fee at the rate of 16 cents per ton must
79.6 be paid to the commissioner on commercial feeds distributed in this state by the person who
79.7 first distributes the commercial feed, except that:

79.8 (1) no fee need be paid on any feed ingredient in a customer formula feed that has been
79.9 directly furnished by the customer; or

79.10 (2) no fee need be paid on a first distribution if made to a qualified buyer who, with
79.11 approval from the commissioner, is responsible for the fee. Such license-specific
79.12 tonnage-fee-exemption permits shall be issued on a calendar year basis to commercial feed
79.13 licensees who distribute feed or feed ingredients outside the state, and who submit a \$100
79.14 nonrefundable application fee and comply with rules adopted by the commissioner relative
79.15 to record keeping, tonnage of commercial feed distributed in Minnesota, total of all
79.16 commercial feed tonnage distributed, and all other information which the commissioner
79.17 may require so as to ensure that proper inspection fee payment has been made.

79.18 (b) In the case of pet food or specialty pet food distributed in the state only in packages
79.19 of ten pounds or less, a distributor must register each product ~~and submit a current label for~~
79.20 ~~each product~~ annually on forms provided by the commissioner, accompanied by an annual
79.21 application fee of \$100 for each product in lieu of the inspection fee, and within five business
79.22 days, submit a current label for each product upon the request of the commissioner. This
79.23 annual fee must be received by the commissioner on or before June 30 or postmarked on
79.24 or before June 30. The inspection fee required by paragraph (a) applies to pet food or
79.25 specialty pet food distributed in packages exceeding ten pounds.

79.26 (c) The minimum inspection fee is \$75 per annual reporting period.

79.27 Sec. 115. Minnesota Statutes 2022, section 25.391, subdivision 2, is amended to read:

79.28 Subd. 2. **Direct sales to consumers.** An individual qualifying for the exemption under
79.29 subdivision 1 may sell the exempt pet treats to consumers in accordance with section
79.30 28A.152, except that pet treats may also be delivered by mail or commercial delivery.

80.1 Sec. 116. Minnesota Statutes 2022, section 28A.08, is amended by adding a subdivision
 80.2 to read:

80.3 Subd. 4. Food handler license account; appropriation. A food handler license account
 80.4 is established in the agricultural fund. Fees paid under subdivision 3 must be deposited in
 80.5 this account. Money in the account, including interest, is appropriated to the commissioner
 80.6 for expenses relating to licensing and inspecting food handlers under chapters 28 to 34A or
 80.7 rules adopted under one of those chapters.

80.8 Sec. 117. Minnesota Statutes 2022, section 28A.082, subdivision 1, is amended to read:

80.9 Subdivision 1. **Fees; application.** (a) The fees for review of food handler facility floor
 80.10 plans under the Minnesota Food Code are based upon the square footage of the structure
 80.11 being newly constructed, remodeled, or converted. The fees for the review shall be:

square footage	review fee
0 - 4,999 999.....	\$ 200.00
<u>1,000 - 4,999.....</u>	<u>\$ 400.00</u>
	275.00
5,000 - 24,999.....	\$ <u>800.00</u>
	425.00
25,000 plus.....	\$ <u>1,000.00</u>

80.19 (b) The applicant must submit the required fee, review application, plans, equipment
 80.20 specifications, materials lists, and other required information on forms supplied by the
 80.21 department at least 30 days prior to commencement of construction, remodeling, or
 80.22 conversion. The commissioner may waive this fee after determining that the facility's
 80.23 principal mode of business is not the sale of food and that the facility sells only prepackaged
 80.24 foods.

80.25 (c) The fee for a remodel of a licensed food establishment by the license holder is based
 80.26 on the total square footage in paragraph (a) of the remodeled food preparation, service,
 80.27 display, and storage areas only. This paragraph does not apply to a retail food handler who
 80.28 is applying for a new license that includes the conversion of an existing building or structure
 80.29 that was previously licensed as a food establishment.

80.30 Sec. 118. Minnesota Statutes 2022, section 28A.09, is amended by adding a subdivision
 80.31 to read:

80.32 Subd. 3. Vending machine inspection account; appropriation. A vending machine
 80.33 inspection account is established in the agricultural fund. Fees paid under subdivision 1

81.1 must be deposited in this account. Money in the account, including interest, is appropriated
81.2 to the commissioner for expenses relating to identifying and inspecting food vending
81.3 machines under chapters 28 to 34A or rules adopted under one of those chapters.

81.4 Sec. 119. Minnesota Statutes 2022, section 32D.02, subdivision 2, is amended to read:

81.5 Subd. 2. **Power and authority.** For the purpose of enforcing this chapter, the
81.6 commissioner and the commissioner's assistants, agents, and employees have the power
81.7 and authority granted under chapter 34A and sections 31.02 to 31.171.

81.8 **EFFECTIVE DATE.** This section is effective August 1, 2023.

81.9 Sec. 120. Minnesota Statutes 2022, section 32D.09, subdivision 2, is amended to read:

81.10 Subd. 2. **Permitting.** No person shall operate a dairy plant in this state unless the dairy
81.11 plant, equipment, and water supply and plumbing system have been first approved by the
81.12 commissioner and a permit issued to operate the same. ~~A permit may be revoked by the~~
81.13 ~~commissioner for due cause pursuant to section 34A.06.~~

81.14 **EFFECTIVE DATE.** This section is effective August 1, 2023.

81.15 Sec. 121. Minnesota Statutes 2022, section 34A.04, subdivision 1, is amended to read:

81.16 Subdivision 1. **Enforcement required.** (a) The commissioner shall enforce this chapter
81.17 and chapters 28, 28A, 29, 30, 31, 31A, 32D, and 34. To carry out the enforcement duties
81.18 under these chapters, the commissioner may, upon presenting appropriate credentials, during
81.19 regular working hours and at other reasonable times, inspect premises subject to the
81.20 commissioner's enforcement and licensing authority; require information from persons with
81.21 information relevant to an inspection; and inspect and copy relevant papers and records,
81.22 including business records.

