

1.1 Senator moves to amend S.F. No. 4019 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1
1.4 AGRICULTURE APPROPRIATIONS

1.5 Section 1. Laws 2021, First Special Session chapter 3, article 1, section 2, is amended to
1.6 read:

1.7 Sec. 2. DEPARTMENT OF AGRICULTURE

1.8 Subdivision 1. Total Appropriation \$ ~~59,303,000~~ 59,913,000 \$ 59,410,000
1.9 63,800,000

1.10 Appropriations by Fund

	2022	2023
		<u>59,011,000</u>
1.11 General	58,904,000 <u>59,514,000</u>	<u>63,401,000</u>
1.12 Remediation	399,000	399,000

1.13 The amounts that may be spent for each
1.14 purpose are specified in the following
1.15 subdivisions.

1.16 Subd. 2. Protection Services

1.17 Appropriations by Fund

	2022	2023
		<u>19,610,000</u>
1.18 General	19,384,000 <u>19,484,000</u>	<u>20,660,000</u>
1.19 Remediation	399,000	399,000

1.20 (a) \$399,000 the first year and \$399,000 the
1.21 second year are from the remediation fund for
1.22 administrative funding for the voluntary
1.23 cleanup program.

1.24 (b) \$175,000 the first year and \$175,000 the
1.25 second year are for compensation for
1.26 destroyed or crippled livestock under
1.27 Minnesota Statutes, section 3.737. The first
1.28 year appropriation may be spent to compensate
1.29 for livestock that were destroyed or crippled

2.1 during fiscal year 2021. If the amount in the
2.2 first year is insufficient, the amount in the
2.3 second year is available in the first year. The
2.4 commissioner may use up to \$5,000 each year
2.5 to reimburse expenses incurred by university
2.6 extension educators to provide fair market
2.7 values of destroyed or crippled livestock. If
2.8 the commissioner receives federal dollars to
2.9 pay claims for destroyed or crippled livestock,
2.10 an equivalent amount of this appropriation
2.11 may be used to reimburse nonlethal prevention
2.12 methods performed by federal wildlife services
2.13 staff.

2.14 (c) \$155,000 the first year and \$155,000 the
2.15 second year are for compensation for crop
2.16 damage under Minnesota Statutes, section
2.17 3.7371. If the amount in the first year is
2.18 insufficient, the amount in the second year is
2.19 available in the first year. The commissioner
2.20 may use up to \$10,000 of the appropriation
2.21 each year to reimburse expenses incurred by
2.22 the commissioner or the commissioner's
2.23 approved agent to investigate and resolve
2.24 claims, as well as for costs associated with
2.25 training for approved agents. The
2.26 commissioner may use up to \$20,000 of the
2.27 appropriation each year to make grants to
2.28 producers for measures to protect stored crops
2.29 from elk damage.

2.30 If the commissioner determines that claims
2.31 made under Minnesota Statutes, section 3.737
2.32 or 3.7371, are unusually high, amounts
2.33 appropriated for either program may be
2.34 transferred to the appropriation for the other
2.35 program.

3.1 (d) \$1,000,000 in the second year is to
3.2 reimburse feed, veterinary, and other expenses
3.3 incurred, and offset revenue lost by owners of
3.4 farmed white-tailed deer registered under
3.5 Minnesota Statutes, section 35.155, due to
3.6 movement bans imposed by the commissioner
3.7 of natural resources in emergency rules
3.8 between December 2019 and December 2021.
3.9 The commissioner may use payments of up
3.10 to \$5,000 on a first-come, first-served,
3.11 noncompetitive basis. In order to receive a
3.12 payment, a recipient must sign an attestation
3.13 of the value of the loss suffered. Grants must
3.14 be limited to the value of the loss or \$5,000,
3.15 whichever is less. However, if funds remain
3.16 after payments have been made to all eligible
3.17 applicants, the commissioner shall make
3.18 additional payments on a pro rata basis. This
3.19 is a onetime appropriation and available until
3.20 June 30, 2024. Beginning February 1, 2023,
3.21 and annually thereafter until February 1, 2025,
3.22 the commissioner must report on the
3.23 reimbursements under this section by county
3.24 to the legislative committees with jurisdiction
3.25 over agriculture finance.

3.26 (e) \$225,000 the first year and \$225,000 the
3.27 second year are for additional funding for the
3.28 noxious weed and invasive plant program.

3.29 ~~(e)~~ (f) \$50,000 the first year is for additional
3.30 funding for the industrial hemp program for
3.31 IT development. This is a onetime
3.32 appropriation and is available until June 30,
3.33 2023.

3.34 ~~(f)~~ (g) \$110,000 the first year and \$110,000
3.35 the second year are for additional meat and

4.1 poultry inspection services. The commissioner
4.2 is encouraged to seek inspection waivers,
4.3 matching federal dollars, and offer more online
4.4 inspections for the purposes under this
4.5 paragraph.

4.6 ~~(g)~~ (h) \$825,000 the first year and \$825,000
4.7 the second year are to replace capital
4.8 equipment in the Department of Agriculture's
4.9 analytical laboratory.

4.10 ~~(h)~~ (i) \$274,000 the first year and \$550,000
4.11 the second year are to maintain the current
4.12 level of service delivery.

4.13 (j) \$50,000 the second year is for grants to
4.14 fund the Forever Green Agriculture Initiative
4.15 at the University of Minnesota and protect the
4.16 state's natural resources while increasing the
4.17 efficiency, profitability, and productivity of
4.18 Minnesota farmers by incorporating perennial
4.19 and winter annual crops into existing
4.20 agricultural practices. Up to 25 percent of the
4.21 appropriation may be used for equipment and
4.22 physical infrastructure to support breeding and
4.23 agronomic activities necessary to develop
4.24 perennial and winter annual crops. This is a
4.25 onetime appropriation and is available until
4.26 June 30, 2028.

4.27 (k) \$100,000 in the first year is for a grant to
4.28 the Board of Regents of the University of
4.29 Minnesota to purchase equipment for the
4.30 Veterinary Diagnostic Laboratory to test for
4.31 chronic wasting disease. This is a onetime
4.32 appropriation.

5.1	Subd. 3. Agricultural Marketing and		4,205,000
5.2	Development	4,200,000	<u>4,215,000</u>
5.3	(a) \$186,000 the first year and \$186,000 the		
5.4	second year are for transfer to the Minnesota		
5.5	grown account and may be used as grants for		
5.6	Minnesota grown promotion under Minnesota		
5.7	Statutes, section 17.102. Grants may be made		
5.8	for one year. Notwithstanding Minnesota		
5.9	Statutes, section 16A.28, the appropriations		
5.10	encumbered under contract on or before June		
5.11	30, 2023, for Minnesota grown grants in this		
5.12	paragraph are available until June 30, 2025.		
5.13	(b) \$50,000 the first year is to expand		
5.14	international marketing opportunities for		
5.15	farmers and value-added processors, including		
5.16	in-market representation in Taiwan. This is a		
5.17	onetime appropriation and is available until		
5.18	June 30, 2023.		
5.19	(c) \$634,000 the first year and \$634,000 the		
5.20	second year are for continuation of the dairy		
5.21	development and profitability enhancement		
5.22	programs including dairy profitability teams		
5.23	and dairy business planning grants under		
5.24	Minnesota Statutes, section 32D.30.		
5.25	(d) \$50,000 the first year and \$50,000 the		
5.26	second year are for additional funding for		
5.27	mental health outreach and support to farmers		
5.28	and others in the agricultural community,		
5.29	including a 24-hour hotline, stigma reduction,		
5.30	and educational offerings. These are onetime		
5.31	appropriations.		
5.32	(e) The commissioner may use funds		
5.33	appropriated in this subdivision for annual		
5.34	cost-share payments to resident farmers or		
5.35	entities that sell, process, or package		

6.1 agricultural products in this state for the costs
 6.2 of organic certification. The commissioner
 6.3 may allocate these funds for assistance to
 6.4 persons transitioning from conventional to
 6.5 organic agriculture.

6.6 (f) \$100,000 the first year and \$100,000 the
 6.7 second year are for the farm safety grant and
 6.8 outreach programs under Minnesota Statutes,
 6.9 section 17.1195. Notwithstanding Minnesota
 6.10 Statutes, section 16A.28, any unencumbered
 6.11 balance does not cancel at the end of the first
 6.12 year and is available in the second year. These
 6.13 are onetime appropriations.

6.14 (g) \$54,000 the first year and \$109,000 the
 6.15 second year are to maintain the current level
 6.16 of service delivery.

