

1 Senator Vickerman from the Committee on Agriculture,
2 Veterans and Gaming, to which was referred

3 S.F. No. 759: A bill for an act relating to lawful
4 gambling; modifying the definition of "raffle"; amending
5 Minnesota Statutes 2004, sections 349.12, subdivision 33;
6 349.173.

7 Reports the same back with the recommendation that the bill
8 be amended as follows:

9 Delete everything after the enacting clause and insert:

10 "Section 1. Minnesota Statutes 2004, section 349.12,
11 subdivision 33, is amended to read:

12 Subd. 33. [RAFFLE.] "Raffle" means a game in which a
13 participant buys a ticket ~~for-a-chance-at-a-prize-with-the~~
14 ~~winner-determined-by-a-random-drawing-to-take-place-at-a~~
15 ~~location-and-date-printed-upon-the-ticket~~ or other certificate
16 of participation in an event where the prize determination is
17 based on a method of random selection and all entries have an
18 equal chance of selection. The ticket or certificate of
19 participation must include the location, date, and time of the
20 selection of the winning entries.

21 Sec. 2. Minnesota Statutes 2004, section 349.173, is
22 amended to read:

23 349.173 [CONDUCT OF RAFFLES.]

24 (a) Raffle tickets or certificates of participation at a
25 minimum must list the three most expensive prizes to be
26 awarded. If additional prizes will be awarded ~~that-are-not~~
27 ~~contained-on-the-raffle-ticket,-the-raffle-ticket-must-contain~~
28 ~~the-statement-"A-complete-list-of-additional-prizes-is-available~~
29 ~~upon-request-"~~, a complete list of additional prizes must be
30 publicly posted at the event and copies of the complete prize
31 list made available upon request. Notwithstanding section
32 349.12, subdivision 33, raffles conducted under the exemptions
33 in section 349.166 may use tickets that contain only the
34 sequential number of the raffle ticket and no other information
35 if the organization makes a list of prizes and a statement of
36 other relevant information required by rule available to persons
37 purchasing tickets and if tickets are only sold at the event and
38 on the date when the tickets are drawn.

1 (b) Raffles must be conducted in a manner that ensures:

2 (1) all entries in the raffle have an equal chance of
3 selection;

4 (2) entry is not conditional upon any purchase other than
5 the ticket or certificate of participation in the event;

6 (3) the method of selection is conducted in a public forum;

7 (4) the method of selection cannot be manipulated or based
8 on the outcome of an event not under the control of the
9 organization;

10 (5) physical presence at the raffle is not a requirement to
11 win; and

12 (6) all sold and unsold tickets or certificates of
13 participation are accounted for.

14 (c) Methods of selecting winning entries from a raffle
15 other than prescribed in rule may be used with the prior written
16 approval of the board.

17 Sec. 3. Minnesota Statutes 2004, section 609.75,
18 subdivision 1, is amended to read:

19 Subdivision 1. [LOTTERY.] (a) A lottery is a plan which
20 provides for the distribution of money, property or other reward
21 or benefit to persons selected by chance from among participants
22 some or all of whom have given a consideration for the chance of
23 being selected. A participant's payment for use of a 900
24 telephone number or another means of communication that results
25 in payment to the sponsor of the plan constitutes consideration
26 under this paragraph.

27 (b) An in-package chance promotion is not a lottery if all
28 of the following are met:

29 (1) participation is available, free and without purchase
30 of the package, from the retailer or by mail or toll-free
31 telephone request to the sponsor for entry or for a game piece;

32 (2) the label of the promotional package and any related
33 advertising clearly states any method of participation and the
34 scheduled termination date of the promotion;

35 (3) the sponsor on request provides a retailer with a
36 supply of entry forms or game pieces adequate to permit free

1 participation in the promotion by the retailer's customers;

2 (4) the sponsor does not misrepresent a participant's
3 chances of winning any prize;

4 (5) the sponsor randomly distributes all game pieces and
5 maintains records of random distribution for at least one year
6 after the termination date of the promotion;

7 (6) all prizes are randomly awarded if game pieces are not
8 used in the promotion; and

9 (7) the sponsor provides on request of a state agency a
10 record of the names and addresses of all winners of prizes
11 valued at \$100 or more, if the request is made within one year
12 after the termination date of the promotion.

13 (c) Except as provided by section 349.40, acts in this
14 state in furtherance of a lottery conducted outside of this
15 state are included notwithstanding its validity where conducted.

16 (d) The distribution of property, or other reward or
17 benefit by an employer to persons selected by chance from among
18 participants ~~who~~, all of whom:

19 (1) have made a contribution through a payroll or pension
20 deduction campaign to a registered combined charitable
21 organization, within the meaning of section 309.501; or

22 (2) have paid other consideration to the employer entirely
23 for the benefit of such a registered combined charitable
24 organization, as a precondition to the chance of being selected,
25 is not a lottery if:

26 ~~{1}~~ (i) all of the persons eligible to be selected are
27 employed by or retirees of the employer; and

28 ~~{2}~~ (ii) the cost of the property or other reward or
29 benefit distributed and all costs associated with the
30 distribution are borne by the employer.

31 Sec. 4. [EFFECTIVE DATE.]

32 Section 1 is effective the day following final enactment."

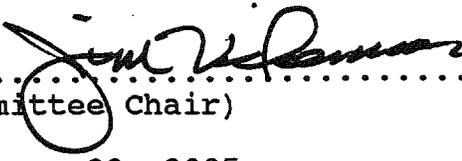
33 Amend the title as follows:

34 Page 1, line 4, before the period, insert "; 609.75,
35 subdivision 1"

36 And when so amended the bill do pass. Amendments adopted.

1 Report adopted.

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.....
(Committee Chair)

February 23, 2005.....
(Date of Committee recommendation)

1 Senator Vickerman from the Committee on Agriculture,
2 Veterans and Gaming, to which was referred

3 S.F. No. 317: A bill for an act relating to crime
4 prevention and public safety; gambling; legalizing the game of
5 Texas hold'em under certain conditions; amending Minnesota
6 Statutes 2004, section 609.761, subdivision 3.

7 Reports the same back with the recommendation that the bill
8 be amended as follows:

9 Page 1, after line 6, insert:

10 "Section 1. Minnesota Statutes 2004, section 349.213,
11 subdivision 1, is amended to read:

12 Subdivision 1. [LOCAL REGULATION.] (a) A statutory or home
13 rule city or county has the authority to adopt more stringent
14 regulation of lawful gambling within its jurisdiction, including
15 the prohibition of lawful gambling, and may require a permit for
16 the conduct of gambling exempt from licensing under section
17 349.166 or social skill games under section 609.761, subdivision
18 3. The fee for a permit issued under this subdivision may not
19 exceed \$100 must be reasonably related to the cost incurred by
20 the city or county in administering and enforcing the permit.
21 An organization that wants to conduct a Texas hold'em tournament
22 or contest must obtain a permit from the city or county if the
23 city or county so requires.

24 (b) The authority granted by this subdivision does not
25 include the authority to require a license or permit to conduct
26 gambling by organizations or sales by distributors licensed by
27 the board. The authority granted by this subdivision does not
28 include the authority to require an organization to make
29 specific expenditures of more than ten percent per year from its
30 net profits derived from lawful gambling. For the purposes of
31 this subdivision, net profits are gross profits less amounts
32 expended for allowable expenses and paid in taxes assessed on
33 lawful gambling. A statutory or home rule charter city or a
34 county may not require an organization conducting lawful
35 gambling within its jurisdiction to make an expenditure to the
36 city or county as a condition to operate within that city or
37 county, except as authorized under section 349.16, subdivision
38 8, or 297E.02; provided, however, that an ordinance requirement

1 that such organizations must contribute ten percent per year of
2 their net profits derived from lawful gambling conducted at
3 premises within the city's or county's jurisdiction to a fund
4 administered and regulated by the responsible local unit of
5 government without cost to such fund, for disbursement by the
6 responsible local unit of government of the receipts for (i)
7 lawful purposes, or (ii) police, fire, and other emergency or
8 public safety-related services, equipment, and training,
9 excluding pension obligations, is not considered an expenditure
10 to the city or county nor a tax under section 297E.02, and is
11 valid and lawful. A city or county making expenditures
12 authorized under this paragraph must by March 15 of each year
13 file a report with the board, on a form the board prescribes,
14 that lists all such revenues collected and expenditures for the
15 previous calendar year.

16 ~~(b)~~ (c) A statutory or home rule city or county may by
17 ordinance require that a licensed organization conducting lawful
18 gambling within its jurisdiction expend all or a portion of its
19 expenditures for lawful purposes on lawful purposes conducted or
20 located within the city's or county's trade area. Such an
21 ordinance must be limited to lawful purpose expenditures of
22 gross profits derived from lawful gambling conducted at premises
23 within the city's or county's jurisdiction, must define the
24 city's or county's trade area, and must specify the percentage
25 of lawful purpose expenditures which must be expended within the
26 trade area. A trade area defined by a city under this
27 subdivision must include each city and township contiguous to
28 the defining city.

29 ~~(e)~~ (d) A more stringent regulation or prohibition of
30 lawful gambling adopted by a political subdivision under this
31 subdivision must apply equally to all forms of lawful gambling
32 within the jurisdiction of the political subdivision, except a
33 political subdivision may prohibit the use of paddlewheels."

34 Page 1, delete lines 19 to 21 and insert:

35 "Sec. 3. [EFFECTIVE DATE.]

36 Sections 1 and 2 are effective the day following final

1 enactment. Section 2 applies to acts committed on or after the
2 enactment date."

3 Renumber the sections in sequence

4 Amend the title as follows:

5 Page 1, line 5, delete "section" and insert "sections
6 349.213, subdivision 1;"

7 And when so amended the bill do pass and be re-referred to
8 the Committee on State and Local Government Operations.
9 Amendments adopted. Report adopted.

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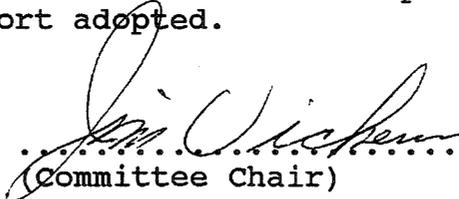
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.....
(Committee Chair)

February 23, 2005
(Date of Committee recommendation)

1 Senator Vickerman from the Committee on Agriculture,
2 Veterans and Gaming, to which was referred

3 S.F. No. 774: A bill for an act relating to animal health;
4 providing for an official laboratory of the Board of Animal
5 Health; amending Minnesota Statutes 2004, sections 35.02,
6 subdivision 1; 35.03; 35.05; repealing Minnesota Statutes 2004,
7 section 35.0661, subdivision 4.