81.23 (b) The commissioner may administer oaths, take and cause to be taken depositions of
81.24 witnesses, and issue subpoenas, and may petition the district court in the county in which
81.25 the premises is located to compel compliance with subpoenas or to permit an inspection.

81.26 (c) Violations of chapters 28, 28A, 29, 30, 31, 31A, 32D, and 34, or rules adopted under
81.27 chapters 28, 28A, 29, 30, 31, 31A, 32D, and 34, are a violation of this chapter.

81.28 (d) Upon the request of the commissioner, county attorneys, sheriffs, and other officers
81.29 having authority in the enforcement of the general criminal laws shall take action to the
81.30 extent of their authority necessary or proper for the enforcement of this chapter or standards,
81.31 stipulations, and agreements of the commissioner.

82.1 **EFFECTIVE DATE.** This section is effective August 1, 2023.

82.2 Sec. 122. Minnesota Statutes 2022, section 35.02, subdivision 1, is amended to read:

82.3 Subdivision 1. **Members; officers.** The board has ~~six~~ seven members appointed by the
82.4 governor with the advice and consent of the senate, ~~four~~ three of whom are producers of
82.5 livestock in the state ~~and at least one of the four livestock producers;~~ one of whom is also
82.6 a member of a federally recognized Tribe located in Minnesota; who is experienced in
82.7 animal husbandry; and ~~two~~ three of whom are practicing veterinarians licensed in Minnesota,
82.8 one of whom specializes in companion animals. To the extent practicable, the governor's
82.9 appointments must achieve gender and geographic balance among the board membership.
82.10 The commissioners of agriculture, natural resources, and health, the dean of the College of
82.11 Veterinary Medicine, and the director of the Veterinary Diagnostic Laboratory of the
82.12 University of Minnesota may serve as consultants to the board without vote. Appointments
82.13 to fill unexpired terms must be made from the classes to which the retiring members belong.
82.14 The board shall elect a president and a vice-president from among its members and a
82.15 veterinarian licensed in Minnesota who is not a member to be its executive director for a
82.16 term of one year and until a successor qualifies. The board shall set the duties of the director.

82.17 **EFFECTIVE DATE.** This section is effective July 1, 2023, and applies to appointments
82.18 that occur on or after that date.

82.19 Sec. 123. Minnesota Statutes 2022, section 35.05, is amended to read:

82.20 **35.05 AUTHORITY OF STATE BOARD.**

82.21 (a) The state board may quarantine or kill any domestic animal infected with, or which
82.22 has been exposed to, a contagious or infectious dangerous disease if it is necessary to protect
82.23 the health of the domestic animals of the state.

82.24 (b) The board may regulate or prohibit the arrival in and departure from the state of
82.25 infected or exposed animals and, in case of violation of any rule or prohibition, may detain
82.26 any animal at its owner's expense. The board may regulate or prohibit the importation of
82.27 domestic animals which, in its opinion, may injure the health of Minnesota livestock.

82.28 (c) When the governor declares an emergency under section 35.0661, the board, through
82.29 its executive director, may assume control of such resources within the University of
82.30 Minnesota's Veterinary Diagnostic Laboratory as necessary to effectively address the disease
82.31 outbreak. The director of the laboratory and other laboratory personnel must cooperate fully
82.32 in performing necessary functions related to the outbreak or threatened outbreak.

83.1 (d) The board may test or require tests of any bovine or cervidae in the state when the
83.2 board deems it necessary to achieve or maintain bovine tuberculosis accredited free state
83.3 or zone status under the regulations and laws administered by the United States Department
83.4 of Agriculture.

83.5 (e) Notwithstanding section 3.3005, subdivision 2, the board may apply for, receive,
83.6 and disburse federal money made available to the state for animal disease response. All
83.7 federal money received by the board for this purpose must be deposited in the state treasury
83.8 and, ~~except as provided in section 35.156, subdivision 2,~~ is appropriated to the board for
83.9 the purposes for which it was received. By January 15 each year, the board must report to
83.10 the senate Committee on Finance, the house of representatives Committee on Ways and
83.11 Means, and the legislative committees with jurisdiction over the board's operating budget
83.12 regarding the amount of federal money received and spent in the previous fiscal year under
83.13 this paragraph and the board's use of these funds.

83.14 Sec. 124. Minnesota Statutes 2022, section 41A.14, subdivision 2, is amended to read:

83.15 Subd. 2. **Advisory panel.** (a) In awarding grants under this section, the commissioner
83.16 and a representative of the College of Food, Agricultural and Natural Resource Sciences at
83.17 the University of Minnesota must consult with an advisory panel consisting of the following
83.18 stakeholders:

83.19 (1) a representative of the Minnesota State Colleges and Universities system;

83.20 (2) a representative of the Minnesota Farm Bureau;

83.21 (3) a representative of the Minnesota Farmers Union;

83.22 (4) a person representing agriculture industry statewide;

83.23 (5) a representative of each of the state commodity councils organized under section
83.24 17.54 and the Minnesota Pork Board;

83.25 (6) a person representing an association of primary manufacturers of forest products;

83.26 (7) a person representing organic or sustainable agriculture; ~~and~~

83.27 (8) a person representing statewide environment and natural resource conservation
83.28 organizations; and

83.29 (9) a person representing the interests of Minnesota Tribal governments as defined in
83.30 section 10.65, subdivision 2, paragraph (a), clause (4).

84.1 (b) Members under paragraph (a), clauses (1) to (3) and (5), shall be chosen by their
84.2 respective organizations. The member under paragraph (a), clause (9), may be appointed
84.3 by the Minnesota Indian Affairs Council at the council's discretion.

84.4 Sec. 125. Minnesota Statutes 2022, section 41A.19, is amended to read:

84.5 **41A.19 REPORT; INCENTIVE PROGRAMS.**

84.6 By January 15 each year, the commissioner shall report on the incentive programs under
84.7 sections 41A.16, 41A.17, 41A.18, and 41A.20,~~and 41A.21~~ to the legislative committees
84.8 with jurisdiction over environment and agriculture policy and finance. The report shall
84.9 include information on production and incentive expenditures under the programs.