6.17 (h) \$10,000 in fiscal year 2023 is appropriated
 6.18 from the general fund to the commissioner of
 6.19 agriculture to study and report on the state of
 6.20 regional and local food systems in Minnesota,
 6.21 including recommendations for strengthening
 6.22 these systems. No later than February 1, 2023,
 6.23 the commissioner must submit the report to
 6.24 the legislative committees with jurisdiction
 6.25 over agriculture policy and finance. This is a
 6.26 onetime appropriation.

6.27	Subd. 4. Agriculture, Bioenergy, and Bioproduct		25,357,000
6.28	Advancement	25,343,000	<u>26,057,000</u>

6.29 (a) \$9,300,000 the first year and \$9,300,000
 6.30 the second year are for transfer to the
 6.31 agriculture research, education, extension, and
 6.32 technology transfer account under Minnesota
 6.33 Statutes, section 41A.14, subdivision 3. Of
 6.34 these amounts: at least \$600,000 the first year
 6.35 and \$600,000 the second year are for the

7.1 Minnesota Agricultural Experiment Station's
7.2 agriculture rapid response fund under
7.3 Minnesota Statutes, section 41A.14,
7.4 subdivision 1, clause (2); \$2,000,000 the first
7.5 year and \$2,000,000 the second year are for
7.6 grants to the Minnesota Agriculture Education
7.7 Leadership Council to enhance agricultural
7.8 education with priority given to Farm Business
7.9 Management challenge grants; \$350,000 the
7.10 first year and \$350,000 the second year are
7.11 for potato breeding; and \$450,000 the first
7.12 year and \$450,000 the second year are for the
7.13 cultivated wild rice breeding project at the
7.14 North Central Research and Outreach Center
7.15 to include a tenure track/research associate
7.16 plant breeder. The commissioner shall transfer
7.17 the remaining funds in this appropriation each
7.18 year to the Board of Regents of the University
7.19 of Minnesota for purposes of Minnesota
7.20 Statutes, section 41A.14. Of the amount
7.21 transferred to the Board of Regents, up to
7.22 \$1,000,000 each year is for research on avian
7.23 influenza, salmonella, and other turkey-related
7.24 diseases. By January 15, 2023, entities
7.25 receiving grants for potato breeding and wild
7.26 rice breeding are requested to report to the
7.27 chairs and ranking minority members of the
7.28 legislative committees with jurisdiction over
7.29 agriculture and higher education regarding the
7.30 use of the grant money and to provide an
7.31 update on the status of research and related
7.32 accomplishments.

7.33 To the extent practicable, money expended
7.34 under Minnesota Statutes, section 41A.14,
7.35 subdivision 1, clauses (1) and (2), must
7.36 supplement and not supplant existing sources

8.1 and levels of funding. The commissioner may
8.2 use up to one percent of this appropriation for
8.3 costs incurred to administer the program.

8.4 (b) \$16,028,000 the first year and ~~\$16,028,000~~
8.5 \$16,728,000 the second year are for the
8.6 agricultural growth, research, and innovation
8.7 program under Minnesota Statutes, section
8.8 41A.12. Except as provided below, the
8.9 commissioner may allocate the appropriation
8.10 each year among the following areas:
8.11 facilitating the start-up, modernization,
8.12 improvement, or expansion of livestock
8.13 operations including beginning and
8.14 transitioning livestock operations with
8.15 preference given to robotic dairy-milking
8.16 equipment; providing funding not to exceed
8.17 \$800,000 each year to develop and enhance
8.18 farm-to-school markets for Minnesota farmers
8.19 by providing more fruits, vegetables, meat,
8.20 grain, and dairy for Minnesota children in
8.21 school and child care settings including, at the
8.22 commissioner's discretion, reimbursing
8.23 schools for purchases from local farmers;
8.24 assisting value-added agricultural businesses
8.25 to begin or expand, to access new markets, or
8.26 to diversify, including aquaponics systems;
8.27 providing funding not to exceed \$600,000
8.28 each year for urban youth agricultural
8.29 education or urban agriculture community
8.30 development of which \$10,000 each year is
8.31 for transfer to the emerging farmer account
8.32 under Minnesota Statutes, section 17.055,
8.33 subdivision 1a; providing funding not to
8.34 exceed \$450,000 each year for the good food
8.35 access program under Minnesota Statutes,
8.36 section 17.1017; facilitating the start-up,

9.1 modernization, or expansion of other
9.2 beginning and transitioning farms including
9.3 by providing loans under Minnesota Statutes,
9.4 section 41B.056; sustainable agriculture
9.5 on-farm research and demonstration;
9.6 development or expansion of food hubs and
9.7 other alternative community-based food
9.8 distribution systems; enhancing renewable
9.9 energy infrastructure and use; crop research;
9.10 Farm Business Management tuition assistance;
9.11 and good agricultural practices and good
9.12 handling practices certification assistance. The
9.13 commissioner may use up to 6.5 percent of
9.14 this appropriation for costs incurred to
9.15 administer the program.

9.16 Of the amount appropriated for the agricultural
9.17 growth, research, and innovation program
9.18 under Minnesota Statutes, section 41A.12:

9.19 (1) \$1,000,000 the first year and \$1,000,000
9.20 the second year are for distribution in equal
9.21 amounts to each of the state's county fairs to
9.22 preserve and promote Minnesota agriculture;

9.23 (2) \$4,500,000 the first year and \$4,500,000
9.24 the second year are for incentive payments
9.25 under Minnesota Statutes, sections 41A.16,
9.26 41A.17, 41A.18, and 41A.20. Notwithstanding
9.27 Minnesota Statutes, section 16A.28, the first
9.28 year appropriation is available until June 30,
9.29 2023, and the second year appropriation is
9.30 available until June 30, 2024. If this
9.31 appropriation exceeds the total amount for
9.32 which all producers are eligible in a fiscal
9.33 year, the balance of the appropriation is
9.34 available for other purposes under this
9.35 paragraph;

10.1 (3) \$3,000,000 the first year and \$3,000,000
10.2 the second year are for grants that enable retail
10.3 petroleum dispensers, fuel storage tanks, and
10.4 other equipment to dispense biofuels to the
10.5 public in accordance with the biofuel
10.6 replacement goals established under
10.7 Minnesota Statutes, section 239.7911. A retail
10.8 petroleum dispenser selling petroleum for use
10.9 in spark ignition engines for vehicle model
10.10 years after 2000 is eligible for grant money
10.11 under this clause if the retail petroleum
10.12 dispenser has no more than 10 retail petroleum
10.13 dispensing sites and each site is located in
10.14 Minnesota. The grant money must be used to
10.15 replace or upgrade equipment that does not
10.16 have the ability to be certified for E25. A grant
10.17 award must not exceed 65 percent of the cost
10.18 of the appropriate technology. A grant award
10.19 must not exceed \$200,000 per station. The
10.20 commissioner must cooperate with biofuel
10.21 stakeholders in the implementation of the grant
10.22 program. The commissioner, in cooperation
10.23 with any economic or community development
10.24 financial institution and any other entity with
10.25 which it contracts, must submit a report on the
10.26 biofuels infrastructure financial assistance
10.27 program by January 15 of each year to the
10.28 chairs and ranking minority members of the
10.29 legislative committees and divisions with
10.30 jurisdiction over agriculture policy and
10.31 finance. The annual report must include but
10.32 not be limited to a summary of the following
10.33 metrics: (i) the number and types of projects
10.34 financed; (ii) the amount of dollars leveraged
10.35 or matched per project; (iii) the geographic
10.36 distribution of financed projects; (iv) any

11.1 market expansion associated with upgraded
11.2 infrastructure; (v) the demographics of the
11.3 areas served; (vi) the costs of the program;
11.4 and (vii) the number of grants to
11.5 minority-owned or female-owned businesses;

11.6 (4) \$750,000 the first year and ~~\$750,000~~
11.7 \$1,450,000 the second year are for grants to
11.8 facilitate the start-up, modernization, or
11.9 expansion of meat, poultry, egg, and milk
11.10 processing facilities. A grant award under this
11.11 clause must not exceed \$200,000. Any
11.12 unencumbered balance at the end of the second
11.13 year does not cancel until June 30, 2024, and
11.14 may be used for other purposes under this
11.15 paragraph. The appropriations under this
11.16 clause are onetime; and

11.17 (5) \$1,400,000 the first year and \$1,400,000
11.18 the second year are for livestock investment
11.19 grants under Minnesota Statutes, section
11.20 17.118. Any unencumbered balance at the end
11.21 of the second year does not cancel until June
11.22 30, 2024, and may be used for other purposes
11.23 under this paragraph. The appropriations under
11.24 this clause are onetime.