8 Reports the same back with the recommendation that the bill
9 be amended as follows:

10 Page 2, line 27, delete "such"

11 And when so amended the bill do pass. Amendments adopted.
12 Report adopted.

13
14 (Committee Chair)

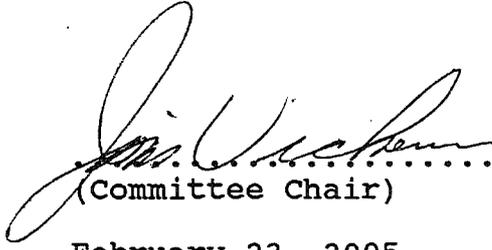
15
16 February 23, 2005.....
17 (Date of Committee recommendation)

1 Senator Vickerman from the Committee on Agriculture,
2 Veterans and Gaming, to which was referred

3 S.F. No. 783: A bill for an act relating to agriculture;
4 extending the interest-free status of manure digester loans;
5 amending Minnesota Statutes 2004, section 41B.049, subdivision 4.

6 Reports the same back with the recommendation that the bill
7 do pass. Report adopted.

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.....
(Committee Chair)

February 23, 2005.....
(Date of Committee recommendation)

1 Senator Vickerman from the Committee on Agriculture,
2 Veterans and Gaming, to which was referred

3 S.F. No. 773: A bill for an act relating to animal health;
4 providing for regulation of certain cervidae by the Board of
5 Animal Health; amending Minnesota Statutes 2004, sections
6 17.452, by adding a subdivision; 35.155; proposing coding for
7 new law in Minnesota Statutes, chapter 35; repealing Minnesota
8 Statutes 2004, sections 17.451; 17.452, subdivisions 6, 6a, 7,
9 10, 11, 12, 13, 13a, 14, 15, 16.

10 Reports the same back with the recommendation that the bill
11 do pass and be re-referred to the Committee on State and Local
12 Government Operations. Report adopted.

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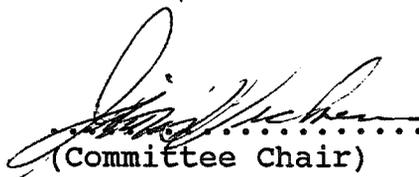
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(Committee Chair)

February 23, 2005.....
(Date of Committee recommendation)

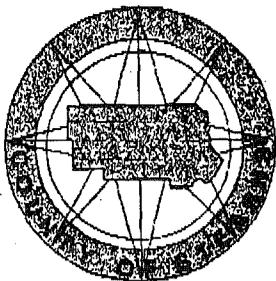


Texas Hold'em

Basic Rules



1. Texas Hold'em can be played with as few as two players, or as many as ten, at a single table.
2. The game begins with two players, left of the dealer, placing an initial bet. This is called posting the blinds. In Texas Hold'em, there are no antes but forced bets, or blinds, are used.
3. The person to the left of the dealer posts a bet called the small blind, which is usually equal to half of the minimum bet.
4. The person to the left of the small blind posts the big blind, which is equal to the full minimum bet.
5. The dealer shuffles one full deck of 52 playing cards. (In a Texas Hold'em game, a disc or other marker is used to indicate which person is the "dealer" for the round.)
6. Each player is then dealt two cards face down. These are called your hole or pocket cards.
7. Next is a round of betting starting with the person to the left of the two who posted the blinds. This round is usually referred to by the term pre-flop. Much like most games of poker, players can check, raise, or fold.
8. Players can bet, raise, or re-raise any amount equal or greater than the minimum bet, which should also equal the amount of the big blind.
9. In No-Limit Hold'em, the number of chips you have in front of you determines the maximum bet. A player can go "all-in" by pushing all their chips toward the center of the table. At this point, either the player or the dealer should "count them down", or calculate the amount of the player's all-in bet. To call, the other players at the table must match the value of the chips.
10. In the event a player cannot match the value of another player's bet, but would still like to call, he or she can go all-in and play for a portion of the pot. Should this happen, the dealer should divide the original, larger bet into two stacks: the first stack should match the amount of the caller's all-in bet. This stack is pushed into the original pot along with the caller's all-in bet. The second stack is placed into a side pot — for which the all-in caller is no eligible.
11. After the initial betting round ends, the dealer discards the top card of the deck. This is called a burn card. This is done to prevent cheating.
12. The dealer then flips the next three cards face up on the table. These cards are called the flop. These are communal cards that anyone can use in combination with their two pocket cards to form a poker hand.
13. Next is another round of betting, starting with the player to the left of the dealer.
14. After the betting concludes, the dealer burns another card and flips one more onto the table. This is called the turn card. Players can use this sixth card now to form a five card poker hand.
15. The player to the left of the dealer begins another round of betting. In many types of games, this is where the bet size doubles.
16. Finally, the dealer burns a card and places a final card face up on the table. This is called the river. Players can now use any of the five cards on the table or the two cards in their pocket to form a five card poker hand.
17. There is now a final round of betting starting with the player to the left of the dealer.
18. After this round of betting, all of the players remaining in the game begin to reveal their hands. This begins with the player to the left of the last player to call. It's called the showdown.
19. If two or more players have the same hand, the next highest card in the player's hand is used to break a tie. This is called the kicker.
20. If there is no kicker card and the tied players have used both hole cards, or have the same exact hand, then the pot is split between them.

"Attachment B"

COUNTY OF STEARNS

Office of the County Attorney

Janelle P. Kendall, Stearns County Attorney

October 27, 2004

Mr. Frank Ball
Minnesota Department of Public Safety
Alcohol and Gambling Enforcement Division
1800 NCL Tower
445 Minnesota Street
St. Paul, MN 55101

RE: Case Number 04-224
Granite Bowl Texas Hold'em Investigation

Dear Mr. Ball:

Over the past couple of years, the Stearns County Attorney's Office has successfully prosecuted several gambling violation cases, obtaining convictions for crimes involving maintaining or operating a gambling place, unlawful gambling fraud and possession of gambling devices including unlicensed tip boards. This office will continue to prosecute gambling violation cases within the confines of existing law.

However, as we have discussed with members of your division, the prohibitions currently found in Minnesota law regulating gambling, when applied to the specific manner in which the Granite Bowl conducted Texas Hold'em Poker Tournaments, do not reveal a clear violation of the gambling laws that could be proven by proof beyond a reasonable doubt. Due to legal issues revealed by this situation as well as the underlying reason for this enforcement action by the Minnesota Department of Public Safety's Alcohol and Gambling Enforcement Division, a statutory explanation is in order.

Statutory Definitions

Minn. Stat. §609.76, Subd. 1(1) makes it a gross misdemeanor to maintain or operate a **gambling place**, defined in Minn. Stat. 609.75, Subd. 5 as "a location or structure, stationary or moveable, or any part thereof, wherein, as one of its uses, betting is permitted or promoted...".

Minn. Stat. §609.75, Subd. 2 defines a **bet** as "a bargain whereby the parties mutually agree to a gain or loss by one to the other of specified money, profit or benefit, dependent upon chance although the chance is accompanied by some element of skill."

Investigation

The original investigation into the Granite Bowl tournament by the Department of Public Safety's Alcohol and Gambling Enforcement Division (hereafter, "the GED") was based on a complaint that the Granite Bowl poker tournament included entry fees and the exchange of money. The GED brought this complaint to the bar owner's attention, but investigation revealed that the tournaments continued. This legitimate complaint of illegal activity was followed by a full investigation employing proper legal means, including a search warrant. The investigation was conducted independently by the GED until the search warrant was executed with the stand-by assistance of the St. Cloud Police Department, upon which reports were submitted to this office.

When the search was conducted, no evidence of monetary exchange was found. The investigation revealed, however, that poker chips, tables, cards, employees acting as dealers, and a centralized location were provided at no cost by the Granite Bowl to players in the tournament, and that the player with the most chips at the end of each tournament received a nominal prize from the Granite Bowl. To the Granite Bowl's credit, specific instructions provided by the Granite Bowl included prohibitions against any money changing hands. Only the free chips were exchanged between the people playing cards.

Legal Issue

The legal issue arises over whether playing poker in this specific context constitutes making an illegal "bet" under Minn. Stat. §609.75, Subd. 2, defined above. The legal definition of a "bet" requires proof beyond a reasonable doubt that there was a gain or loss by one player to another. The chips themselves were provided by the Granite Bowl, then gained or lost by one player to another. The potentially illegal "benefit" gained or lost (the prize at the end of the tournament), came not "by one to the other" between the players in the card game, but came from a third party, the Granite Bowl, the sponsor of the tournament. Because the specific facts of this case show that the "gain" by the player who had the most poker chips at the end of the tournament came from the Granite Bowl, and not the other player, it is not clear by proof beyond a reasonable doubt that this exchange of chips alone, from which the benefit came from a 3rd party, is an illegal "bet". Although it could be argued that the gain or loss of the chips themselves is a "bet", whether this chip exchange resulting in a benefit from a third party is what the Legislature intended to make criminal is an ambiguous legal issue.

Therefore, the issue of whether or not the activities promoted and sponsored by the Granite Bowl constitute "betting", and thus make the Granite Bowl a "gambling place", is ambiguous based on the current Minnesota law defining exactly what constitutes a "bet". Thus, the game itself as conducted in the context of this investigation is not clearly, beyond a reasonable doubt, criminal under existing Minnesota law.

Organized gambling context

With that being said, the context of the organized, commercialized and systematic nature of the Granite Bowl's tournament, with the initial allegation of monetary exchange, was legitimately the subject of a detailed investigation. The formal nature and promotion of the tournament along with the specific complaint properly attracted law enforcement attention. If even private social bets, involving small amounts of money between friends as allowed by Minn. Stat. §609.75, Subd. 3(5), occurred in this organized and systematic context, the outcome might well be different. Because the gain/loss was not

clearly between the players, and because there is no proof that money changed hands, the facts of this specific case do not support a criminal prosecution.