84.10 Sec. 126. Minnesota Statutes 2022, section 223.16, is amended by adding a subdivision
84.11 to read:

84.12 Subd. 3c. **Failure.** "Failure" means a determination by the commissioner that a grain
84.13 buyer or grain warehouse has failed to pay for delivered grain, breached a contract, breached
84.14 more than one contract, or failed to redeliver stored grain to a producer.

84.15 Sec. 127. Minnesota Statutes 2022, section 223.17, subdivision 7, is amended to read:

84.16 Subd. 7. ~~Action on a bond~~ **Breach of contract.** A producer claiming to be damaged
84.17 by a breach of a contract for the purchase of grain by a licensed grain buyer may file a
84.18 written claim with the commissioner. The claim must state the facts constituting the claim.
84.19 ~~The claim must be filed with the commissioner within 180 days of the breach of the contract.~~
84.20 If a claim is valid, the commissioner may immediately suspend the license, in which case
84.21 the licensee shall surrender the license to the commissioner. Within 15 days the licensee
84.22 may request an administrative hearing subject to chapter 14 to determine whether the license
84.23 should be revoked. If no request is made within 15 days, the commissioner shall revoke the
84.24 license.

84.25 Sec. 128. Minnesota Statutes 2022, section 223.17, subdivision 7a, is amended to read:

84.26 Subd. 7a. ~~Bond requirements; claims.~~ **Bond requirements; claims.** For entities licensed under this chapter and
84.27 chapter 232, the bond requirements and ~~claims~~ claims actions against the bond are governed under
84.28 section ~~232.22, subdivision 6a~~ 223.28.

85.1 Sec. 129. Minnesota Statutes 2022, section 223.175, is amended to read:

85.2 **223.175 WRITTEN VOLUNTARY EXTENSION OF CREDIT CONTRACTS;**
85.3 **FORM.**

85.4 A written confirmation required under section 223.177, subdivision 2, and a written
85.5 voluntary extension of credit contract must include those items prescribed by the
85.6 commissioner by rule. A contract shall include a statement of the legal and financial
85.7 responsibilities of grain buyers and sellers established in this chapter. A contract shall also
85.8 include the following statement in not less than ten point, all capital type, framed in a box
85.9 with space provided for the seller's signature: "THIS CONTRACT CONSTITUTES A
85.10 VOLUNTARY EXTENSION OF CREDIT. ~~THIS CONTRACT IS NOT COVERED BY~~
85.11 ~~ANY GRAIN BUYER'S BOND~~ MAY NOT BE COVERED COMPLETELY BY THE
85.12 GRAIN INDEMNITY ACCOUNT." If a written contract is provided at the time the grain
85.13 is delivered to the grain buyer, the seller shall sign the contract in the space provided beneath
85.14 the statement. A transaction that does not meet the provisions of a voluntary extension of
85.15 credit, including the issuance and signing of a voluntary extension of credit contract, is a
85.16 cash sale.

85.17 Sec. 130. Minnesota Statutes 2022, section 223.19, is amended to read:

85.18 **223.19 RULES.**

85.19 The commissioner may make rules pursuant to chapter 14 to carry out the provisions of
85.20 sections 223.15 to ~~223.23~~ 223.28.

85.21 Sec. 131. **[223.24] GRAIN INDEMNITY ACCOUNT.**

85.22 Subdivision 1. Establishment. The grain indemnity account is established in the
85.23 agricultural fund. The grain indemnity account shall consist of grain indemnity premiums,
85.24 money from any other source, and interest.

85.25 Subd. 2. Account; appropriation. (a) Money in the grain indemnity account, including
85.26 interest, is appropriated to the commissioner to pay valid claims and to administer this
85.27 section.

85.28 (b) The commissioner shall direct payments from the grain indemnity account only for
85.29 the following purposes:

85.30 (1) the payment of valid claims;

85.31 (2) the payment of grain indemnity premium refunds;

86.1 (3) the payment of administrative expenses under paragraph (c);

86.2 (4) the payment of legal fees and legal expenses under subdivision 7; or

86.3 (5) the payment of a trustee appointed under subdivision 6.

86.4 (c) The commissioner shall allocate money from the grain indemnity account to a separate
86.5 administrative expenses account to pay or reimburse the agency for grain indemnity account
86.6 expenses. Administrative expenses under this paragraph include the actual cost of processing
86.7 payments and refunds, enforcement, record keeping, ordinary management and investment
86.8 fees connected with the operation of the grain indemnity account, and legal expenses.

86.9 Subd. 3. **Eligibility.** A producer is eligible to receive a grain indemnity payment from
86.10 the commissioner if the producer sold grain to a grain buyer as defined in this chapter or
86.11 stored grain with a public grain warehouse operator under chapter 232 and the producer is
86.12 damaged by the grain buyer's or public grain warehouse operator's failure to pay for or
86.13 redeliver grain.

86.14 Subd. 4. **Application.** (a) A producer asserting eligibility under subdivision 3 must file
86.15 a completed claim with the commissioner. The producer must state the facts constituting
86.16 the claim and all other information required by the commissioner.

86.17 (b) Upon receiving a claim, the commissioner must promptly determine the validity of
86.18 the claim and notify the claimant of the commissioner's determination.

86.19 (c) An aggrieved party may appeal the commissioner's determination by requesting,
86.20 within 15 days, that the commissioner initiate a contested case proceeding under chapter
86.21 14.