11.25 Notwithstanding Minnesota Statutes, section
11.26 16A.28, any unencumbered balance does not
11.27 cancel at the end of the first year and is
11.28 available for the second year, and
11.29 appropriations encumbered under contract on
11.30 or before June 30, 2023, for agricultural
11.31 growth, research, and innovation grants are
11.32 available until June 30, 2026.

11.33 The base amount for the agricultural growth,
11.34 research, and innovation program is
11.35 \$16,053,000 in fiscal year 2024 and

12.1 \$16,053,000 in fiscal year 2025, and includes
 12.2 funding for incentive payments under
 12.3 Minnesota Statutes, sections 41A.16, 41A.17,
 12.4 41A.18, and 41A.20.

12.5 (c) \$15,000 the first year and \$29,000 the
 12.6 second year are to maintain the current level
 12.7 of service delivery.

12.8 **Subd. 5. Administration and Financial**
 12.9 **Assistance**

	9,977,000	<u>10,487,000</u>	9,839,000	<u>12,469,000</u>
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12.10 (a) \$474,000 the first year and \$474,000 the
 12.11 second year are for payments to county and
 12.12 district agricultural societies and associations
 12.13 under Minnesota Statutes, section 38.02,
 12.14 subdivision 1. Aid payments to county and
 12.15 district agricultural societies and associations
 12.16 shall be disbursed no later than July 15 of each
 12.17 year. These payments are the amount of aid
 12.18 from the state for an annual fair held in the
 12.19 previous calendar year.

12.20 (b) \$387,000 the first year and \$337,000 the
 12.21 second year are for farm advocate services.
 12.22 Of these amounts, \$100,000 the first year and
 12.23 \$50,000 the second year are for a pilot
 12.24 program creating farmland access teams to
 12.25 provide technical assistance to potential
 12.26 beginning farmers. The farmland access teams
 12.27 must assist existing farmers and beginning
 12.28 farmers on transitioning farm ownership and
 12.29 operation. Services provided by teams may
 12.30 include but are not limited to providing
 12.31 mediation assistance, designing contracts,
 12.32 financial planning, tax preparation, estate
 12.33 planning, and housing assistance. Of this
 12.34 amount for farm transitions, up to \$50,000 the
 12.35 first year may be used to upgrade the

- 13.1 Minnesota FarmLink web application that
13.2 connects farmers looking for land with farmers
13.3 looking to transition their land.
- 13.4 (c) \$47,000 the first year and \$47,000 the
13.5 second year are for grants to the Northern
13.6 Crops Institute that may be used to purchase
13.7 equipment. These are onetime appropriations.
- 13.8 (d) \$238,000 the first year and \$238,000 the
13.9 second year are for ~~transfer to the Board of~~
13.10 ~~Trustees of the Minnesota State Colleges and~~
13.11 ~~Universities~~ a pass-through grant to Region
13.12 Five Development Commission, in
13.13 collaboration with Minnesota Farm Business
13.14 Management: (1) for statewide mental health
13.15 counseling support to ~~farm families and~~
13.16 ~~business operators through the Minnesota State~~
13.17 ~~Agricultural Centers of Excellence. South~~
13.18 ~~Central College and Central Lakes College~~
13.19 ~~shall serve as the fiscal agents~~ Minnesota farm
13.20 and ranch operators, families, and employees;
13.21 and (2) for support to individuals who work
13.22 with Minnesota farmers and ranchers in a
13.23 professional capacity.
- 13.24 (e) \$1,700,000 the first year and \$1,700,000
13.25 the second year are for grants to Second
13.26 Harvest Heartland on behalf of Minnesota's
13.27 six Feeding America food banks for the
13.28 following:
- 13.29 (1) to purchase milk for distribution to
13.30 Minnesota's food shelves and other charitable
13.31 organizations that are eligible to receive food
13.32 from the food banks. Milk purchased under
13.33 the grants must be acquired from Minnesota
13.34 milk processors and based on low-cost bids.
13.35 The milk must be allocated to each Feeding

14.1 America food bank serving Minnesota
14.2 according to the formula used in the
14.3 distribution of United States Department of
14.4 Agriculture commodities under The
14.5 Emergency Food Assistance Program. Second
14.6 Harvest Heartland may enter into contracts or
14.7 agreements with food banks for shared funding
14.8 or reimbursement of the direct purchase of
14.9 milk. Each food bank that receives funding
14.10 under this clause may use up to two percent
14.11 for administrative expenses;

14.12 (2) to compensate agricultural producers and
14.13 processors for costs incurred to harvest and
14.14 package for transfer surplus fruits, vegetables,
14.15 and other agricultural commodities that would
14.16 otherwise go unharvested, be discarded, or
14.17 sold in a secondary market. Surplus
14.18 commodities must be distributed statewide to
14.19 food shelves and other charitable organizations
14.20 that are eligible to receive food from the food
14.21 banks. Surplus food acquired under this clause
14.22 must be from Minnesota producers and
14.23 processors. Second Harvest Heartland may
14.24 use up to 15 percent of each grant awarded
14.25 under this clause for administrative and
14.26 transportation expenses; and

14.27 (3) to purchase and distribute protein products,
14.28 including but not limited to pork, poultry, beef,
14.29 dry legumes, cheese, and eggs to Minnesota's
14.30 food shelves and other charitable organizations
14.31 that are eligible to receive food from the food
14.32 banks. Second Harvest Heartland may use up
14.33 to two percent of each grant awarded under
14.34 this clause for administrative expenses. Protein
14.35 products purchased under the grants must be

15.1 acquired from Minnesota processors and
15.2 producers.

15.3 Of the amount appropriated under this
15.4 paragraph, at least \$600,000 each year must
15.5 be allocated under clause (1). Notwithstanding
15.6 Minnesota Statutes, section 16A.28, any
15.7 unencumbered balance the first year does not
15.8 cancel and is available in the second year.

15.9 Second Harvest Heartland must submit
15.10 quarterly reports to the commissioner and the
15.11 chairs and ranking minority members of the
15.12 legislative committees with jurisdiction over
15.13 agriculture finance in the form prescribed by
15.14 the commissioner. The reports must include
15.15 but are not limited to information on the
15.16 expenditure of funds, the amount of milk or
15.17 other commodities purchased, and the
15.18 organizations to which this food was
15.19 distributed.

15.20 (f) \$250,000 the first year and \$250,000 the
15.21 second year are for grants to the Minnesota
15.22 Agricultural Education and Leadership
15.23 Council for programs of the council under
15.24 Minnesota Statutes, chapter 41D.

15.25 (g) \$1,437,000 the first year and \$1,437,000
15.26 the second year are for transfer to the
15.27 agricultural and environmental revolving loan
15.28 account established under Minnesota Statutes,
15.29 section 17.117, subdivision 5a, for low-interest
15.30 loans under Minnesota Statutes, section
15.31 17.117. The base for appropriations under this
15.32 paragraph in fiscal year 2024 and thereafter
15.33 is \$1,425,000. The commissioner must
15.34 examine how the department could use up to
15.35 one-third of the amount transferred to the

16.1 agricultural and environmental revolving loan
16.2 account under this paragraph to award grants
16.3 to rural landowners to replace septic systems
16.4 that inadequately protect groundwater. No
16.5 later than February 1, 2022, the commissioner
16.6 must report to the legislative committees with
16.7 jurisdiction over agriculture finance and
16.8 environment finance on the results of the
16.9 examination required under this paragraph.
16.10 The commissioner's report may include other
16.11 funding sources for septic system replacement
16.12 that are available to rural landowners.

16.13 (h) \$50,000 in the second year is for the
16.14 agriculture best management practices grant
16.15 program under Minnesota Statutes, section
16.16 17.1162. This is a onetime appropriation.

16.17 (i) \$150,000 the first year and \$150,000 the
16.18 second year are for grants to the Center for
16.19 Rural Policy and Development. These are
16.20 onetime appropriations.