As you know, prosecutors can only evaluate specific investigative information submitted by law enforcement, and cannot provide legal advice beyond this to individual citizens or businesses. Please note, therefore, that this decision is based only on the specific facts of the investigation currently submitted by the Minnesota Department of Public Safety's Alcohol and Gambling Enforcement Division, and is not intended to provide legal advice to any person or business. Persons or businesses seeking advice on whether certain conduct is prohibited by law should contact the Alcohol and Gambling Enforcement Division at (651) 215-6229 or refer generally to Minnesota statutes §609.75 through §609.763 and consult their own attorney.

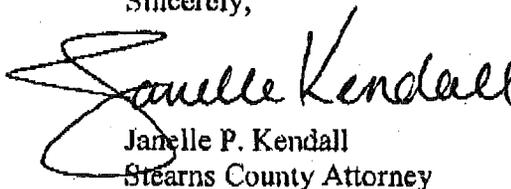
Other Games Not Illegal

Finally, many questions have been raised in the context of this investigation regarding what is and is not illegal gambling in Minnesota. Currently, Texas Hold'em poker is subject to criminal consideration if illegal "bets" are taking place. Within specific restrictions, Minnesota law specifically allows certain tournaments or contests involving the playing of cribbage, bridge, pinochle, gin, or even pool, darts, golf and similar games without criminal penalty, and the Legislature only recently allowed social dice games in bars and restaurants. (See Minn. Stat. § 609.761). Due to the current popularity of Texas Hold'em style poker and the potential criminal activity which could result, persons interested are encouraged to contact their local legislators for clarification of the Legislature's intent as to these issues.

Conclusion

Based on the application of these facts to existing law, no criminal charges will be filed based on this investigation. We look forward to continuing to work with you and your division on the difficult enforcement issues raised by existing ambiguities in the law.

Sincerely,



Janelle P. Kendall
Stearns County Attorney

cc: William White, Alcohol and Gambling Enforcement
William Syverson, Gray Plant & Mooty

Passed

1 Senator moves to amend S.F. No. 317 as follows:

2 Page 1, after line 6, insert:

3 "Section 1. Minnesota Statutes 2004, section 349.213,
4 subdivision 1, is amended to read:

5 Subdivision 1. [LOCAL REGULATION.] (a) A statutory or home
6 rule city or county has the authority to adopt more stringent
7 regulation of lawful gambling within its jurisdiction, including
8 the prohibition of lawful gambling, and may require a permit for
9 the conduct of gambling exempt from licensing under section
10 349.166 or social skill games under section 609.761, subdivision
11 3. The fee for a permit issued under this subdivision may not
12 exceed \$100 must be reasonably related to the cost incurred by
13 the city or county in administering and enforcing the permit.
14 An organization that wants to conduct a Texas hold'em tournament
15 or contest must obtain a permit from the city or county if the
16 city or county so requires.

17 (b) The authority granted by this subdivision does not
18 include the authority to require a license or permit to conduct
19 gambling by organizations or sales by distributors licensed by
20 the board. The authority granted by this subdivision does not
21 include the authority to require an organization to make
22 specific expenditures of more than ten percent per year from its
23 net profits derived from lawful gambling. For the purposes of
24 this subdivision, net profits are gross profits less amounts
25 expended for allowable expenses and paid in taxes assessed on
26 lawful gambling. A statutory or home rule charter city or a
27 county may not require an organization conducting lawful
28 gambling within its jurisdiction to make an expenditure to the
29 city or county as a condition to operate within that city or
30 county, except as authorized under section 349.16, subdivision
31 8, or 297E.02; provided, however, that an ordinance requirement
32 that such organizations must contribute ten percent per year of
33 their net profits derived from lawful gambling conducted at
34 premises within the city's or county's jurisdiction to a fund
35 administered and regulated by the responsible local unit of
36 government without cost to such fund, for disbursement by the

1 responsible local unit of government of the receipts for (i)
2 lawful purposes, or (ii) police, fire, and other emergency or
3 public safety-related services, equipment, and training,
4 excluding pension obligations, is not considered an expenditure
5 to the city or county nor a tax under section 297E.02, and is
6 valid and lawful. A city or county making expenditures
7 authorized under this paragraph must by March 15 of each year
8 file a report with the board, on a form the board prescribes,
9 that lists all such revenues collected and expenditures for the
10 previous calendar year.

11 ~~(b)~~ (c) A statutory or home rule city or county may by
12 ordinance require that a licensed organization conducting lawful
13 gambling within its jurisdiction expend all or a portion of its
14 expenditures for lawful purposes on lawful purposes conducted or
15 located within the city's or county's trade area. Such an
16 ordinance must be limited to lawful purpose expenditures of
17 gross profits derived from lawful gambling conducted at premises
18 within the city's or county's jurisdiction, must define the
19 city's or county's trade area, and must specify the percentage
20 of lawful purpose expenditures which must be expended within the
21 trade area. A trade area defined by a city under this
22 subdivision must include each city and township contiguous to
23 the defining city.

24 ~~(e)~~ (d) A more stringent regulation or prohibition of
25 lawful gambling adopted by a political subdivision under this
26 subdivision must apply equally to all forms of lawful gambling
27 within the jurisdiction of the political subdivision, except a
28 political subdivision may prohibit the use of paddlewheels."

29 Page 1, delete lines 19 to 21 and insert:

30 "[EFFECTIVE DATE.] Sections 1 and 2 are effective the day
31 following final enactment. Section 2 applies to acts committed
32 on or after the enactment date."

33 Renumber the sections in sequence and correct the internal
34 references

35 Amend the title accordingly

1 Senator moves to amend S.F. No. 317 as follows:

2 Page 1, after line 6, insert:

3 "Section 1. Minnesota Statutes 2004, section 349.213,
4 subdivision 1, is amended to read:

5 Subdivision 1. [LOCAL REGULATION.] (a) A statutory or home
6 rule city or county has the authority to adopt more stringent
7 regulation of lawful gambling within its jurisdiction, including
8 the prohibition of lawful gambling, and may require a permit for
9 the conduct of gambling exempt from licensing under section
10 349.166 or social skill games under section 609.761, subdivision
11 3. The fee for a permit issued under this subdivision ~~may not~~
12 ~~exceed~~ \$100 must be reasonably related to the cost incurred by
13 the city or county in administering and enforcing the permit.
14 An organization that wants to conduct a Texas hold'em tournament
15 or contest must obtain a permit from the city or county if the
16 city or county so requires.

17 (b) The authority granted by this subdivision does not
18 include the authority to require a license or permit to conduct
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31 8, or 297E.02; provided, however, that an ordinance requirement
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34 premises within the city's or county's jurisdiction to a fund
35 administered and regulated by the responsible local unit of
36 government without cost to such fund, for disbursement by the

1 responsible local unit of government of the receipts for (i)
2 lawful purposes, or (ii) police, fire, and other emergency or
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4 excluding pension obligations, is not considered an expenditure
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22 subdivision must include each city and township contiguous to
23 the defining city.

24 ~~(e)~~ (d) A more stringent regulation or prohibition of
25 lawful gambling adopted by a political subdivision under this
26 subdivision must apply equally to all forms of lawful gambling
27 within the jurisdiction of the political subdivision, except a
28 political subdivision may prohibit the use of paddlewheels."

29 Page 1, delete lines 19 to 21 and insert:

30 "[EFFECTIVE DATE.] Sections 1 and 2 are effective the day
31 following final enactment. Section 2 applies to acts committed
32 on or after the enactment date."

33 Renumber the sections in sequence and correct the internal
34 references

35 Amend the title accordingly

Withdraw

02/23/05

[COUNSEL] CEB

SCS0317A-3

1 Senator moves to amend S.F. No. 317 as follows:

2 Page 1, line 16, strike "and"

3 Page, line 18, before the period, insert "and *if the game involves Texas hold'em*"

4 (4) the tournament or contest may not be conducted on more

5 than 12 days a year"

line 3

1 Senator moves to amend S.F. No. 317 as follows:
2 Page 1, line 16, strike "and"
3 Page, line 18, before the period, insert ": and
4 (4) the tournament or contest may not be conducted on more
5 than 12 days a year"

Senators Wergin, Koering, Vickerman, Sams and Nienow introduced--
S.F. No. 783: Referred to the Committee on Agriculture, Veterans and Gaming.

1 A bill for an act

2 relating to agriculture; extending the interest-free
3 status of manure digester loans; amending Minnesota
4 Statutes 2004, section 41B.049, subdivision 4.

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

6 Section 1. Minnesota Statutes 2004, section 41B.049,
7 subdivision 4, is amended to read:

8 Subd. 4. [LOANS.] (a) The authority may make a direct loan
9 or participate in a loan with an eligible lender to a farmer who
10 is eligible under subdivision 3. ~~The interest rates and~~
11 ~~Repayment terms of the authority's participation interest may~~
12 ~~differ from the interest rates and repayment terms of the~~
13 ~~lender's retained portion of the loan. The authority's interest~~
14 ~~rate for a direct loan or a loan participation must not exceed~~
15 ~~four percent.~~ Loans made under this section before July 17
16 2003, must be no-interest loans.

17 (b) Application for a direct loan or a loan participation
18 must be made on forms prescribed by the authority.

19 (c) Standards for loan amortization shall be set by the
20 Rural Finance Authority not to exceed ten years.

21 (d) Security for the loans must be a personal note executed
22 by the borrower and whatever other security is required by the
23 eligible lender or the authority.

24 (e) No loan proceeds may be used to refinance a debt
25 existing prior to application.

1 (f) The authority may impose a reasonable nonrefundable
2 application fee for each application for a direct loan or a loan
3 participation. The authority may review the application fees
4 annually and make adjustments as necessary. The application fee
5 is initially set at \$100 for a loan under subdivision 1. The
6 fees received by the authority must be deposited in the
7 revolving fund created in subdivision 2.

8 Sec. 2. [EFFECTIVE DATE.]

9 Section 1 is effective retroactively for any loan made on
10 or after July 1, 2003.

"Passed"

1 Senator moves to amend the delete-everything
2 amendment (SCS0759A-3) to S.F. No. 759 as follows:

3 Page 1, line 35, delete "other" and after "purchase" insert
4 "other than the ticket or certificate of participation in the
5 event"

adopted

1 Senator moves to amend S.F. No. 759 as follows:

2 Delete everything after the enacting clause and insert:

3 "Section 1. Minnesota Statutes 2004, section 349.12,

4 subdivision 33, is amended to read:

5 Subd. 33. [RAFFLE.] "Raffle" means a game in which a
6 participant buys a ticket ~~for a chance at a prize with the~~
7 ~~winner determined by a random drawing to take place at a~~
8 ~~location and date printed upon the ticket~~ or other certificate
9 of participation in an event where the prize determination is
10 based on a method of random selection and all entries have an
11 equal chance of selection. The ticket or certificate of
12 participation must include the location, date, and time of the
13 selection of the winning entries.