86.22 Subd. 5. **Payment limitation.** (a) For each failure as defined by section 223.16,
86.23 subdivision 3c, the commissioner must pay the eligible producer:

86.24 (1) the amount equal to the value of the grain sold on cash sale, grain assigned to
86.25 warehouse receipt, or grain assigned to open storage less than 180 days from the deposit;

86.26 (2) the amount equal to the value of grain sold up to \$300,000, or the lesser of \$750,000
86.27 or 75 percent of the amount owed to the seller for a contract in excess of \$300,000 for a
86.28 deferred or delayed payment contract for which a price has been established when the
86.29 contract originated within 120 days of the breach of contract;

86.30 (3) the lesser of \$750,000 or 75 percent of the amount owed to the seller for a voluntary
86.31 extension of credit contract for which no price has been established when the contract
86.32 originated within 180 days of the breach of contract;

87.1 (4) the lesser of \$500,000 or 50 percent for an open storage assignment or a voluntary
87.2 extension of credit contract when the open storage assignment or contract originated between
87.3 181 days and 18 months from the failure; or

87.4 (5) the lesser of \$250,000 or 25 percent for an open storage assignment or a voluntary
87.5 extension of credit contract when the open storage assignment or contract originated between
87.6 19 months and 36 months from the failure.

87.7 (b) Claims filed more than 36 months from the failure are not eligible for payment.

87.8 (c) For the purposes of this subdivision, multiple breaches of contract with a single entity
87.9 constitute one failure.

87.10 (d) If a grain buyer holds both a Minnesota grain buyer license, as defined in chapter
87.11 223, and a license with the United States Department of Agriculture (USDA) under the
87.12 United States Warehouse Act, a seller may only file a claim with the grain indemnity account
87.13 if the seller sold grain as a cash sale or under a voluntary extension of credit contract. The
87.14 commissioner must deny any claims for stored grain from a seller that holds both a Minnesota
87.15 grain buyer license and a license with the USDA under the United States Warehouse Act.

87.16 (e) If valid claims exceed the amount of money available in the grain indemnity account,
87.17 the commissioner must pay claims to producers in the order that the claims were received.
87.18 When additional money becomes available, the commissioner must resume issuing grain
87.19 indemnity payments to each eligible producer until each producer receives the maximum
87.20 amount payable under paragraph (a).

87.21 (f) If the grain indemnity account balance is insufficient to pay refunds under section
87.22 223.26 and valid claims exist, once money is deposited into the grain indemnity account,
87.23 the commissioner must issue pending refunds for grain indemnity premium payments before
87.24 issuing payments to claimants.

87.25 Subd. 6. **Court order.** (a) The commissioner may apply to a district court for an order
87.26 appointing a trustee or receiver to manage and supervise the operations of a grain buyer or
87.27 public grain warehouse operator in default. The commissioner may participate in any
87.28 resulting court proceeding as an interested party.

87.29 (b) The commissioner may recover the cost of the appointed trustee using money
87.30 appropriated under subdivision 2.

87.31 Subd. 7. **Debt obligation; subrogated claim.** (a) Money paid by the commissioner to
87.32 satisfy a valid claim constitutes a debt obligation of the grain buyer or public grain warehouse
87.33 operator in default. The commissioner may take action against the grain buyer or public

88.1 grain warehouse operator to recover the amount of any claim payment plus reasonable costs,
88.2 attorney fees, and interest computed at the rate provided in section 270C.40. The
88.3 commissioner must deposit any amount recovered under this subdivision in the grain
88.4 indemnity account.

88.5 (b) As a condition of payment from the commissioner, a producer must subrogate the
88.6 producer's interest in any claims against the grain buyer or public grain warehouse operator,
88.7 including any rights to any grain bond claims, to the commissioner in an amount equal to
88.8 any claim payment or payments that the producer received under this section. The surety
88.9 for any claims against the grain bond must make payments to the grain indemnity account.

88.10 (c) The commissioner may recover any debt to the grain indemnity account from a
88.11 member of the board or management who acted negligently or fraudulently.

88.12 **Sec. 132. [223.25] GRAIN INDEMNITY PREMIUMS.**

88.13 Subdivision 1. **Charges.** (a) Except as provided in subdivision 3, producers of grain
88.14 must be charged a grain indemnity premium as determined and published by the
88.15 commissioner not to exceed 0.2 percent of the price on all marketed grain that is sold to a
88.16 grain buyer as defined in chapter 223.

88.17 (b) The grain indemnity premiums required under this section are in addition to any
88.18 other fees or assessments required by law.

88.19 Subd. 2. **Collection and submission of grain indemnity premiums.** (a) Each producer
88.20 must pay to the commissioner a grain indemnity premium of not more than 0.2 percent of
88.21 the net proceeds from all grain sold by the producer to a grain buyer purchasing grain in
88.22 Minnesota. When a producer sells grain to a grain buyer, the grain buyer must deduct the
88.23 grain indemnity premium from the proceeds of the sale and pay the grain indemnity premium
88.24 to the commissioner on behalf of the producer.

88.25 (b) When purchasing grain from a producer, a grain buyer must deduct the grain
88.26 indemnity premium described in paragraph (a) from the proceeds of the sale and notify the
88.27 producer of the amount of the deduction in writing. The grain buyer must forward the grain
88.28 indemnity premium to the commissioner for deposit into the grain indemnity account on
88.29 behalf of the producer as described in this subdivision.

88.30 (c) A grain buyer must clearly indicate the grain indemnity premiums collected under
88.31 paragraph (b) in the grain buyer's books and records. A grain buyer must retain books and
88.32 records containing the grain indemnity premiums for at least three years. A grain buyer
88.33 must make the grain buyer's books and records available for inspection by the commissioner

89.1 during regular business hours. The department must take steps reasonably necessary to
89.2 verify the accuracy of the grain indemnity premiums as recorded in the grain buyer's books
89.3 and records. Any record or portion thereof seized or copied by the commissioner is private
89.4 or nonpublic data as provided in section 13.02, except that the commissioner may disclose
89.5 data to aid in the law enforcement process.

89.6 (d) A grain buyer must submit grain indemnity premiums collected under paragraph (a)
89.7 to the commissioner for the purpose of financing or contributing to the financing of the
89.8 grain indemnity account by:

89.9 (1) January 31 for grain indemnity premiums collected during the months of July, August,
89.10 September, October, November, and December; and

89.11 (2) July 31 for grain indemnity premiums collected during the months of January,
89.12 February, March, April, May, and June.