16.21 ~~(i)~~ (j) \$150,000 the first year is to provide
16.22 grants to Central Lakes College for the
16.23 purposes of designing, building, and offering
16.24 credentials in the area of meat cutting and
16.25 butchery that align with industry needs as
16.26 advised by local industry advisory councils.
16.27 Notwithstanding Minnesota Statutes, section
16.28 16A.28, any unencumbered balance does not
16.29 cancel at the end of the first year and is
16.30 available for the second year. The
16.31 commissioner may only award a grant under
16.32 this paragraph if the grant is matched by a like
16.33 amount from another funding source. The
16.34 commissioner must seek matching dollars
16.35 from Minnesota State Colleges and

17.1 Universities or other entities. The
17.2 appropriation is onetime and is available until
17.3 June 30, 2024. Any money remaining on June
17.4 30, 2024, must be transferred to the
17.5 agricultural growth, research, and innovation
17.6 program under Minnesota Statutes, section
17.7 41A.12, and is available until June 30, 2025.
17.8 Grants may be used for costs including but
17.9 not limited to:
17.10 (1) facility renovation to accommodate meat
17.11 cutting;
17.12 (2) curriculum design and approval from the
17.13 Higher Learning Commission;
17.14 (3) program operational start-up costs;
17.15 (4) equipment required for a meat cutting
17.16 program; and
17.17 (5) meat handling start-up costs in regard to
17.18 meat access and market channel building.
17.19 No later than January 15, 2023, Central Lakes
17.20 College must submit a report outlining the use
17.21 of grant money to the chairs and ranking
17.22 minority members of the legislative
17.23 committees and divisions with jurisdiction
17.24 over agriculture and higher education.
17.25 ~~(j)~~ (k) \$2,000 the first year is for grants to the
17.26 Minnesota State Poultry Association. This is
17.27 a onetime appropriation. Notwithstanding
17.28 Minnesota Statutes, section 16A.28, any
17.29 unencumbered balance does not cancel at the
17.30 end of the first year and is available for the
17.31 second year.
17.32 ~~(k)~~ (l) \$17,000 the first year and \$17,000 the
17.33 second year are for grants to the Minnesota

18.1 State Horticultural Society. These are onetime
18.2 appropriations.

18.3 ~~(h)~~ (m) \$18,000 the first year and \$18,000 the
18.4 second year are for grants to the Minnesota
18.5 Livestock Breeders Association. These are
18.6 onetime appropriations.

18.7 ~~(m)~~ (n) The commissioner shall continue to
18.8 increase connections with ethnic minority and
18.9 immigrant farmers to farming opportunities
18.10 and farming programs throughout the state.

18.11 ~~(n)~~ (o) \$25,000 the first year and \$25,000 the
18.12 second year are for grants to the Southern
18.13 Minnesota Initiative Foundation to promote
18.14 local foods through an annual event that raises
18.15 public awareness of local foods and connects
18.16 local food producers and processors with
18.17 potential buyers.

18.18 ~~(o)~~ (p) \$75,000 the first year and \$75,000 the
18.19 second year are for grants to Greater Mankato
18.20 Growth, Inc., for assistance to
18.21 agriculture-related businesses to promote jobs,
18.22 innovation, and synergy development. These
18.23 are onetime appropriations.

18.24 ~~(p)~~ (q) \$75,000 the first year and \$75,000 the
18.25 second year are for grants to the Minnesota
18.26 Turf Seed Council for basic and applied
18.27 research. The Minnesota Turf Seed Council
18.28 may subcontract with a qualified third party
18.29 for some or all of the basic or applied research.
18.30 No later than January 15, 2023, the Minnesota
18.31 Turf Seed Council must submit a report
18.32 outlining the use of the grant money and
18.33 related accomplishments to the chairs and
18.34 ranking minority members of the legislative

19.1 committees with jurisdiction over agriculture.

19.2 These are onetime appropriations. Any

19.3 unencumbered balance does not cancel at the

19.4 end of the first year and is available for the

19.5 second year.

19.6 ~~(q)~~ (r) \$150,000 the first year and \$150,000

19.7 the second year are to establish an emerging

19.8 farmer office and hire a full-time emerging

19.9 farmer outreach coordinator. The emerging

19.10 farmer outreach coordinator must engage and

19.11 support emerging farmers regarding resources

19.12 and opportunities available throughout the

19.13 Department of Agriculture and the state. For

19.14 purposes of this paragraph, "emerging farmer"

19.15 has the meaning provided in Minnesota

19.16 Statutes, section 17.055, subdivision 1. Of the

19.17 amount appropriated each year, \$25,000 is for

19.18 translation services for farmers and cottage

19.19 food producers.

19.20 ~~(r)~~ (s) \$222,000 the first year and \$286,000

19.21 the second year are to maintain the current

19.22 level of service delivery.

19.23 (t) \$1,000,000 in the second year is to provide

19.24 grants to secondary career and technical

19.25 education programs for the purpose of offering

19.26 instruction in meat cutting and butchery. This

19.27 is a onetime appropriation. Grants may be used

19.28 for costs including but not limited to:

19.29 (1) equipment required for a meat cutting

19.30 program;

19.31 (2) facility renovation to accommodate meat

19.32 cutting; and

19.33 (3) training faculty to teach the fundamentals

19.34 of meat processing.

20.1 The commissioner may receive applications
20.2 from eligible programs and make grants of up
20.3 to \$100,000, up to ten percent of which may
20.4 be used for training faculty.

20.5 Priority may be given to applicants who are
20.6 coordinating with meat cutting and butchery
20.7 programs at Minnesota State Colleges and
20.8 Universities system and local industry
20.9 partners.

20.10 (u) \$50,000 in the second year is for grants to
20.11 organizations in Minnesota to develop
20.12 enterprises, supply chains, markets for
20.13 continuous living cover crops and cropping
20.14 systems in the early stage of commercial
20.15 development, Kernza perennial grain, winter
20.16 camelina, hybrid hazelnuts, and elderberry. A
20.17 multiyear project may receive grant dollars
20.18 for up to three years. This is a onetime
20.19 appropriation and is available until June 30,
20.20 2027.

20.21 In consultation with interested stakeholders,
20.22 the commissioner must develop a process to
20.23 award grants. At the time of application, the
20.24 commissioner must provide to the applicant
20.25 information about requirements for grant
20.26 recipients. The commissioner must appoint a
20.27 technical review panel to review and rank
20.28 eligible applicants and give preference to
20.29 applicants that are well-positioned to expand
20.30 the profitable commercialization of the Kernza
20.31 perennial grain, winter camelina, hybrid
20.32 hazelnuts, and elderberry. The technical
20.33 review panel must include at least one
20.34 representative from the Forever Green
20.35 Initiative and one representative from the

- 21.1 Agricultural Utilization Research Institute.
- 21.2 The commissioner must consider the technical
- 21.3 review panel recommendations when selecting
- 21.4 grant recipients.
- 21.5 Beginning February 1, 2023, and annually
- 21.6 thereafter until February 1, 2028, the
- 21.7 commissioner shall submit a report on the
- 21.8 utilization of the grants to the chairs and
- 21.9 ranking minority members of the legislative
- 21.10 committees and divisions with jurisdiction
- 21.11 over agriculture policy and finance.
- 21.12 (v) \$10,000 in the first year is to provide
- 21.13 technical assistance and leadership in the
- 21.14 development of a comprehensive and
- 21.15 well-documented state aquaculture plan. The
- 21.16 commissioner must provide the state
- 21.17 aquaculture plan to the legislative committees
- 21.18 with jurisdiction over agriculture finance and
- 21.19 policy by February 15, 2023. This is a onetime
- 21.20 appropriation.
- 21.21 (w) \$500,000 in the second year is for
- 21.22 continuing construction of the soybean
- 21.23 processing and research facility at the Ag
- 21.24 Innovation Campus. This is a onetime
- 21.25 appropriation and is available until December
- 21.26 31, 2026.
- 21.27 (x) \$30,000 in the second year is for grants or
- 21.28 other forms of financial assistance to meat and
- 21.29 poultry processors for reimbursing the cost of
- 21.30 attending courses or training and receiving
- 21.31 technical assistance in fiscal year 2023 that
- 21.32 support developing sanitation standard
- 21.33 operating procedures, hazard analysis and
- 21.34 critical control points plans, or business plans.
- 21.35 A meat processor with 50 full-time equivalent

22.1 employees or less is eligible for grant money
 22.2 under this paragraph. This is a onetime
 22.3 appropriation.

22.4 (y) \$1,000,000 the second year is to support
 22.5 the IT modernization efforts, including laying
 22.6 the technology foundations needed for
 22.7 improving customer interactions with the
 22.8 department for licensing and payments. This
 22.9 is a onetime appropriation and is available
 22.10 through June 30, 2025.

22.11 (z) \$500,000 the first year is for transfer to the
 22.12 agricultural emergency account established
 22.13 under Minnesota Statutes, section 17.041.

22.14 Notwithstanding Minnesota Statutes, section
 22.15 17.041, the commissioner may spend money
 22.16 from the agricultural emergency account for
 22.17 the purposes of avian influenza testing
 22.18 supplies, including but not limited to poultry
 22.19 drinking water tests. This paragraph expires
 22.20 on December 31, 2022.