14 Sec. 2. Minnesota Statutes 2004, section 349.173, is
15 amended to read:

16 349.173 [CONDUCT OF RAFFLES.]

17 (a) Raffle tickets or certificates of participation at a
18 minimum must list the three most expensive prizes to be
19 awarded. If additional prizes will be awarded that are not
20 contained on the raffle ticket, the raffle ticket must contain
21 the statement "A complete list of additional prizes is available
22 upon request.", a complete list of additional prizes must be
23 publicly posted at the event and copies of the complete prize
24 list made available upon request. Notwithstanding section
25 349.12, subdivision 33, raffles conducted under the exemptions
26 in section 349.166 may use tickets that contain only the
27 sequential number of the raffle ticket and no other information
28 if the organization makes a list of prizes and a statement of
29 other relevant information required by rule available to persons
30 purchasing tickets and if tickets are only sold at the event and
31 on the date when the tickets are drawn.

32 (b) Raffles must be conducted in a manner that ensures:

33 (1) all entries in the raffle have an equal chance of
34 selection;

35 (2) entry is not conditional upon any other purchase;

36 (3) the method of selection is conducted in a public forum;

- 1 (4) the method of selection cannot be manipulated or based
2 on the outcome of an event not under the control of the
3 organization;
- 4 (5) physical presence at the raffle is not a requirement to
5 win; and
- 6 (6) all sold and unsold tickets or certificates of
7 participation are accounted for.
- 8 (c) Methods of selecting winning entries from a raffle
9 other than prescribed in rule may be used with the prior written
10 approval of the board."

• [Effective Date.] Sec. 1 is effective the day following final enactment.

Passed

1 Senator moves to amend S.F. No. 759 as follows:

2 Page 2, after line 20, insert:

3 "Sec. 3. Minnesota Statutes 2004, section 609.75,
4 subdivision 1, is amended to read:

5 Subdivision 1. [LOTTERY.] (a) A lottery is a plan which
6 provides for the distribution of money, property or other reward
7 or benefit to persons selected by chance from among participants
8 some or all of whom have given a consideration for the chance of
9 being selected. A participant's payment for use of a 900
10 telephone number or another means of communication that results
11 in payment to the sponsor of the plan constitutes consideration
12 under this paragraph.

13 (b) An in-package chance promotion is not a lottery if all
14 of the following are met:

15 (1) participation is available, free and without purchase
16 of the package, from the retailer or by mail or toll-free
17 telephone request to the sponsor for entry or for a game piece;

18 (2) the label of the promotional package and any related
19 advertising clearly states any method of participation and the
20 scheduled termination date of the promotion;

21 (3) the sponsor on request provides a retailer with a
22 supply of entry forms or game pieces adequate to permit free
23 participation in the promotion by the retailer's customers;

24 (4) the sponsor does not misrepresent a participant's
25 chances of winning any prize;

26 (5) the sponsor randomly distributes all game pieces and
27 maintains records of random distribution for at least one year
28 after the termination date of the promotion;

29 (6) all prizes are randomly awarded if game pieces are not
30 used in the promotion; and

31 (7) the sponsor provides on request of a state agency a
32 record of the names and addresses of all winners of prizes
33 valued at \$100 or more, if the request is made within one year
34 after the termination date of the promotion.

35 (c) Except as provided by section 349.40, acts in this
36 state in furtherance of a lottery conducted outside of this

1 state are included notwithstanding its validity where conducted.

2 (d) The distribution of property, or other reward or
3 benefit by an employer to persons selected by chance from among
4 participants ~~who~~, all of whom:

5 (1) have made a contribution through a payroll or pension
6 deduction campaign to a registered combined charitable
7 organization, within the meaning of section 309.501; or

8 (2) have paid other consideration to the employer entirely
9 for the benefit of such a registered combined charitable
10 organization, as a precondition to the chance of being selected,
11 is not a lottery if:

12 ~~(1)~~ (i) all of the persons eligible to be selected are
13 employed by or retirees of the employer; and

14 ~~(2)~~ (ii) the cost of the property or other reward or
15 benefit distributed and all costs associated with the
16 distribution are borne by the employer."

17 Amend the title accordingly

Senators Rest; Johnson, D.E.; Olson and Gaither introduced--

S.F. No. 759: Referred to the Committee on Agriculture, Veterans and Gaming.

1 A bill for an act

2 relating to lawful gambling; modifying the definition
3 of "raffle"; amending Minnesota Statutes 2004,
4 sections 349.12, subdivision 33; 349.173.

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

6 Section 1. Minnesota Statutes 2004, section 349.12,
7 subdivision 33, is amended to read:

8 Subd. 33. [RAFFLE.] "Raffle" means a game in which a
9 participant buys a ticket ~~for a chance at a prize with~~, a share,
10 or other certificate of participation in an event where the
11 prize determination is based on a method of random selection and
12 all entries have an equal chance of selection. The winner
13 ~~determined by a random drawing to take place at a~~ ticket, share,
14 or certificate of participation must include the location and
15 date printed upon the ticket of the event.

16 Sec. 2. Minnesota Statutes 2004, section 349.173, is
17 amended to read:

18 349.173 [CONDUCT OF RAFFLES.]

19 (a) Raffle tickets, shares, or certificates of
20 participation at a minimum must list the three most expensive
21 prizes to be awarded. If additional prizes will be awarded that
22 are not contained on the raffle ticket, the raffle ticket must
23 contain the statement "A complete list of additional prizes is
24 available upon request.", a complete list of additional prizes
25 must be publicly posted at the event and copies of the complete

1 prize list made available upon request. Notwithstanding section
2 349.12, subdivision 33, raffles conducted under the exemptions
3 in section 349.166 may use tickets that contain only the
4 sequential number of the raffle ticket and no other information
5 if the organization makes a list of prizes and a statement of
6 other relevant information required by rule available to persons
7 purchasing tickets and if tickets are only sold at the event and
8 on the date when the tickets are drawn.

9 (b) Raffles must be conducted in a manner that ensures:

10 (1) all entries in the raffle have an equal chance of
11 selection;

12 (2) entry is not conditional upon any other purchase;

13 (3) the method of selection is conducted in a public forum;

14 (4) the method of selection cannot be manipulated or based
15 on the outcome of an event unrelated to the raffle;

16 (5) physical presence at the raffle is not a requirement to
17 win;

18 (6) all sold and unsold tickets, shares, or certificates of
19 participation are accounted for; and

20 (7) only eligible persons are allowed to participate.

Senators Dille, Vickerman, Kubly, Wergin and Skoe introduced--
S.F. No. 774: Referred to the Committee on Agriculture, Veterans and Gaming.

1 A bill for an act

2 relating to animal health; providing for an official
3 laboratory of the Board of Animal Health; amending
4 Minnesota Statutes 2004, sections 35.02, subdivision
5 1; 35.03; 35.05; repealing Minnesota Statutes 2004,
6 section 35.0661, subdivision 4.

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

8 Section 1. Minnesota Statutes 2004, section 35.02,
9 subdivision 1, is amended to read:

10 Subdivision 1. [MEMBERS; OFFICERS.] The board has five
11 members appointed by the governor with the advice and consent of
12 the senate, three of whom are producers of livestock in the
13 state, and two of whom are practicing veterinarians licensed in
14 Minnesota. The dean of the College of Veterinary Medicine and
15 the director of the Veterinary Diagnostic Laboratory of the
16 University of Minnesota may serve as ~~consultant~~ consultants to
17 the board without vote. Appointments to fill unexpired terms
18 must be made from the classes to which the retiring members
19 belong. The board shall elect a president and a vice-president
20 from among its members and a veterinarian licensed in Minnesota
21 who is not a member to be its executive director for a term of
22 one year and until a successor qualifies. The board shall set
23 the duties of the director.

24 Sec. 2. Minnesota Statutes 2004, section 35.03, is amended
25 to read:

26 35.03 [POWERS, DUTIES, AND REPORTS.]

1 The board shall protect the health of Minnesota domestic
2 animals and carry out the provisions of this chapter. The board
3 shall make rules necessary to protect the health of domestic
4 animals. The board shall meet at least quarterly. Officers
5 must be elected each April. On or before November 1 of each
6 year the board shall publish an annual report. The University
7 of Minnesota Veterinary Diagnostic Laboratory is the official
8 laboratory for the board. At least quarterly, the director of
9 the Veterinary Diagnostic Laboratory must report on the
10 laboratory's activities.

11 Sec. 3. Minnesota Statutes 2004, section 35.05, is amended
12 to read:

13 35.05 [AUTHORITY OF STATE BOARD.]

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

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

24 (c) When the governor declares an emergency under section
25 35.0661, the board, through its executive director, may
26 ~~implement the United States Voluntary Johne's Disease Herd~~
27 ~~Status Program for Cattle~~ assume control of ~~such~~ resources
28 within the University of Minnesota's Veterinary Diagnostic
29 Laboratory as necessary to effectively address the disease
30 outbreak. The director of the laboratory and other laboratory
31 personnel must cooperate fully in performing necessary functions
32 related to the outbreak or threatened outbreak.

33 (d) Rules adopted by the board under authority of this
34 chapter must be published in the State Register.

35 Sec. 4. [REPEALER.]

36 Minnesota Statutes 2004, section 35.0661, subdivision 4, is

1 repealed.

2 Sec. 5. [EFFECTIVE DATE.]

3 Sections 1 to 4 are effective the day following final

4 enactment.

APPENDIX
Repealed Minnesota Statutes for 05-0179

**35.0661 TEMPORARY EMERGENCY RESTRICTIONS ON MOVEMENT OF
PEOPLE, LIVESTOCK, MACHINERY, AND OTHER PERSONAL PROPERTY.**

Subd. 4. Expiration. This section expires July 31,
2005.