89.13 Subd. 3. **Amount in grain indemnity account; basis for suspension and reinstatement**
89.14 **of grain indemnity premium collection.** (a) Except as provided in paragraph (b), the grain
89.15 indemnity premiums required under this section must be collected until the grain indemnity
89.16 account contains more than \$15,000,000 as of June 30 of any given year.

89.17 (b) The commissioner must not require the collection of additional grain indemnity
89.18 premiums until the amount in the grain indemnity account drops below \$8,000,000. In a
89.19 year when the commissioner determines that the grain indemnity account is at or below
89.20 \$8,000,000, the commissioner may reinstate the collection described in this section. If the
89.21 account contains at least \$8,000,000, the commissioner may, after holding a public meeting,
89.22 suspend premium payments for all producers in the event of economic hardship.

89.23 (c) The commissioner shall announce the intention to collect the premiums described
89.24 in this section by May 1 with collection to begin July 1 until the grain indemnity account
89.25 contains at least \$15,000,000. The commissioner must notify the public of the commissioner's
89.26 intent to reinstate collection of additional grain indemnity premiums through publication
89.27 in the State Register and by notifying each licensee of the licensee's obligation to collect
89.28 premiums.

89.29 Sec. 133. **[223.26] GRAIN INDEMNITY OPT OUT.**

89.30 (a) A producer that has paid a grain indemnity premium under section 223.25 may receive
89.31 a refund of that premium from the grain indemnity account by submitting a written demand
89.32 for a refund to the commissioner, delivered personally or by first-class mail within 12 months
89.33 after the producer paid the grain indemnity premium.

90.1 (b) The commissioner must prepare a distributable flyer explaining how a producer can
90.2 opt out of the grain indemnity program and must post the flyer on the Department of
90.3 Agriculture website. A licensed business must make the flyers available for anyone visiting
90.4 the licensed business.

90.5 (c) A producer must submit a demand for a refund of a grain indemnity premium under
90.6 paragraph (a) on a demand for refund form developed by the commissioner. The
90.7 commissioner must make the form available to a licensee, producer, or member of the public
90.8 upon request.

90.9 (d) If a producer is entitled to a refund of a grain indemnity premium under this section,
90.10 the commissioner must pay the refund within 90 days of receiving the demand for a refund.
90.11 If the grain indemnity account balance is insufficient to pay refunds under this subdivision
90.12 and valid claims exist, the commissioner must issue refunds for grain indemnity premium
90.13 payments before issuing payments to claimants once money is deposited into the grain
90.14 indemnity account.

90.15 (e) If the commissioner announces grain indemnity premiums as required under section
90.16 223.25, subdivision 3, by June 30, the commissioner must send a notice to each producer
90.17 who requested a refund of a grain indemnity premium during the previous three fiscal years.
90.18 The notice must inform the producer of the deadline for and method of submitting a demand
90.19 for a refund to the commissioner under paragraphs (a) and (c) and the method for reentering
90.20 the grain indemnity program under paragraph (f).

90.21 (f) A producer that receives a refund of a grain indemnity premium under paragraph (a)
90.22 is not entitled to participate in the grain indemnity program or to receive any payment under
90.23 this section unless the producer reenters the grain indemnity program by meeting all of the
90.24 following conditions:

90.25 (1) the producer must submit a request for reentry into the grain indemnity program to
90.26 the commissioner. The producer must submit the request on the form required by the
90.27 commissioner and must deliver the request to the commissioner;

90.28 (2) the producer's request must be approved by the commissioner; and

90.29 (3) the producer must pay into the grain indemnity account all grain indemnity premiums
90.30 that were refunded to the producer and interest on the refunds as determined by the
90.31 commissioner.

91.1 (g) A producer that reenters the grain indemnity program under paragraph (f) is eligible
91.2 to be reimbursed for claims under the grain indemnity program for any breach of contract
91.3 that occurs at least 120 days after reentry.

91.4 (h) A producer is not eligible for a refund of a grain indemnity premium under this
91.5 section if the producer has received payment from the grain indemnity account for a valid
91.6 claim within the preceding 36 months.

91.7 Sec. 134. **[223.27] PENALTIES; ENFORCEMENT ACTION; COSTS AND**
91.8 **EXPENSES.**

91.9 (a) In addition to any other penalty or remedy provided by law, a person who knowingly
91.10 or intentionally commits any of the following is subject to civil penalties under section
91.11 18J.10:

91.12 (1) refusing or failing to collect any grain indemnity premiums as required under section
91.13 223.25;

91.14 (2) refusing or failing to pay to the commissioner any grain indemnity premiums collected
91.15 under section 223.25;

91.16 (3) making a false statement, representation, or certification, or knowingly failing to
91.17 make a required statement, representation, or certification in a record, report, or other
91.18 document required under this chapter or filed with the commissioner; or

91.19 (4) resisting, preventing, impeding, or interfering with the commissioner in the
91.20 performance of the commissioner's duties under this chapter.

91.21 (b) In addition to the civil penalty described in paragraph (a), the commissioner in an
91.22 enforcement action for a violation described in paragraph (a), clause (1) or (2), must order
91.23 the grain buyer to pay into the grain indemnity account any grain indemnity premiums
91.24 collected by the grain buyer that the grain buyer owes to the grain indemnity account and
91.25 may order the grain buyer to pay interest on the amount that the grain buyer owes to the
91.26 grain indemnity account.

91.27 Sec. 135. **[223.28] GRAIN BONDS; NEW LICENSE HOLDERS.**

91.28 (a) Except as provided in paragraph (b), before the commissioner issues a grain buyer
91.29 or public grain warehouse operator license, a person who has not been licensed to buy grain
91.30 or operate a public grain warehouse in the previous licensing period must file with the
91.31 commissioner a grain bond in a penal sum of \$100,000. A grain bond must remain in effect
91.32 for the first three years of the license.