ARTICLE 2

BROADBAND APPROPRIATIONS

22.23 Section 1. Laws 2021, First Special Session chapter 10, article 1, section 7, is amended
 22.24 to read:

22.25 Sec. 7. **BROADBAND DEVELOPMENT; APPLICATION FOR FEDERAL**
 22.26 **FUNDING; APPROPRIATION.**

22.27 (a) The commissioner of employment and economic development must prepare and
 22.28 submit an application to the United States Department of the Treasury requesting that
 22.29 \$70,000,000 of Minnesota's capital projects fund allocation under Public Law 117-2 be
 22.30 awarded to the state. The commissioner must submit the application required under this
 22.31 paragraph by the later of September 30, 2021, or 90 days after the date on which the United
 22.32 States Department of the Treasury begins accepting capital projects fund applications. The

23.1 commissioner must specify in the application that the award will be used for grants ~~and~~ that
23.2 satisfy the purposes specified under Minnesota Statutes, section 116J.395.

23.3 (b) Of the amount awarded to the state of Minnesota pursuant to the application required
23.4 in paragraph (a), notwithstanding Minnesota Statutes, sections 3.3005 and 4.07, 50 percent
23.5 in fiscal year 2022 and 50 percent in fiscal year 2023 are appropriated to the commissioner
23.6 of employment and economic development. This is a onetime appropriation and must be
23.7 used for grants ~~and~~ that satisfy the purposes specified under Minnesota Statutes, section
23.8 116J.395. All money awarded under this section must be spent by December 31, 2026.

23.9 (c) The commissioner of employment and economic development may temporarily
23.10 modify program standards under Minnesota Statutes, section 116J.395, to the degree
23.11 necessary to comply with federal standards for funding received under this section.

23.12 **Sec. 2. LOWER POPULATION DENSITY PILOT PROGRAM.**

23.13 (a) The commissioner of employment and economic development must establish a pilot
23.14 program to provide broadband service to unserved and underserved areas, as defined in
23.15 Minnesota Statutes, section 116J.394, of the state where a 50 percent match formula is not
23.16 adequate to make a business case for the extension of broadband facilities. Grants awarded
23.17 under this section shall adhere to all other requirements of Minnesota Statutes, section
23.18 116J.395, subdivisions 1 to 6, and may fund up to 75 percent of the total cost of a project,
23.19 notwithstanding Minnesota Statutes section 116J.395, subdivision 7. Grants awarded to a
23.20 single project under this section may not exceed \$5,000,000.

23.21 (b) The commissioner of employment and economic development may use up to
23.22 \$15,000,000 from the appropriations in section 3 and 4 for the lower population density
23.23 pilot program under paragraph (a).

23.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

23.25 **Sec. 3. BROADBAND DEVELOPMENT; APPLICATION FOR FEDERAL**
23.26 **FUNDING; APPROPRIATION.**

23.27 (a) The commissioner of employment and economic development must prepare and
23.28 submit a grant plan application to the United States Department of the Treasury requesting
23.29 that \$110,703,000 of Minnesota's capital projects fund allocation under Public Law 117-2
23.30 be used for grants that satisfy the purposes specified under Minnesota Statutes, section
23.31 116J.395, and sections 2, 5, and 6 of this article. The commissioner must submit the
23.32 application required under this paragraph by September 24, 2022.

24.1 (b) Notwithstanding Minnesota Statutes, sections 3.3005 and 4.07, the amount awarded
24.2 to Minnesota pursuant to the application required in paragraph (a) is appropriated to the
24.3 commissioner of employment and economic development. This appropriation (1) must be
24.4 used only for grants that satisfy the purposes specified under Minnesota Statutes, section
24.5 116J.395, and sections 2, 5, and 6 of this article and (2) is available until December 31,
24.6 2026.

24.7 (c) The commissioner of employment and economic development may temporarily
24.8 modify program standards under Minnesota Statutes, section 116J.395, and sections 2, 5,
24.9 and 6 of this article to the extent necessary to comply with federal standards that apply to
24.10 funding received under this section.

24.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

24.12 Sec. 4. **BROADBAND DEVELOPMENT; APPROPRIATION.**

24.13 (a) Notwithstanding Minnesota Statutes, sections 3.3005 and 4.07, if Minnesota receives
24.14 federal money for broadband development under Public Law 117-58, the Infrastructure
24.15 Investment and Jobs Act, the money is appropriated to the commissioner of economic
24.16 development for grants that satisfy the purposes specified under Minnesota Statutes, section
24.17 116J.395, and section 2, 5, and 6 of this article.

24.18 (b) The commissioner of employment and economic development may temporarily
24.19 modify program standards under Minnesota Statutes, section 116J.395, and sections 2, 5,
24.20 and 6 of this article to the extent necessary to comply with federal standards that apply to
24.21 funding received under this section.

24.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

24.23 Sec. 5. **BROADBAND LINE EXTENSION PROGRAM; APPROPRIATION.**

24.24 The commissioner of employment and economic development may use up to \$15,000,000
24.25 from the appropriations in sections 3 and 4 for the broadband line extension program in
24.26 Minnesota Statutes, section 116J.3951.

24.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

24.28 Sec. 6. **BROADBAND; MAPPING.**

24.29 The commissioner of employment and economic development may use up to \$15,000,000
24.30 from the appropriations in sections 3 and 4 for comprehensive statewide mapping if the
24.31 commissioner determines it is an eligible expense under federal law.

25.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

25.2 **ARTICLE 3**

25.3 **AGRICULTURE AND RURAL DEVELOPMENT POLICY**

25.4 Section 1. Minnesota Statutes 2020, section 13.643, is amended by adding a subdivision
25.5 to read:

25.6 Subd. 8. **Mental or behavioral health data.** (a) The following data collected and
25.7 maintained by the Department of Agriculture, Minnesota State Colleges and Universities,
25.8 and any other pass-through recipients about any individual who seeks assistance with a
25.9 mental or behavioral health issue or who contacts the Minnesota Farm and Rural Helpline
25.10 are private or nonpublic:

25.11 (1) data that identify the individual; and

25.12 (2) data provided by the individual identifying another person.

25.13 (b) The Department of Agriculture, Minnesota State Colleges and Universities, and any
25.14 other pass-through recipients may release data collected under this subdivision to appropriate
25.15 parties in connection with an emergency if knowledge of the data is necessary to protect
25.16 the health or safety of any person.

25.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

25.18 **Sec. 2. [17.1016] COOPERATIVE GRANTS.**

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

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

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

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

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

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

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

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

26.7 (4) receive agricultural commodities produced primarily by shareholders or members
26.8 of the cooperative.

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

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

26.16 (e) State funds must not be used for grants.

26.17 **Sec. 3. [17.1162] AGRICULTURE BEST MANAGEMENT PRACTICES GRANT**
26.18 **PROGRAM.**

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

26.22 Subd. 2. **State healthy soil management plan.** The commissioner must develop a
26.23 healthy soil management plan in consultation with the University of Minnesota, the United
26.24 States Department of Agriculture Natural Resources Conservation Service, the Board of
26.25 Water and Soil Resources, the Minnesota Pollution Control Agency, and nongovernmental
26.26 environmental and agricultural organizations. By December 31, 2023, and every two years
26.27 thereafter, the commissioner must report the plan to the governor and to the chairs and
26.28 ranking minority members of the house of representatives and senate committees and
26.29 divisions with jurisdiction over agriculture and the environment and natural resources. The
26.30 plan must include all of the following:

26.31 (1) an assessment of the current state of healthy soil management practices statewide;

- 27.1 (2) a statewide five- and ten-year goal for healthy soil management practice
27.2 implementation, denominated in acres;
- 27.3 (3) an explanation of how the commissioner will make grant award decisions based on
27.4 the eligibility categories described in subdivision 3;
- 27.5 (4) an explanation of how the commissioner will ensure a geographically fair distribution
27.6 of funding across a broad group of crop types, soil management practices, and farm sizes;
- 27.7 (5) a strategy for leveraging other public and private sources of money to expand healthy
27.8 soil management practices in the state;
- 27.9 (6) a summary of the operations of the program during the previous two-year period,
27.10 including a summary of state, federal, and private money spent, the total number of projects
27.11 and acres, and an estimate of carbon sequestered or carbon emissions reduced during that
27.12 period; and
- 27.13 (7) any other matter that the commissioner deems relevant.

27.14 Subd. 3. **Eligible projects.** The commissioner may award a grant under this section for
27.15 any project on agricultural land in Minnesota that will:

- 27.16 (1) increase the quantity of organic carbon in soil through practices, including but not
27.17 limited to reduced tillage, cover cropping, manure management, precision agriculture, crop
27.18 rotations, and changes in grazing management;
- 27.19 (2) integrate perennial vegetation into management of agricultural lands;
- 27.20 (3) reduce nitrous oxide and methane emissions through changes to livestock, soil
27.21 management, or nutrient optimization;
- 27.22 (4) increase the usage of precision agricultural practices;
- 27.23 (5) enable the development of site-specific management plans; or
- 27.24 (6) enable the purchase of equipment, technology, subscriptions, technical assistance,
27.25 seeds, seedlings, or amendments that will further any of the purposes in clauses (1) to (5).