Minnesota

Board of Animal Health

Safeguarding Animal Health

www.bah.state.mn.us

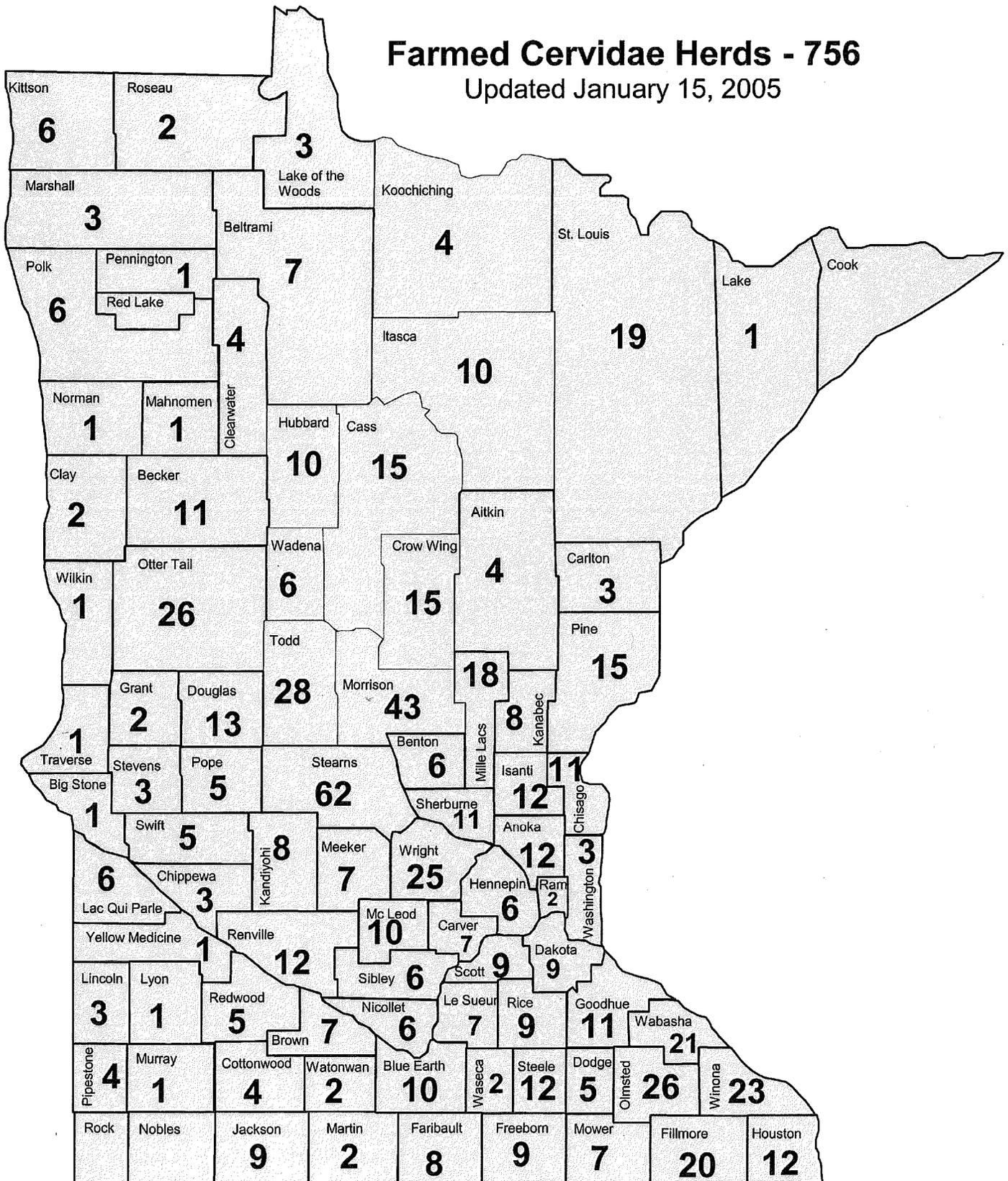
Enforcement of Farm Cervidae Laws

Strengthening Civil and Criminal Penalties for Violation of Cervidae Laws

- The Board of Animal Health and the Department of Agriculture have proposed to move portions of the statutes regulating programs for farmed Cervidae (MS 17.451 - 17.452) from MS Chapter 17 to MS Chapter 35.
- The reason for this action is so that civil and criminal penalties in MS 35.95 - 35.96 will apply to the enforcement of disease control programs for farmed Cervidae including participation in the chronic wasting disease surveillance and eradication program.
- Implementation of the Minnesota farmed Cervidae program is progressing well. During 2004, Board of Animal Health staff members visited over 900 premises where people have white-tailed deer, elk, or other Cervidae.
- The year was spent educating producers about requirements for ownership of Cervidae including registration, Chronic Wasting Disease (CWD) surveillance, fencing requirements, and proper animal identification.
- There are currently 756 producers in Minnesota that have farmed Cervidae. Of these producers, 615 have completed the registration process and 530 are in compliance with requirements for CWD surveillance.
- To fully implement these programs and ensure that all farmed Cervidae producers comply with the law, the Board of Animal Health will need to initiate enforcement action including assessment of civil and criminal penalties. All such enforcement activities will be performed with full support from the Department of Natural Resources and the Department of Agriculture.
- By moving portions of these statutes into MS Chapter 35, the Board of Animal Health will have the authority to impose civil and criminal penalties for noncompliance with farmed Cervidae laws in the same manner as has been used in the past for control and eradication of pseudorabies, tuberculosis, brucellosis, and other diseases that endanger the health of Minnesota livestock and wildlife populations.

Farmed Cervidae Herds - 756

Updated January 15, 2005



Minnesota Farmed Cervidae Programs
January 15, 2005

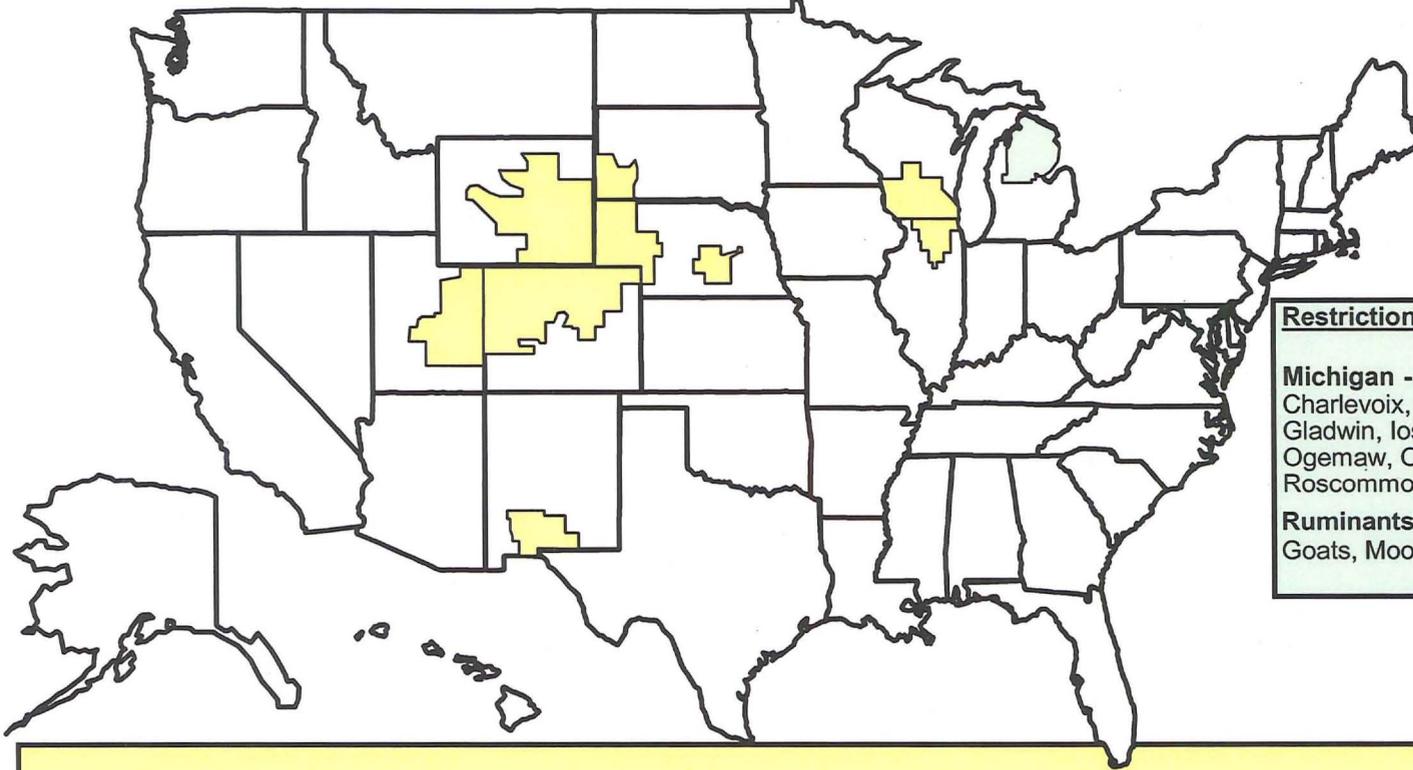
Premises with Farmed Cervidae		756
Herds Registered		615
Herds in CWD surveillance program		530
Level A (year 1)	88	
Level B (years 2,3)	153	
Level C (years 4,5)	181	
Level D (5 or more years)	108	

Inventory of Farmed Cervidae

Elk		11,728
White-tailed Deer		6,630
Other species		2,217
Total		20,575

Import Restrictions for Cervidae (Caribou, Deer, Elk, Moose, Reindeer)

Updated January 7, 2005



Restrictions for all Ruminants because of TB

Michigan - Alcona, Alpena, Antrim, Arenac, Charlevoix, Cheboygan, Clare, Crawford, Emmet, Gladwin, Iosco, Kalkaska, Missaukee, Montmorency, Ogemaw, Oseceola, Oscoda, Otsego, Presque Isle, Roscommon

Ruminants - Bison, Buffalo, Caribou, Cattle, Deer, Elk, Goats, Moose, Reindeer, Sheep

Restrictions for Cervidae because of CWD

Colorado - Adams, Arapahoe, Boulder, Clear Creek, Delta, Denver, Douglas, Eagle, Elbert, El Paso, Garfield, Gilpin, Grand, Jackson, Jefferson, Larimer, Logan, Mesa, Moffat, Morgan, Park, Phillips, Pitkin, Rio Blanco, Routt, Sedgwick, Summit, Teller, Washington, Weld

Illinois: Boone, DeKalb, Kane, Kendall, La Salle, Lake, Lee, McHenry, Ogle, Stephenson, Winnebago

Nebraska - Adams, Arthur, Banner, Box Butte, Buffalo, Chase, Cheyenne, Clay, Dawes, Deuel, Garden, Hall, Hamilton, Hooker, Howard, Kearney, Keith, Kimball, McPherson, Merrick, Morrill, Perkins, Scotts Bluff, Sheridan, Sherman, Sioux

New Mexico: Dona Ana, Otero, Sierra

Saskatchewan: must have approval from Board veterinarian.