92.1 (b) A grain buyer who purchases grain immediately upon delivery solely with cash; a
92.2 certified check; a cashier's check; or a postal, bank, or express money order is exempt from
92.3 this subdivision if the grain buyer's gross annual purchases are \$1,000,000 or less.

92.4 (c) The commissioner may require a supplemental bond in an amount prescribed by the
92.5 commissioner based on the financial statements required in section 223.17, subdivision 6.

92.6 (d) A grain bond must be on a form provided by the commissioner.

92.7 (e) A grain bond required under paragraphs (a) and (c) must provide for the payment of
92.8 any loss caused by the grain buyer's failure to pay upon the owner's demand, including loss
92.9 caused by the grain buyer's failure to pay within the time required. The grain bond must be
92.10 conditioned upon the grain buyer being duly licensed.

92.11 (f) A grain bond required under paragraphs (a) and (c) that is obtained by a public grain
92.12 warehouse operator must be conditioned that the public grain warehouse operator issuing
92.13 a grain warehouse receipt is liable to the depositor for the delivery of the kind, grade, and
92.14 net quantity of grain called for by the receipt. A grain bond must be conditioned upon the
92.15 operator being duly licensed.

92.16 (g) A grain bond must not be cumulative from one licensing period to the next. The
92.17 maximum liability of the grain bond must be the grain bond's face value for the licensing
92.18 period.

92.19 (h) A grain bond must be continuous until canceled. To cancel a grain bond, a surety
92.20 must provide 90 days' written notice of the grain bond's termination date to the licensee and
92.21 the commissioner.

92.22 (i) Upon the commissioner's determination that a claim is valid, the surety for any claims
92.23 against the grain bond must make payments to the grain indemnity account.

92.24 Sec. 136. Minnesota Statutes 2022, section 232.22, subdivision 5, is amended to read:

92.25 **Subd. 5. Statement of grain in storage; reports.** ~~(a) All public grain warehouse operators~~
92.26 ~~must by February 15 of each year file with the commissioner on a form approved by the~~
92.27 ~~commissioner a report showing the annual average liability of all grain outstanding on grain~~
92.28 ~~warehouse receipts, open storage, and grain stored for feed processing that occurred during~~
92.29 ~~the preceding calendar year. This report shall be used for the purpose of establishing the~~
92.30 ~~penal sum of the bond.~~

92.31 ~~(b) Warehouse operators that are at a maximum bond and want to continue at maximum~~
92.32 ~~bond do not need to file this report.~~

93.1 ~~(e) It is a violation of this chapter for any public grain warehouse operator to fail to file~~
93.2 ~~the report required in paragraph (a).~~

93.3 ~~(d)~~ (a) Every public grain warehouse operator shall keep in a place of safety complete
93.4 and accurate records and accounts relating to any grain warehouse operated. The records
93.5 shall reflect each commodity received and shipped daily, the balance remaining in the grain
93.6 warehouse at the close of each business day, a listing of all unissued grain warehouse receipts
93.7 in the operator's possession, a record of all grain warehouse receipts issued which remain
93.8 outstanding and a record of all grain warehouse receipts which have been returned for
93.9 cancellation. Copies of grain warehouse receipts or other documents evidencing ownership
93.10 of grain by a depositor, or other liability of the grain warehouse operator, shall be retained
93.11 as long as the liability exists but must be kept for a minimum of three years.

93.12 ~~(e)~~ (b) Every public grain warehouse operator must maintain in the grain warehouse at
93.13 all times grain of proper grade and sufficient quantity to meet delivery obligations on all
93.14 outstanding grain warehouse receipts.

93.15 Sec. 137. Laws 2022, chapter 95, article 2, section 29, subdivision 6, is amended to read:

93.16 Subd. 6. **Expiration.** This section expires ~~June 30~~ December 31, 2024.

93.17 Sec. 138. **REPORTS REQUIRED; PFAS IN PESTICIDES.**

93.18 The commissioner of agriculture must conduct a review of existing published literature
93.19 and other available information on the presence of PFAS in pesticides used in Minnesota.
93.20 The review must consider the presence of intentionally added PFAS in pesticide active and
93.21 inert ingredients; the potential for PFAS that are not intentionally added in pesticides; an
93.22 assessment of the use and necessity of pesticides containing PFAS in Minnesota; potential
93.23 alternative products; and other considerations necessary to determine the risks of, and need
93.24 for, PFAS in pesticide products used in Minnesota. The commissioner must submit an
93.25 interim report to the chairs and ranking minority members of the legislative committees
93.26 with jurisdiction over agriculture no later than February 1, 2024, and a final report no later
93.27 than February 1, 2025.

93.28 Sec. 139. **WOLF-LIVESTOCK CONFLICT-PREVENTION PROGRAM.**

93.29 (a) The commissioner of agriculture may award grants to livestock producers to prevent
93.30 wolf-livestock conflicts. Livestock producers located in Minnesota are eligible to apply for
93.31 reimbursement for the cost of practices to prevent wolf-livestock conflicts. The commissioner

94.1 may establish a cap on the amount of grant money that a recipient is eligible to receive
94.2 annually.

94.3 (b) To be eligible for a grant under this section, a livestock producer must raise livestock
94.4 within Minnesota's wolf range or on property determined by the commissioner to be affected
94.5 by wolf-livestock conflicts.

94.6 (c) A grant applicant must document a cost-share of 20 percent for activities covered
94.7 by a grant under this program. A grant applicant's cost-share amount may be reduced up to
94.8 \$2,000 to cover the time and labor costs of wolf-livestock conflict prevention activities.

94.9 (d) Eligible wolf-livestock conflict-prevention activities include but are not limited to:

94.10 (1) the purchase of guard animals;

94.11 (2) payment of veterinary costs for guard animals;

94.12 (3) the installation of wolf barriers, which may include pens, fladry, and fencing necessary
94.13 to protect livestock;

94.14 (4) the installation of wolf-detering lights and alarms; and

94.15 (5) the installation of calving or lambing shelters.