27.26 Subd. 4. **Grant eligibility.** Any land owner or lessee may apply for a grant under this
27.27 section.

27.28 Subd. 5. **Funding limitations.** Every appropriation for the agriculture best management
27.29 practices grant program is subject to the following limitations:

- 27.30 (1) the commissioner may award no more than ten percent of the appropriation to a
27.31 single recipient; and

28.1 (2) the commissioner may use no more than five percent of the appropriation to cover
28.2 the costs of administering the program.

28.3 Sec. 4. Minnesota Statutes 2020, section 17.117, subdivision 9, is amended to read:

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

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

28.15 (c) ~~An additional year to use the undisbursed portion of an allocation may be granted~~
28.16 ~~by the commissioner under extenuating circumstances~~ The commissioner may rescind
28.17 uncommitted allocations.

28.18 Sec. 5. Minnesota Statutes 2020, section 17.117, subdivision 9a, is amended to read:

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

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

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

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

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

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

29.3 ~~(6) must identify which account is used to finance an approved project if the local~~
29.4 ~~government unit has allocations from multiple accounts in the agricultural and environmental~~
29.5 ~~revolving accounts;~~

29.6 ~~(7)~~ (6) shall report to the commissioner annually the past and intended uses of allocations
29.7 awarded; and

29.8 ~~(8)~~ (7) may request additional funds in excess of their allocation when funds are available
29.9 in the agricultural and environmental revolving accounts, as long as all other allocation
29.10 awards to the local government unit have been used or committed.

29.11 (b) If a local government unit withdraws from participation in this program, the local
29.12 government unit, or the commissioner in accordance with the priorities established under
29.13 subdivision 6a, may designate another local government unit that is eligible under subdivision
29.14 6 as the new local government unit responsible for local administration of this program.
29.15 This designated local government unit may accept responsibility and administration of
29.16 allocations awarded to the former responsible local government unit.

29.17 Sec. 6. Minnesota Statutes 2020, section 17.117, subdivision 10, is amended to read:

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

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

29.22 ~~(e) The local lender shall notify the local government unit of the loan amount issued to~~
29.23 ~~the borrower after the closing of each loan.~~

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

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

29.29 ~~(f)~~ (e) Local lenders may enter into contracts with other lenders for the limited purposes
29.30 of loan review, processing and servicing, or to enter into loan agreements with borrowers
29.31 to finance projects under this section. Other lenders entering into contracts with local lenders
29.32 under this section must meet the definition of local lender in subdivision 4, must comply

30.1 with all provisions of the lender agreement and this section, and must guarantee repayment
30.2 of the loan funds to the local lender.

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

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

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

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

30.16 Sec. 7. Minnesota Statutes 2020, section 17.117, subdivision 11, is amended to read:

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

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

30.24 (c) Local lenders shall set the terms and conditions of loans to borrowers, except that:

30.25 ~~(1) no loan to a borrower may exceed \$200,000; and~~

30.26 ~~(2) no borrower shall, at any time, have multiple loans from this program with a total~~
30.27 outstanding loan balance of more than \$200,000.

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

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

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

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

31.1 (3) not be based on participation program; and

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

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

31.6 Sec. 8. Minnesota Statutes 2020, section 17.117, subdivision 11a, is amended to read:

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

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

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

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

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

31.19 (3) otherwise meets the requirements of this section.

31.20 Sec. 9. Minnesota Statutes 2020, section 18E.04, subdivision 4, is amended to read:

31.21 Subd. 4. **Reimbursement payments.** (a) The board shall pay a person that is eligible
31.22 for reimbursement or payment under subdivisions 1, 2, and 3 from the agricultural chemical
31.23 response and reimbursement account for 80 percent of the total reasonable and necessary
31.24 corrective action costs greater than \$1,000 and less than or equal to ~~\$350,000~~ \$425,000 in
31.25 fiscal years 2023 and 2024, \$500,000 in fiscal years 2025 and 2026, and \$575,000 in fiscal
31.26 year 2027 and each following year.

31.27 (b) A reimbursement or payment may not be made until the board has determined that
31.28 the costs are reasonable and are for a reimbursement of the costs that were actually incurred.

31.29 (c) The board may make periodic payments or reimbursements as corrective action costs
31.30 are incurred upon receipt of invoices for the corrective action costs.

32.1 (d) Money in the agricultural chemical response and reimbursement account is
32.2 appropriated to the commissioner to make payments and reimbursements directed by the
32.3 board under this subdivision.

32.4 (e) The board may not make reimbursement greater than the maximum allowed under
32.5 paragraph (a) for all incidents on a single site which:

32.6 (1) were not reported at the time of release but were discovered and reported after July
32.7 1, 1989; and

32.8 (2) may have occurred prior to July 1, 1989, as determined by the commissioner.

32.9 (f) The board may only reimburse an eligible person for separate incidents within a
32.10 single site if the commissioner determines that each incident is completely separate and
32.11 distinct in respect of location within the single site or time of occurrence.

32.12 (g) Except for an emergency incident, the board may not reimburse or pay for more than
32.13 60 percent of the corrective action costs of an eligible person or for an incident within five
32.14 years of a previous incident at a single site resulting from a site recontamination.

32.15 (h) The deduction of \$1,000 and 20 percent from the ~~\$350,000 remuneration~~ payment
32.16 amounts described in subdivision (a) may be waived by the board if the incident took place
32.17 on or after August 18, 2007, and was caused by flooding associated with Presidential
32.18 Declaration of Major Disaster DR-1717.

32.19 Sec. 10. Minnesota Statutes 2021 Supplement, section 35.155, subdivision 14, is amended
32.20 to read:

32.21 Subd. 14. **Concurrent authority; regulating farmed white-tailed deer.** ~~(a)~~ The
32.22 commissioner of natural resources ~~and, in conjunction with~~ the Board of Animal Health,
32.23 possess concurrent authority to regulate farmed white-tailed deer under this section, sections
32.24 35.92 to 35.96, and any administrative rules adopted pursuant to this section or sections
32.25 35.92 to 35.96. This does not confer to the commissioner any additional authorities under
32.26 chapter 35, other than those set forth in sections 35.155 and 35.92 to 35.96, and any
32.27 administrative rules adopted thereto. Neither entity may issue an emergency order restricting
32.28 movement of farmed white-tailed deer without the concurrence of the other.

32.29 ~~(b) By February 1, 2022, the commissioner of natural resources, in conjunction with the~~
32.30 ~~Board of Animal Health, must submit a report to the chairs and ranking minority members~~
32.31 ~~of the legislative committees and divisions with jurisdiction over the environment and~~
32.32 ~~natural resources and agriculture on the implementation of the concurrent authority under~~
32.33 ~~this section. The report must include:~~

33.1 ~~(1) a summary of how the agencies worked together under this section, including~~
 33.2 ~~identification of any challenges;~~

33.3 ~~(2) an assessment of ongoing challenges to managing chronic wasting disease in this~~
 33.4 ~~state; and~~

33.5 ~~(3) recommendations for statutory and programmatic changes to help the state better~~
 33.6 ~~manage the disease.~~

33.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

33.8 Sec. 11. Minnesota Statutes 2020, section 40A.18, subdivision 2, is amended to read:

33.9 Subd. 2. **Allowed commercial and industrial operations.** (a) Commercial and industrial
 33.10 operations are not allowed on land within an agricultural preserve except:

33.11 (1) small on-farm commercial or industrial operations normally associated with and
 33.12 important to farming in the agricultural preserve area;

33.13 (2) storage use of existing farm buildings that does not disrupt the integrity of the
 33.14 agricultural preserve;

33.15 (3) small commercial use of existing farm buildings for trades not disruptive to the
 33.16 integrity of the agricultural preserve such as a carpentry shop, small scale mechanics shop,
 33.17 and similar activities that a farm operator might conduct; ~~and~~

33.18 (4) wireless communication installments and related equipment and structure capable
 33.19 of providing technology potentially beneficial to farming activities. A property owner who
 33.20 installs wireless communication equipment does not violate a covenant made prior to January
 33.21 1, 2018, under section 40A.10, subdivision 1; and

33.22 (5) solar energy generating systems with an output capacity of one megawatt or less.

33.23 (b) For purposes of paragraph (a), clauses (2) and (3), "existing" means existing on
 33.24 August 1, 1989.