South Dakota - Custer, Fall River, Lawrence, Pennington, Shannon

Utah - Carbon, Duchesne, Emery, Grand, Sanpete, Uintah

Wisconsin - Adams, Columbia, Crawford, Dane, Dodge, Grant, Green, Green Lake, Iowa, Jefferson, Juneau, Kenosha, Lafayette, Marquette, Racine, Richland, Rock, Sauk, Vernon, Walworth

Wyoming - Albany, Carbon, Converse, Fremont, Goshen, Johnson, Laramie, Natrona, Niobrara, Platte, Washakie

Farmed Cervidae
June 2004

17.451 Definitions.

Subdivision 1. **Applicability.** The definitions in this section apply to this section and section 17.452.

Subd. 1a. **Cervidae.** "Cervidae" means animals that are members of the family "Cervidae" and includes, but is not limited to white-tailed deer, mule deer, red deer, elk, moose, caribou, reindeer, and muntjac.

Subd. 2. **Farmed cervidae.** "Farmed cervidae" means members of the cervidae family that are: (1) raised for any purpose; and (2) registered in a manner approved by the board of animal health.

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

Subd. 4. **Herd.** "Herd" means: (1) all cervidae maintained on common ground for any purpose, or (2) all cervidae under common ownership or supervision, geographically separated, but that have an interchange or movement of animals without regard to whether the animals are infected with or exposed to diseases.

17.452 Farm-raised cervidae.

Subdivision 1. **Promotion and coordination.** The commissioner shall promote the commercial raising of farmed cervidae and shall coordinate programs and rules related to the commercial raising of farmed cervidae. Farmed cervidae research, projects, and demonstrations must be reported to the commissioner before state appropriations for the research projects or demonstrations are encumbered. The commissioner shall maintain a data base of information on raising farmed cervidae.

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

Subd. 3. Repealed

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

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

Subd. 6. **Running at large prohibited.** (a) An owner may not allow farmed cervidae to run at large. The owner must make all reasonable efforts to return escaped farmed cervidae to their enclosures as soon as possible. The owner must notify the commissioner of natural resources of the escape of farmed cervidae if the farmed cervidae are not returned or captured by the owner within 24 hours of their escape.

(b) An owner is liable for expenses of another person in capturing, caring for, and returning farmed cervidae that have left their enclosures if the person capturing the farmed cervidae contacts the owner as soon as possible.

(c) If an owner is unwilling or unable to capture escaped farmed cervidae, the commissioner of natural resources may destroy the escaped farmed cervidae. The commissioner must allow the owner to attempt to capture the escaped farmed cervidae prior to destroying the farmed cervidae. Farmed cervidae that are not captured by 24 hours after escape may be destroyed.

Subd. 6a. **Wild cervidae inside confinement area.** An owner, or employee or agent under the direction of the owner, must destroy wild cervidae found within the owner's farmed cervidae confinement area. The owner, employee, or agent must report the wild cervidae destroyed to a conservation officer or an employee of the department of natural resources, division of wildlife, within 24 hours. The wild cervidae must be disposed of as prescribed by the commissioner of natural resources.

Subd. 7. **Farming in native elk area.** A person may not raise farmed red deer in the native elk area without written approval of the commissioner of natural resources. The native elk area is the area north of U.S. Highway 2 and west of U.S. Highway 71 and trunk highway 72. The commissioner shall review the proposed farming operation and approve with any condition or deny approval based on risks to the native elk population.

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

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

Subd. 10. **Fencing.** Farmed cervidae must be confined in a manner designed to prevent escape. All perimeter fences for farmed cervidae must be at least 96 inches in height and be constructed and maintained in a way that prevents the escape of farmed cervidae or entry into the premises by free-roaming cervidae.

Subd. 11. **Disease control programs.** Farmed cervidae herds are subject to chapter 35 and the rules of the board of animal health in the same manner as livestock and domestic animals, including provisions relating to importation and transportation.

Subd. 12. **Identification.** (a) Farmed cervidae must be identified by means approved by the board of animal health. Beginning January 1, 2004, the identification must be visible to the naked eye during daylight under normal conditions at a distance of 50 yards. Newborn animals must be identified before December 31 of the year in which the animal is born or before movement from the premises, whichever occurs first.

(b) The board of animal health shall register farmed cervidae. The owner must submit the registration request on forms provided by the board. The forms must include sales receipts or other documentation of the origin of the cervidae. The board shall provide copies of the registration information to the commissioner of natural resources upon request. The owner must keep written records of the acquisition and disposition of registered farmed cervidae.

Subd. 13. **Inspection.** The commissioner of agriculture and the board of animal health may inspect farmed cervidae, farmed cervidae facilities, and farmed cervidae records. For each herd, the owner or owners must, on or before January 1, pay an annual inspection fee equal to \$10 for each cervid in the herd as reflected in the most recent inventory submitted to the board of animal health up to a maximum fee of \$100.

The commissioner of natural resources may inspect farmed cervidae, farmed cervidae facilities, and farmed cervidae records with reasonable suspicion that laws protecting native wild animals have been violated and must notify the owner in writing at the time of the inspection of the reason for the inspection and must inform the owner in writing after the inspection of whether (1) the cause of the inspection was unfounded; or (2) there will be an ongoing investigation or continuing evaluation.

Subd. 13a. **Cervidae Inspection Account.** A cervidae inspection account is established in the state treasury. The fees collected under subdivision 13 and interest attributable to money in the account must be deposited in the state treasury and credited to the cervidae inspection account in the special revenue

fund. Money in the account, including interest earned, is appropriated to the board of animal health for the administration and enforcement of this section.

Subd. 14. **Contested case hearing.** A person raising farmed cervidae that is aggrieved with any decision regarding the farmed cervidae may request a contested case hearing under chapter 14.

Subd. 15. **Mandatory Registration.** A person may not possess live cervidae in Minnesota unless the person is registered with the board of animal health and meets all the requirements for farmed cervidae under this section. Cervidae possessed in violation of this subdivision may be seized and destroyed by the commissioner of natural resources.

Subd. 16. **Mandatory Surveillance for Chronic Wasting Disease.** (a) An inventory for each farmed cervidae herd must be verified by an accredited veterinarian and filed with the board of animal health every 12 months.

(b) Movement of farmed cervidae from any premises to another location must be reported to the board of animal health within 14 days of such movement on forms approved by the board of animal health.

(c) All animals from farmed cervidae herds that are over 16 months of age that die or are slaughtered must be tested for chronic wasting disease.

35.155 Cervidae Import Restrictions. A person must not import cervidae into the state from a herd that is infected or exposed to chronic wasting disease or from a known chronic wasting disease endemic area, as determined by the board. A person may import cervidae into the state only from a herd that is not in a known chronic wasting disease endemic area, as determined by the board, and the herd has been subject to a state or provincial approved chronic wasting disease monitoring program for at least three years. Cervidae imported in violation of this section may be seized and destroyed by the commissioner of natural resources.

97A.401 Special permits.

Subd. 3. **Taking, possessing, and transporting wild animals for certain purposes.** (a) Except as provided in paragraph (b), special permits may be issued without a fee to take, possess, and transport wild animals as pets and for scientific, educational, rehabilitative, wildlife disease prevention and control, and exhibition purposes. The commissioner shall prescribe the conditions for taking, possessing, transporting, and disposing of the wild animals.

(b) A special permit may not be issued to take or possess wild or native deer for exhibition, propagation, or as pets.

97A.505 Possession of wild animals.

Subd. 8. **Importation of Hunter-Harvested Cervidae.** Importation into Minnesota of hunter-harvested cervidae carcasses from known chronic wasting disease endemic areas, as determined by the Board of Animal Health, is prohibited except for cut and wrapped meat, quarters or other portions of meat with no part of the spinal column or head attached, antlers, hides, teeth, finished taxidermy mounts, and antlers attached to skull caps that are cleaned of all brain tissue. Hunter-harvested cervidae carcasses taken from chronic wasting disease endemic areas outside of Minnesota may be transported on a direct route through the state by nonresidents.

Subd. 9. **Possession of Live Cervidae.** A person may not possess live cervidae, except as authorized in sections 17.451 and 17.452 or 97A.401.

2.15 commissioner of natural resources of the escape of farmed
2.16 cervidae if the farmed cervidae are not returned or captured by
2.17 the owner within 24 hours of their escape.

2.18 (b) An owner is liable for expenses of another person in
2.19 capturing, caring for, and returning farmed cervidae that have
2.20 left their enclosures if the person capturing the farmed
2.21 cervidae contacts the owner as soon as possible.

2.22 (c) If an owner is unwilling or unable to capture escaped
2.23 farmed cervidae, the commissioner of natural resources may
2.24 destroy the escaped farmed cervidae. The commissioner of
2.25 natural resources must allow the owner to attempt to capture the
2.26 escaped farmed cervidae prior to destroying the farmed
2.27 cervidae. Farmed cervidae that are not captured by 24 hours
2.28 after escape may be destroyed.

2.29 Subd. 2. [WILD CERVIDAE INSIDE CONFINEMENT AREA.] An owner
2.30 or an employee or agent under the direction of the owner must
2.31 destroy wild cervidae found within the owner's farmed cervidae
2.32 confinement area. The owner, employee, or agent must report the
2.33 wild cervidae destroyed to a conservation officer or an employee
2.34 of the Department of Natural Resources, Division of Wildlife,
2.35 within 24 hours. The wild cervidae must be disposed of as
2.36 prescribed by the commissioner of natural resources.