94.16 (e) Eligible grant recipients must:

94.17 (1) make a good faith effort to avoid wolf-livestock conflicts;

94.18 (2) make a good faith effort to care for guard animals paid for under this section;

94.19 (3) retain proper documentation of expenses;

94.20 (4) report annually to the commissioner on the effectiveness of the nonlethal methods
94.21 employed; and

94.22 (5) allow follow-up evaluations and monitoring by the commissioner.

94.23 (f) Grant recipients shall continue to be eligible for depredation payments under
94.24 Minnesota Statutes, section 3.737.

94.25 **Sec. 140. WILD RICE RESEARCH REPORT.**

94.26 The commissioner of agriculture must convene a group of stakeholders, including
94.27 representatives of Minnesota Tribal governments as defined in Minnesota Statutes, section
94.28 10.65; cultivated wild rice producers; the College of Food, Agricultural and Natural Resource
94.29 Sciences; and the University of Minnesota, to make recommendations about the future of
94.30 the wild rice breeding program. The commissioner must submit a report on the

95.1 recommendations to the chairs and ranking minority members of the legislative committees
95.2 and divisions with jurisdiction over agriculture by January 15, 2024.

95.3 Sec. 141. **REPORT REQUIRED; GRAIN ADVISORY GROUP.**

95.4 The commissioner of agriculture must convene members of the Grain Advisory Group
95.5 and develop recommendations regarding financial statement and bonding requirements for
95.6 licensed grain buyers and public grain warehouse operators to better protect farmers who
95.7 sell and store grain in this state. No later than February 1, 2024, the commissioner must
95.8 report recommendations to the legislative committees with jurisdiction over agriculture.
95.9 Participating stakeholders must be given an opportunity to include written testimony in the
95.10 commissioner's report.

95.11 Sec. 142. **REPEALER.**

95.12 Subdivision 1. **Grain buyers and warehouses.** Minnesota Statutes 2022, sections
95.13 223.17, subdivisions 4 and 8; and 232.22, subdivisions 4, 6, 6a, and 7, are repealed.

95.14 Subd. 2. **Financial assistance programs.** Minnesota Statutes 2022, sections 41A.12,
95.15 subdivision 4; and 41A.21, are repealed.

95.16 Subd. 3. **Plants and nurseries.** Minnesota Statutes 2022, sections 18H.02, subdivisions
95.17 21, 22, and 23; and 18H.07, subdivisions 2 and 3, are repealed.

95.18 Subd. 4. **Emerging farmers.** Minnesota Statutes 2022, section 17.055, subdivision 2,
95.19 is repealed.

95.20 Subd. 5. **Federal funds.** Minnesota Statutes 2022, section 35.156, subdivision 2, is
95.21 repealed.

95.22 Subd. 6. **Genetically engineered organisms.** Minnesota Statutes 2022, sections 18F.02,
95.23 subdivisions 2 and 9; and 18F.12, are repealed.

95.24 Subd. 7. **Plant protection and nurseries.** Minnesota Statutes 2022, sections 18G.02,
95.25 subdivisions 12, 17, 21, 25, and 29; 18H.02, subdivisions 10, 12a, 29, 31, 32a, and 34; and
95.26 18H.06, subdivision 1, are repealed.

95.27 Subd. 8. **Hemp.** Minnesota Statutes 2022, sections 18K.05; and 18K.09, are repealed.

95.28 Subd. 9. **Dairy law.** Minnesota Statutes 2022, sections 17.984; 32D.03, subdivision 5;
95.29 32D.24; 32D.25; 32D.26; 32D.27; and 32D.28, are repealed.

95.30 **EFFECTIVE DATE.** Subdivision 3 is effective January 1, 2025.

ARTICLE 3

BROADBAND

Section 1. **BROADBAND DEVELOPMENT APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose.

The figures "2024" and "2025" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.

"The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025.

APPROPRIATIONS
Available for the Year

Ending June 30

2024

2025

Sec. 2. DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT

\$

75,350,000

\$

50,350,000

(a) \$350,000 each year is for the Office of Broadband Development.

(b) \$75,000,000 the first year and \$50,000,000

the second year are for transfer to the

border-to-border broadband fund account

established in Minnesota Statutes, section

116J.396. Of the amount transferred each year,

\$20,000,000 is for lower population density

program grants under Minnesota Statutes,

section 116J.3952. This is a onetime

appropriation.

Sec. 3. Minnesota Statutes 2022, section 116J.395, subdivision 7, is amended to read:

Subd. 7. **Limitation.** (a) No grant awarded under this section may fund more than 50 percent of the total cost of a project.

(b) Grants awarded to a single project under this section must not exceed \$5,000,000 \$10,000,000.

97.1 Sec. 4. **[116J.3952] LOWER POPULATION DENSITY GRANT PROGRAM.**

97.2 Subdivision 1. Establishment. A lower population density grant program is established
97.3 in the Department of Employment and Economic Development. The purpose of the lower
97.4 population density grant program is to provide broadband service to unserved and
97.5 underserved areas of the state where a 50 percent match formula is not adequate to make a
97.6 business case for the extension of broadband facilities.

97.7 Subd. 2. Grants. Grants awarded under this section may fund up to 75 percent of the
97.8 total cost of a project and must otherwise adhere to section 116J.395, subdivisions 1 to 6
97.9 and subdivision 7, paragraph (b).

97.10 Sec. 5. Minnesota Statutes 2022, section 116J.396, subdivision 2, is amended to read:

97.11 Subd. 2. **Expenditures.** Money in the account may be used only:

97.12 (1) for grant awards made under sections 116J.395 ~~and to 116J.3951~~ 116J.3952, including
97.13 costs incurred by the Department of Employment and Economic Development to administer
97.14 that section;

97.15 (2) to supplement revenues raised by bonds sold by local units of government for
97.16 broadband infrastructure development; or

97.17 (3) to contract for the collection of broadband deployment data from providers and the
97.18 creation of maps showing the availability of broadband service.