33.25 Sec. 12. Minnesota Statutes 2021 Supplement, section 41A.21, subdivision 2, is amended
 33.26 to read:

33.27 Subd. 2. **Eligibility.** (a) A facility eligible for payment under this section must source
 33.28 at least 80 percent of its forest resources raw materials from Minnesota. The facility must
 33.29 be located in Minnesota; must begin construction activities by December 31, 2022, for a
 33.30 specific location; must ~~begin production~~ have produced at least one OSB square foot on a
 33.31 3/8-inch nominal basis at a specific location by June 30, 2025; and must not begin operating

34.1 before January 1, 2022. Eligible facilities must be new OSB construction sites with total
34.2 capital investment in excess of \$250,000,000. Eligible OSB production facilities must
34.3 produce at least ~~200,000,000~~ 50,000,000 OSB square feet on a 3/8-inch nominal basis of
34.4 OSB each ~~year~~ quarter. At least one product produced at the facility should be a wood-based
34.5 wall or roof structural sheathing panel that has an integrated, cellulose-based paper overlay
34.6 that serves as a water resistive barrier.

34.7 (b) No payments shall be made for OSB production that occurs after June 30, 2036, for
34.8 those eligible producers under paragraph (a).

34.9 (c) An eligible producer of OSB shall not transfer the producer's eligibility for payments
34.10 under this section to a facility at a different location.

34.11 (d) A producer that ceases production for any reason is ineligible to receive payments
34.12 under this section until the producer resumes production.

34.13 Sec. 13. Minnesota Statutes 2020, section 223.17, subdivision 4, is amended to read:

34.14 Subd. 4. **Bond.** (a) Except as provided in paragraphs (c) to (e), before a grain buyer's
34.15 license is issued, the applicant for the license must file with the commissioner a bond in a
34.16 penal sum prescribed by the commissioner but not less than the following amounts:

34.17 (1) \$10,000 for grain buyers whose gross annual purchases are \$100,000 or less;

34.18 (2) \$20,000 for grain buyers whose gross annual purchases are more than \$100,000 but
34.19 not more than \$750,000;

34.20 (3) \$30,000 for grain buyers whose gross annual purchases are more than \$750,000 but
34.21 not more than \$1,500,000;

34.22 (4) \$40,000 for grain buyers whose gross annual purchases are more than \$1,500,000
34.23 but not more than \$3,000,000;

34.24 (5) \$50,000 for grain buyers whose gross annual purchases are more than \$3,000,000
34.25 but not more than \$6,000,000;

34.26 (6) \$70,000 for grain buyers whose gross annual purchases are more than \$6,000,000
34.27 but not more than \$12,000,000;

34.28 (7) \$125,000 for grain buyers whose gross annual purchases are more than \$12,000,000
34.29 but not more than \$24,000,000; and

34.30 (8) \$150,000 for grain buyers whose gross annual purchases exceed \$24,000,000.

35.1 (b) The amount of the bond shall be based on the most recent gross annual grain purchase
35.2 report of the grain buyer.

35.3 (c) A first-time applicant for a grain buyer's license shall file a \$50,000 bond with the
35.4 commissioner. This bond shall remain in effect for the first year of the license. Thereafter,
35.5 the licensee shall comply with the applicable bonding requirements contained in paragraph
35.6 (a), clauses (1) to (8).

35.7 (d) In lieu of the bond required by this subdivision the applicant may deposit with the
35.8 commissioner of management and budget an irrevocable bank letter of credit as defined in
35.9 section 336.5-102, in the same amount as would be required for a bond.

35.10 (e) A grain buyer who purchases grain immediately upon delivery solely with cash; a
35.11 certified check; a cashier's check; or a postal, bank, or express money order is exempt from
35.12 this subdivision ~~if the grain buyer's gross annual purchases are \$100,000 or less.~~

35.13 (f) Bonds must be continuous until canceled. To cancel a bond, a surety must provide
35.14 90 days' written notice of the bond's termination date to the licensee and the commissioner.

35.15 Sec. 14. Minnesota Statutes 2020, section 223.17, subdivision 6, is amended to read:

35.16 Subd. 6. **Financial statements.** (a) Except as allowed in paragraph (c), a grain buyer
35.17 licensed under this chapter must annually submit to the commissioner a financial statement
35.18 prepared in accordance with generally accepted accounting principles. The annual financial
35.19 statement required under this subdivision must also:

35.20 (1) include, but not be limited to the following:

35.21 (i) a balance sheet;

35.22 (ii) a statement of income (profit and loss);

35.23 (iii) a statement of retained earnings;

35.24 (iv) a statement of changes in financial position; and

35.25 (v) a statement of the dollar amount of grain purchased in the previous fiscal year of the
35.26 grain buyer;

35.27 (2) be accompanied by a compilation report of the financial statement that is prepared
35.28 by a grain commission firm or a management firm approved by the commissioner or by an
35.29 independent public accountant, in accordance with standards established by the American
35.30 Institute of Certified Public Accountants;

36.1 (3) be accompanied by a certification by the chief executive officer or the chief executive
36.2 officer's designee of the licensee, and where applicable, all members of the governing board
36.3 of directors under penalty of perjury, that the financial statement accurately reflects the
36.4 financial condition of the licensee for the period specified in the statement;

36.5 (4) for grain buyers purchasing under ~~\$5,000,000~~\$7,500,000 of grain annually, be
36.6 reviewed by a certified public accountant in accordance with standards established by the
36.7 American Institute of Certified Public Accountants, and must show that the financial
36.8 statements are free from material misstatements; and

36.9 (5) for grain buyers purchasing ~~\$5,000,000~~\$7,500,000 or more of grain annually, be
36.10 audited by a certified public accountant in accordance with standards established by the
36.11 American Institute of Certified Public Accountants and must include an opinion statement
36.12 from the certified public accountant.

36.13 (b) Only one financial statement must be filed for a chain of warehouses owned or
36.14 operated as a single business entity, unless otherwise required by the commissioner. All
36.15 financial statements filed with the commissioner are private or nonpublic data as provided
36.16 in section 13.02.

36.17 (c) A grain buyer who purchases grain immediately upon delivery solely with cash; a
36.18 certified check; a cashier's check; or a postal, bank, or express money order is exempt from
36.19 this subdivision ~~if the grain buyer's gross annual purchases are \$100,000 or less.~~

36.20 (d) The commissioner shall annually provide information on a person's fiduciary duties
36.21 to each licensee. To the extent practicable, the commissioner must direct each licensee to
36.22 provide this information to all persons required to certify the licensee's financial statement
36.23 under paragraph (a), clause (3).

36.24 Sec. 15. Minnesota Statutes 2020, section 346.155, subdivision 7, is amended to read:

36.25 Subd. 7. **Exemptions.** This section does not apply to:

36.26 (1) institutions accredited by the American Zoo and Aquarium Association or the
36.27 Zoological Association of America;

36.28 (2) a wildlife sanctuary;

36.29 (3) fur-bearing animals, as defined in section 97A.015, possessed by a game farm that
36.30 is licensed under section 97A.105, or bears possessed by a game farm that is licensed under
36.31 section 97A.105;

37.1 (4) the Department of Natural Resources, or a person authorized by permit issued by
37.2 the commissioner of natural resources pursuant to section 97A.401, subdivision 3;

37.3 (5) a licensed or accredited research or medical institution; or

37.4 (6) a United States Department of Agriculture licensed exhibitor of regulated animals
37.5 while transporting or as part of a circus, carnival, rodeo, or fair.

37.6 ARTICLE 4

37.7 BROADBAND POLICY

37.8 Section 1. **[116J.3951] BROADBAND LINE EXTENSION PROGRAM.**

37.9 Subdivision 1. Program established. A broadband line extension grant program is
37.10 established in the Department of Employment and Economic Development. The purpose
37.11 of the broadband line extension grant program is to award grants to eligible applicants in
37.12 order to extend existing broadband infrastructure to unserved locations.

37.13 Subd. 2. Portal. No later than November 1, 2022, the department must develop and
37.14 implement a portal on the department's website that allows a person to report (1) that
37.15 broadband service is unavailable at the physical address of the person's residence or business,
37.16 and (2) any additional information the department deems necessary to ensure the broadband
37.17 line extension grant program functions effectively. The department must develop a form
37.18 that allows the information identified in this subdivision to be submitted on paper.

37.19 Subd. 3. Data sharing. (a) Beginning no later than six months after the date the portal
37.20 is implemented and every six months thereafter, the department must send to each broadband
37.21 service provider serving Minnesota customers (1) a list of addresses submitted to the portal
37.22 under subdivision 2 during the previous six months, and (2) any additional information the
37.23 department deems necessary to ensure the broadband line extension grant program functions
37.24 effectively. The department must send the information required under this section via e-mail.