3.1 Subd. 3. [FARMING IN NATIVE ELK AREA.] A person may not
3.2 raise farmed red deer in the native elk area without written
3.3 approval of the commissioner of natural resources. The native
3.4 elk area is the area north of U.S. Highway 2 and west of U.S.
3.5 Highway 71 and trunk highway 72. The commissioner of natural
3.6 resources shall review the proposed farming operation and
3.7 approve with any condition or deny approval based on risks to
3.8 the native elk population.

3.9 Subd. 4. [FENCING.] Farmed cervidae must be confined in a
3.10 manner designed to prevent escape. All perimeter fences for
3.11 farmed cervidae must be at least 96 inches in height and be
3.12 constructed and maintained in a way that prevents the escape of
3.13 farmed cervidae or entry into the premises by free-roaming
3.14 cervidae.

3.15 Subd. 5. [DISEASE CONTROL PROGRAMS.] Farmed cervidae are
3.16 subject to this chapter and the rules of the Board of Animal
3.17 Health in the same manner as other livestock and domestic
3.18 animals, including provisions related to importation and
3.19 transportation.

3.20 Subd. 6. [IDENTIFICATION.] (a) Farmed cervidae must be
3.21 identified by means approved by the Board of Animal Health. The
3.22 identification must be visible to the naked eye during daylight
3.23 under normal conditions at a distance of 50 yards. Newborn
3.24 animals must be identified before December 31 of the year in
3.25 which the animal is born or before movement from the premises,
3.26 whichever occurs first.

3.27 (b) The Board of Animal Health shall register farmed
3.28 cervidae. The owner must submit the registration request on
3.29 forms provided by the board. The forms must include sales
3.30 receipts or other documentation of the origin of the cervidae.
3.31 The board shall provide copies of the registration information
3.32 to the commissioner of natural resources upon request. The
3.33 owner must keep written records of the acquisition and
3.34 disposition of registered farmed cervidae.

3.35 Subd. 7. [INSPECTION.] The commissioner of agriculture and
3.36 the Board of Animal Health may inspect farmed cervidae, farmed
4.1 cervidae facilities, and farmed cervidae records. For each
4.2 herd, the owner or owners must, on or before January 1, pay an

4.3 annual inspection fee equal to \$10 for each cervid in the herd
4.4 as reflected in the most recent inventory submitted to the Board
4.5 of Animal Health, up to a maximum fee of \$100. The commissioner
4.6 of natural resources may inspect farmed cervidae, farmed
4.7 cervidae facilities, and farmed cervidae records with reasonable
4.8 suspicion that laws protecting native wild animals have been
4.9 violated and must notify the owner in writing at the time of the
4.10 inspection of the reason for the inspection and must inform the
4.11 owner in writing after the inspection of whether (1) the cause
4.12 of the inspection was unfounded; or (2) there will be an ongoing
4.13 investigation or continuing evaluation.

4.14 Subd. 8. [CERVIDAE INSPECTION ACCOUNT.] A cervidae
4.15 inspection account is established in the state treasury. The
4.16 fees collected under this section and interest attributable to
4.17 money in the account must be deposited in the state treasury and
4.18 credited to the cervidae inspection account in the special
4.19 revenue fund. Money in the account, including interest earned,
4.20 is appropriated to the Board of Animal Health for the
4.21 administration and enforcement of this section.

4.22 Subd. 9. [CONTESTED CASE HEARING.] A person raising farmed
4.23 cervidae that is aggrieved with any decision regarding the
4.24 farmed cervidae may request a contested case hearing under
4.25 chapter 14.

4.26 Subd. 10. [MANDATORY REGISTRATION.] A person may not
4.27 possess live cervidae in Minnesota unless the person is
4.28 registered with the Board of Animal Health and meets all the
4.29 requirements for farmed cervidae under this section. Cervidae
4.30 possessed in violation of this subdivision may be seized and
4.31 destroyed by the commissioner of natural resources.

4.32 Subd. 11. [MANDATORY SURVEILLANCE FOR CHRONIC WASTING
4.33 DISEASE.] (a) An inventory for each farmed cervidae herd must be
4.34 verified by an accredited veterinarian and filed with the Board
4.35 of Animal Health every 12 months.

4.36 (b) Movement of farmed cervidae from any premises to
5.1 another location must be reported to the Board of Animal Health
5.2 within 14 days of the movement on forms approved by the Board of
5.3 Animal Health.

5.4 (c) All animals from farmed cervidae herds that are over 16
5.5 months of age that die or are slaughtered must be tested for
5.6 chronic wasting disease.

5.7 Subd. 12. [IMPORTATION.] A person must not import cervidae
5.8 into the state from a herd that is infected or exposed to
5.9 chronic wasting disease or from a known chronic wasting disease
5.10 endemic area, as determined by the board. A person may import
5.11 cervidae into the state only from a herd that is not in a known
5.12 chronic wasting disease endemic area, as determined by the
5.13 board, and the herd has been subject to a state or provincial
5.14 approved chronic wasting disease monitoring program for at least
5.15 three years. Cervidae imported in violation of this section may
5.16 be seized and destroyed by the commissioner of natural resources.

5.17 Subd. 13. [RULES.] The Board of Animal Health shall adopt
5.18 rules as necessary to implement this section and to otherwise
5.19 provide for the control of cervidae diseases.

5.20 Sec. 4. [REVISOR'S INSTRUCTION.]

5.21 The revisor of statutes shall change cross-references in
5.22 Minnesota Statutes and Minnesota Rules to reflect the amendments
5.23 and repealers in sections 1 to 5.

5.24 Sec. 5. [REPEALER.]

5.25 Minnesota Statutes 2004, sections 17.451; and 17.452,
5.26 subdivisions 6, 6a, 7, 10, 11, 12, 13, 13a, 14, 15, and 16, are

5.27 repealed.

5.28 Sec. 6. [EFFECTIVE DATE.]

5.29 Sections 1 to 5 are effective the day following final

5.30 enactment.

Please direct all comments concerning issues or legislation
to your House Member or State Senator.

For Legislative Staff or for directions to the Capitol, visit the Contact Us page.

General questions or comments.

Senators Dille, Vickerman, Kubly, Nienow and Skoe introduced--

S.F. No. 773: Referred to the Committee on Agriculture, Veterans and Gaming.

1 A bill for an act

2 relating to animal health; providing for regulation of
3 certain cervidae by the Board of Animal Health;
4 amending Minnesota Statutes 2004, sections 17.452, by
5 adding a subdivision; 35.155; proposing coding for new
6 law in Minnesota Statutes, chapter 35; repealing
7 Minnesota Statutes 2004, sections 17.451; 17.452,
8 subdivisions 6, 6a, 7, 10, 11, 12, 13, 13a, 14, 15, 16.

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

10 Section 1. Minnesota Statutes 2004, section 17.452, is
11 amended by adding a subdivision to read:

12 Subd. 5a. [OTHER APPLICABLE DEFINITIONS.] The definitions
13 in section 35.153 apply to this section.

14 Sec. 2. [35.153] [DEFINITIONS.]

15 Subdivision 1. [APPLICABILITY.] The definitions in this
16 section apply to section 17.452, this section, and section
17 35.155.

18 Subd. 2. [CERVIDAE.] "Cervidae" means animals that are
19 members of the family Cervidae and includes, but is not limited
20 to, white-tailed deer, mule deer, red deer, elk, moose, caribou,
21 reindeer, and muntjac.

22 Subd. 3. [FARMED CERVIDAE.] "Farmed cervidae" means
23 cervidae that are:

24 (1) raised for any purpose; and

25 (2) registered in a manner approved by the Board of Animal
26 Health.

27 Subd. 4. [OWNER.] "Owner" means a person who owns or is

1 responsible for the raising of farmed cervidae.

2 Subd. 5. [HERD.] "Herd" means all cervidae:

3 (1) maintained on common ground for any purpose; or

4 (2) under common ownership or supervision, geographically
5 separated, but that have an interchange or movement of animals
6 without regard to whether the animals are infected with or
7 exposed to diseases.

8 Sec. 3. Minnesota Statutes 2004, section 35.155, is
9 amended to read:

10 35.155 [FARMED CERVIDAE.]

11 Subdivision 1. [RUNNING AT LARGE PROHIBITED.] (a) An owner
12 may not allow farmed cervidae to run at large. The owner must
13 make all reasonable efforts to return escaped farmed cervidae to
14 their enclosures as soon as possible. The owner must notify the
15 commissioner of natural resources of the escape of farmed
16 cervidae if the farmed cervidae are not returned or captured by
17 the owner within 24 hours of their escape.

18 (b) An owner is liable for expenses of another person in
19 capturing, caring for, and returning farmed cervidae that have
20 left their enclosures if the person capturing the farmed
21 cervidae contacts the owner as soon as possible.

22 (c) If an owner is unwilling or unable to capture escaped
23 farmed cervidae, the commissioner of natural resources may
24 destroy the escaped farmed cervidae. The commissioner of
25 natural resources must allow the owner to attempt to capture the
26 escaped farmed cervidae prior to destroying the farmed
27 cervidae. Farmed cervidae that are not captured by 24 hours
28 after escape may be destroyed.

29 Subd. 2. [WILD CERVIDAE INSIDE CONFINEMENT AREA.] An owner
30 or an employee or agent under the direction of the owner must
31 destroy wild cervidae found within the owner's farmed cervidae
32 confinement area. The owner, employee, or agent must report the
33 wild cervidae destroyed to a conservation officer or an employee
34 of the Department of Natural Resources, Division of Wildlife,
35 within 24 hours. The wild cervidae must be disposed of as
36 prescribed by the commissioner of natural resources.

1 Subd. 3. [FARMING IN NATIVE ELK AREA.] A person may not
2 raise farmed red deer in the native elk area without written
3 approval of the commissioner of natural resources. The native
4 elk area is the area north of U.S. Highway 2 and west of U.S.
5 Highway 71 and trunk highway 72. The commissioner of natural
6 resources shall review the proposed farming operation and
7 approve with any condition or deny approval based on risks to
8 the native elk population.

9 Subd. 4. [FENCING.] Farmed cervidae must be confined in a
10 manner designed to prevent escape. All perimeter fences for
11 farmed cervidae must be at least 96 inches in height and be
12 constructed and maintained in a way that prevents the escape of
13 farmed cervidae or entry into the premises by free-roaming
14 cervidae.