97.19 Sec. 6. Laws 2022, chapter 95, article 4, section 2, is amended to read:

97.20 Sec. 2. **LOWER POPULATION DENSITY PILOT PROGRAM.**

97.21 (a) The commissioner of employment and economic development must establish a pilot
97.22 program to provide broadband service to unserved and underserved areas, as defined in
97.23 Minnesota Statutes, section 116J.394, of the state where a 50 percent match formula is not
97.24 adequate to make a business case for the extension of broadband facilities. Grants awarded
97.25 under this section shall adhere to all other requirements of Minnesota Statutes, section
97.26 116J.395, subdivisions 1 to 6, and may fund up to 75 percent of the total cost of a project,
97.27 notwithstanding Minnesota Statutes section 116J.395, subdivision 7. Grants awarded to a
97.28 single project under this section may not exceed \$10,000,000.

97.29 (b) The commissioner of employment and economic development may use up to
97.30 \$30,000,000 from the appropriations in sections 3 and 4 for the lower population density
97.31 pilot program under paragraph (a).

98.1 (c) No later than December 31, 2023, the Office of Broadband Development must submit
98.2 a report to the chairs and ranking minority members of the senate and house of representatives
98.3 committees with primary jurisdiction over broadband policy and finance analyzing the
98.4 impacts of this section on the number and amounts of grants awarded under Minnesota
98.5 Statutes, section 116J.395.

98.6 (d) This section expires December 31, 2026."

98.7 Delete the title and insert:

98.8 "A bill for an act

98.9 relating to state government; establishing a budget for the Department of
98.10 Agriculture, the Board of Animal Health, the Agricultural Utilization Research
98.11 Institute, and the Office of Broadband Development; making policy and technical
98.12 changes to agriculture provisions; making policy and technical changes to
98.13 broadband provisions; providing civil penalties; transferring money to the
98.14 border-to-border broadband fund account; establishing the grain indemnity account;
98.15 transferring money to the grain indemnity account; requiring reports; appropriating
98.16 money; amending Minnesota Statutes 2022, sections 17.055, subdivision 1, by
98.17 adding subdivisions; 17.1016, subdivision 2; 17.116, subdivision 3; 17.133,
98.18 subdivisions 2, 3; 17.457; 17.710; 17.983, subdivision 1; 18.78, subdivision 2;
98.19 18B.01, subdivision 2b, by adding subdivisions; 18B.03, subdivision 3, by adding
98.20 a subdivision; 18B.051; 18B.055; 18B.065, subdivision 8; 18B.26, by adding
98.21 subdivisions; 18B.28, subdivision 3; 18C.005, by adding subdivisions; 18C.111,
98.22 subdivision 3, by adding a subdivision; 18C.421, subdivision 1; 18C.425,
98.23 subdivision 6; 18D.321, subdivision 1; 18F.01; 18F.02, by adding subdivisions;
98.24 18F.07; 18F.13; 18G.02, subdivisions 2, 6, 14, 15, 16, 20, 22, 24, 30, by adding
98.25 a subdivision; 18G.03, subdivision 1; 18G.04, subdivision 2; 18G.05; 18G.06,
98.26 subdivisions 2, 5; 18G.10, subdivisions 4, 5, 6; 18G.11, subdivision 1; 18G.12,
98.27 subdivisions 1, 2; 18H.02, subdivisions 2, 3, 8, 9, 12, 12b, 12c, 14, 16, 18, 20, 24,
98.28 24a, 25, 26, 28, 32, 33, by adding subdivisions; 18H.03, subdivision 6; 18H.04;
98.29 18H.05; 18H.06, subdivision 2; 18H.07, subdivision 4, by adding subdivisions;
98.30 18H.08, subdivisions 1, 2; 18H.09; 18H.10; 18H.12; 18H.13; 18H.14; 18H.15;
98.31 18H.18; 18J.08, subdivision 1; 18K.04, subdivisions 1, 2; 18K.06; 25.39,
98.32 subdivision 1; 25.391, subdivision 2; 28A.08, by adding a subdivision; 28A.082,
98.33 subdivision 1; 28A.09, by adding a subdivision; 32D.02, subdivision 2; 32D.09,
98.34 subdivision 2; 34A.04, subdivision 1; 35.02, subdivision 1; 35.05; 41A.14,
98.35 subdivision 2; 41A.19; 116J.395, subdivision 7; 116J.396, subdivision 2; 223.16,
98.36 by adding a subdivision; 223.17, subdivisions 7, 7a; 223.175; 223.19; 232.22,
98.37 subdivision 5; Laws 2022, chapter 95, article 2, section 29, subdivision 6; article
98.38 4, section 2; proposing coding for new law in Minnesota Statutes, chapters 17;
98.39 18B; 18C; 116J; 223; repealing Minnesota Statutes 2022, sections 17.055,
98.40 subdivision 2; 17.984; 18F.02, subdivisions 2, 9; 18F.12; 18G.02, subdivisions
98.41 12, 17, 21, 25, 29; 18H.02, subdivisions 10, 12a, 21, 22, 23, 29, 31, 32a, 34; 18H.06,
98.42 subdivision 1; 18H.07, subdivisions 2, 3; 18K.05; 18K.09; 32D.03, subdivision
98.43 5; 32D.24; 32D.25; 32D.26; 32D.27; 32D.28; 35.156, subdivision 2; 41A.12,
98.44 subdivision 4; 41A.21; 223.17, subdivisions 4, 8; 232.22, subdivisions 4, 6, 6a,
98.45 7."

99.1 We request the adoption of this report and repassage of the bill.

99.2 Senate Conferees:

99.3
99.4 Aric Putnam Robert Kupec

99.5
99.6 Torrey Westrom

99.7 House Conferees:

99.8
99.9 Samantha Vang Kristi Pursell

99.10
99.11 Paul Anderson