15 Subd. 5. [DISEASE CONTROL PROGRAMS.] Farmed cervidae are
16 subject to this chapter and the rules of the Board of Animal
17 Health in the same manner as other livestock and domestic
18 animals, including provisions related to importation and
19 transportation.

20 Subd. 6. [IDENTIFICATION.] (a) Farmed cervidae must be
21 identified by means approved by the Board of Animal Health. The
22 identification must be visible to the naked eye during daylight
23 under normal conditions at a distance of 50 yards. Newborn
24 animals must be identified before December 31 of the year in
25 which the animal is born or before movement from the premises,
26 whichever occurs first.

27 (b) The Board of Animal Health shall register farmed
28 cervidae. The owner must submit the registration request on
29 forms provided by the board. The forms must include sales
30 receipts or other documentation of the origin of the cervidae.
31 The board shall provide copies of the registration information
32 to the commissioner of natural resources upon request. The
33 owner must keep written records of the acquisition and
34 disposition of registered farmed cervidae.

35 Subd. 7. [INSPECTION.] The commissioner of agriculture and
36 the Board of Animal Health may inspect farmed cervidae, farmed

1 cervidae facilities, and farmed cervidae records. For each
2 herd, the owner or owners must, on or before January 1, pay an
3 annual inspection fee equal to \$10 for each cervid in the herd
4 as reflected in the most recent inventory submitted to the Board
5 of Animal Health, up to a maximum fee of \$100. The commissioner
6 of natural resources may inspect farmed cervidae, farmed
7 cervidae facilities, and farmed cervidae records with reasonable
8 suspicion that laws protecting native wild animals have been
9 violated and must notify the owner in writing at the time of the
10 inspection of the reason for the inspection and must inform the
11 owner in writing after the inspection of whether (1) the cause
12 of the inspection was unfounded; or (2) there will be an ongoing
13 investigation or continuing evaluation.

14 Subd. 8. [CERVIDAE INSPECTION ACCOUNT.] A cervidae
15 inspection account is established in the state treasury. The
16 fees collected under this section and interest attributable to
17 money in the account must be deposited in the state treasury and
18 credited to the cervidae inspection account in the special
19 revenue fund. Money in the account, including interest earned,
20 is appropriated to the Board of Animal Health for the
21 administration and enforcement of this section.

22 Subd. 9. [CONTESTED CASE HEARING.] A person raising farmed
23 cervidae that is aggrieved with any decision regarding the
24 farmed cervidae may request a contested case hearing under
25 chapter 14.

26 Subd. 10. [MANDATORY REGISTRATION.] A person may not
27 possess live cervidae in Minnesota unless the person is
28 registered with the Board of Animal Health and meets all the
29 requirements for farmed cervidae under this section. Cervidae
30 possessed in violation of this subdivision may be seized and
31 destroyed by the commissioner of natural resources.

32 Subd. 11. [MANDATORY SURVEILLANCE FOR CHRONIC WASTING
33 DISEASE.] (a) An inventory for each farmed cervidae herd must be
34 verified by an accredited veterinarian and filed with the Board
35 of Animal Health every 12 months.

36 (b) Movement of farmed cervidae from any premises to

1 another location must be reported to the Board of Animal Health
2 within 14 days of the movement on forms approved by the Board of
3 Animal Health.

4 (c) All animals from farmed cervidae herds that are over 16
5 months of age that die or are slaughtered must be tested for
6 chronic wasting disease.

7 Subd. 12. [IMPORTATION.] A person must not import cervidae
8 into the state from a herd that is infected or exposed to
9 chronic wasting disease or from a known chronic wasting disease
10 endemic area, as determined by the board. A person may import
11 cervidae into the state only from a herd that is not in a known
12 chronic wasting disease endemic area, as determined by the
13 board, and the herd has been subject to a state or provincial
14 approved chronic wasting disease monitoring program for at least
15 three years. Cervidae imported in violation of this section may
16 be seized and destroyed by the commissioner of natural resources.

17 Subd. 13. [RULES.] The Board of Animal Health shall adopt
18 rules as necessary to implement this section and to otherwise
19 provide for the control of cervidae diseases.

20 Sec. 4. [REVISOR'S INSTRUCTION.]

21 The revisor of statutes shall change cross-references in
22 Minnesota Statutes and Minnesota Rules to reflect the amendments
23 and repealers in sections 1 to 5.

24 Sec. 5. [REPEALER.]

25 Minnesota Statutes 2004, sections 17.451; and 17.452,
26 subdivisions 6, 6a, 7, 10, 11, 12, 13, 13a, 14, 15, and 16, are
27 repealed.

28 Sec. 6. [EFFECTIVE DATE.]

29 Sections 1 to 5 are effective the day following final
30 enactment.

APPENDIX
Repealed Minnesota Statutes for 05-0180

17.451 DEFINITIONS.

Subdivision 1. **Applicability.** The definitions in this section apply to this section and section 17.452.

Subd. 1a. **Cervidae.** "Cervidae" means animals that are members of the family Cervidae and includes, but is not limited to, white-tailed deer, mule deer, red deer, elk, moose, caribou, reindeer, and muntjac.

Subd. 2. **Farmed cervidae.** "Farmed cervidae" means members of the Cervidae family that are:

(1) raised for any purpose; and

(2) registered in a manner approved by the Board of Animal Health.

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

Subd. 4. **Herd.** "Herd" means:

(1) all cervidae maintained on common ground for any purpose; or

(2) all cervidae under common ownership or supervision, geographically separated, but that have an interchange or movement of animals without regard to whether the animals are infected with or exposed to diseases.

17.452 FARM-RAISED CERVIDAE.

Subd. 6. **Running at large prohibited.** (a) An owner may not allow farmed cervidae to run at large. The owner must make all reasonable efforts to return escaped farmed cervidae to their enclosures as soon as possible. The owner must notify the commissioner of natural resources of the escape of farmed cervidae if the farmed cervidae are not returned or captured by the owner within 24 hours of their escape.

(b) An owner is liable for expenses of another person in capturing, caring for, and returning farmed cervidae that have left their enclosures if the person capturing the farmed cervidae contacts the owner as soon as possible.

(c) If an owner is unwilling or unable to capture escaped farmed cervidae, the commissioner of natural resources may destroy the escaped farmed cervidae. The commissioner must allow the owner to attempt to capture the escaped farmed cervidae prior to destroying the farmed cervidae. Farmed cervidae that are not captured by 24 hours after escape may be destroyed.

Subd. 6a. **Wild cervidae inside confinement area.** An owner, or employee or agent under the direction of the owner, must destroy wild cervidae found within the owner's farmed cervidae confinement area. The owner, employee, or agent must report the wild cervidae destroyed to a conservation officer or an employee of the Department of Natural Resources, Division of Wildlife, within 24 hours. The wild cervidae must be disposed of as prescribed by the commissioner of natural resources.

Subd. 7. **Farming in native elk area.** A person may not raise farmed red deer in the native elk area without written approval of the commissioner of natural resources. The native elk area is the area north of U.S. Highway 2 and west of U.S. Highway 71 and trunk highway 72. The commissioner shall review the proposed farming operation and approve with any condition or deny approval based on risks to the native elk population.

Subd. 10. **Fencing.** Farmed cervidae must be confined in a manner designed to prevent escape. All perimeter fences for farmed cervidae must be at least 96 inches in height and be constructed and maintained in a way that prevents the escape of

APPENDIX
Repealed Minnesota Statutes for 05-0180

farmed cervidae or entry into the premises by free-roaming cervidae.

Subd. 11. **Disease control programs.** Farmed cervidae herds are subject to chapter 35 and the rules of the Board of Animal Health in the same manner as livestock and domestic animals, including provisions relating to importation and transportation.

Subd. 12. **Identification.** (a) Farmed cervidae must be identified by means approved by the Board of Animal Health. Beginning January 1, 2004, the identification must be visible to the naked eye during daylight under normal conditions at a distance of 50 yards. Newborn animals must be identified before December 31 of the year in which the animal is born or before movement from the premises, whichever occurs first.

(b) The Board of Animal Health shall register farmed cervidae. The owner must submit the registration request on forms provided by the board. The forms must include sales receipts or other documentation of the origin of the cervidae. The board shall provide copies of the registration information to the commissioner of natural resources upon request. The owner must keep written records of the acquisition and disposition of registered farmed cervidae.

Subd. 13. **Inspection.** The commissioner of agriculture and the Board of Animal Health may inspect farmed cervidae, farmed cervidae facilities, and farmed cervidae records. For each herd, the owner or owners must, on or before January 1, pay an annual inspection fee equal to \$10 for each cervid in the herd as reflected in the most recent inventory submitted to the Board of Animal Health up to a maximum fee of \$100. The commissioner of natural resources may inspect farmed cervidae, farmed cervidae facilities, and farmed cervidae records with reasonable suspicion that laws protecting native wild animals have been violated and must notify the owner in writing at the time of the inspection of the reason for the inspection and must inform the owner in writing after the inspection of whether (1) the cause of the inspection was unfounded; or (2) there will be an ongoing investigation or continuing evaluation.

Subd. 13a. **Cervidae inspection account.** A cervidae inspection account is established in the state treasury. The fees collected under subdivision 13 and interest attributable to money in the account must be deposited in the state treasury and credited to the cervidae inspection account in the special revenue fund. Money in the account, including interest earned, is appropriated to the Board of Animal Health for the administration and enforcement of this section.

Subd. 14. **Contested case hearing.** A person raising farmed cervidae that is aggrieved with any decision regarding the farmed cervidae may request a contested case hearing under chapter 14.

Subd. 15. **Mandatory registration.** A person may not possess live cervidae in Minnesota unless the person is registered with the Board of Animal Health and meets all the requirements for farmed cervidae under this section. Cervidae possessed in violation of this subdivision may be seized and destroyed by the commissioner of natural resources.

Subd. 16. **Mandatory surveillance for chronic wasting disease.** (a) An inventory for each farmed cervidae herd must be verified by an accredited veterinarian and filed with the

APPENDIX
Repealed Minnesota Statutes for 05-0180

Board of Animal Health every 12 months.

(b) Movement of farmed cervidae from any premises to another location must be reported to the Board of Animal Health within 14 days of such movement on forms approved by the Board of Animal Health.

(c) All animals from farmed cervidae herds that are over 16 months of age that die or are slaughtered must be tested for chronic wasting disease.