37.25 (b) No later than ten days after the date the list in paragraph (a) is provided, a broadband
37.26 service provider may notify the department of any posted address at which the broadband
37.27 service provider's broadband service is available. The department must provide persons
37.28 residing or doing business at those addresses with contact information for:

37.29 (1) the broadband service provider whose broadband service is available at that address;
37.30 and

38.1 (2) programs administered by government agencies, nonprofit organizations, or the
38.2 applicable broadband service provider that reduce the cost of broadband service and for
38.3 which the persons may be eligible.

38.4 Subd. 4. **Reverse auction process.** (a) No later than ten days after the date the notice
38.5 requirement in subdivision 3, paragraph (b), expires, the department must notify each
38.6 broadband service provider that the broadband service provider may participate in the reverse
38.7 auction process under this subdivision. Within 60 days of the date the notification is received,
38.8 a broadband service provider may submit a bid to the department to extend the broadband
38.9 service provider's existing broadband infrastructure to a location where broadband service
38.10 is currently unavailable.

38.11 (b) A bid submitted under this subdivision must include:

38.12 (1) a proposal to extend broadband infrastructure to one or more of the addresses on the
38.13 list sent by the department to the broadband service provider under subdivision 3, paragraph
38.14 (a), at which broadband service is unavailable;

38.15 (2) the amount of the broadband infrastructure extension's total cost that the broadband
38.16 service provider proposes to pay;

38.17 (3) the amount of the broadband infrastructure extension's total cost that the broadband
38.18 service provider proposes that the department is responsible for paying; and

38.19 (4) any additional information required by the department.

38.20 (c) Financial assistance that the department provides under this section must be in the
38.21 form of a grant issued to the broadband service provider. A grant issued under this section
38.22 must not exceed \$25,000 per line extension.

38.23 (d) Within 60 days of the date the bidding period closes, the department must review
38.24 the bids submitted and select the broadband service provider bids that request the least
38.25 amount of financial support from the state, provided that the department determines that
38.26 the selected bids represent a cost-effective expenditure of state resources.

38.27 Subd. 5. **Line extension agreement.** The department must enter into a line extension
38.28 agreement with each winning bidder identified under subdivision 4, except that the
38.29 department may not enter into a line extension agreement to serve any customer located
38.30 within an area that will be served by a grant already awarded by the department under section
38.31 116J.395.

38.32 Subd. 6. **Contents of agreement.** A line extension agreement under subdivision 5 must
38.33 contain the following terms:

39.1 (1) the broadband service provider agrees to extend broadband infrastructure to support
39.2 broadband service scalable to speeds of at least 100 megabits per second download and 100
39.3 megabits per second upload to each address included in the broadband service provider's
39.4 winning bid;

39.5 (2) the department agrees to pay the state's portion of the line extension cost in a grant
39.6 issued to the broadband service provider upon the completion of the broadband infrastructure
39.7 extension to each address in the broadband service provider's winning bid; and

39.8 (3) the winning bidder has an exclusive right to apply the grant to the cost of the
39.9 broadband infrastructure extension for a period of one year after the date the agreement is
39.10 executed.

39.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

39.12 Sec. 2. Minnesota Statutes 2020, section 116J.396, subdivision 2, is amended to read:

39.13 Subd. 2. **Expenditures.** Money in the account may be used only:

39.14 (1) for grant awards made under ~~section~~ sections 116J.395 and 116J.3951, including
39.15 costs incurred by the Department of Employment and Economic Development to administer
39.16 that section;

39.17 (2) to supplement revenues raised by bonds sold by local units of government for
39.18 broadband infrastructure development; or

39.19 (3) to contract for the collection of broadband deployment data from providers and the
39.20 creation of maps showing the availability of broadband service.

39.21 Sec. 3. **[116J.399] BROADBAND EASEMENTS.**

39.22 Subdivision 1. **Definitions.** For the purposes of this section, the following terms have
39.23 the meanings given:

39.24 (1) "broadband infrastructure" has the meaning given in section 116J.394, paragraph
39.25 (c), except that it does not include small wireless facilities as defined in section 237.162,
39.26 subdivision 11;

39.27 (2) "broadband service" has the meaning given in section 116J.394, paragraph (b); and

39.28 (3) "provider" means a broadband service provider, but does not include an electric
39.29 cooperative association organized under chapter 308A that provides broadband service.

40.1 Subd. 2. Use of existing easements for broadband services. (a) A provider or provider's
40.2 affiliate, or another entity that has entered into an agreement with a provider, may use the
40.3 provider, affiliate, or entity's existing or subsequently acquired easements to install broadband
40.4 infrastructure and provide broadband service, which may include an agreement to lease
40.5 fiber capacity.

40.6 (b) Before exercising rights granted under this subdivision, a provider must provide
40.7 notice to the property owner on which the easement is located, as described in subdivision
40.8 3.

40.9 (c) Use of an easement to install broadband infrastructure and provide broadband service
40.10 vests and runs with the land beginning six months after the first notice is provided under
40.11 subdivision 3, unless a court action challenging the use of the easement has been filed before
40.12 that time by the property owner as provided under subdivision 4. The provider must also
40.13 file copies of the notices with the county recorder.

40.14 Subd. 3. Notice to property owner. (a) A provider must send two written notices to
40.15 impacted property owners declaring that the provider intends to use the easements to install
40.16 broadband infrastructure and provide broadband service. The notices must be sent at least
40.17 two months apart and must be sent by first class mail to the last known address of the owner
40.18 of the property on which the easement is located or, if the property owner is an existing
40.19 customer of the provider, by separate printed insertion in the property owner's monthly
40.20 invoice or included as a separate page on a property owner's electronic invoice.

40.21 (b) The notice must include:

40.22 (1) the provider's name and mailing address;

40.23 (2) a narrative describing the nature and purpose of the intended easement use;

40.24 (3) a description of any trenching or other underground work expected to result from
40.25 the intended use, and the anticipated time frame for the work;

40.26 (4) a phone number for an employee of the provider that the property owner may contact
40.27 regarding the easement; and

40.28 (5) the following statement, in bold red lettering: "It is important to make any challenge
40.29 by the deadline to preserve any legal rights you may have."

40.30 (c) The provider must file copies of the notices with the county recorder.

40.31 Subd. 4. Action for damages. (a) Notwithstanding any other law to the contrary, this
40.32 subdivision governs an action under this section and is the exclusive means to bring a claim

41.1 for compensation with respect to a notice of intent to use a provider's existing easement to
41.2 install broadband infrastructure and provide broadband service.

41.3 (b) Within six months after the date notice is received under subdivision 3, a property
41.4 owner may file an action seeking to recover damages for a provider's use of an existing
41.5 easement to install broadband infrastructure and provide broadband service. Claims for
41.6 damages under \$15,000 may be brought in conciliation court.

41.7 (c) To initiate an action under this subdivision, a property owner must serve a complaint
41.8 upon the provider in the same manner as in a civil action and must file the complaint with
41.9 the district court for the county in which the easement is located. The complaint must state
41.10 whether the property owner:

41.11 (1) challenges the provider's right to use the easement for broadband services or
41.12 infrastructure as provided under subdivision 5, paragraph (a);

41.13 (2) seeks damages as provided under subdivision 5, paragraph (b); or

41.14 (3) seeks to proceed under both clauses (1) and (2).

41.15 Subd. 5. **Deposit and hearing required.** (a) If a property owner files a complaint
41.16 challenging a provider's right to use an easement to install broadband infrastructure and
41.17 provide broadband service, after the provider answers the complaint, the district court must
41.18 promptly hold a hearing on the complaint. If the district court denies the property owner's
41.19 complaint, the provider may proceed to use the easement to install broadband infrastructure
41.20 and provide broadband service, unless the complaint also seeks damages. If the complaint
41.21 seeks damages, the provider may proceed under paragraph (b).

41.22 (b) If a property owner files a claim for damages, a provider may, after answering the
41.23 complaint, deposit with the court administrator an amount equal to the provider's estimate
41.24 of damages. A provider's estimate of damages must be no less than \$1. After the estimated
41.25 damages are deposited, the provider may use the existing easement to install broadband
41.26 infrastructure and provide broadband service, conditioned on an obligation, filed with the
41.27 court administrator, to pay the amount of damages determined by the court.

41.28 Subd. 6. **Calculation of damages; burden of proof.** (a) In an action under this section
41.29 involving a property owner's claim for damages:

41.30 (1) the property owner has the burden to prove the existence and amount of any net
41.31 reduction in the fair market value of the property, considering the existence, installation,
41.32 construction, maintenance, modification, operation, repair, replacement, or removal of

42.1 broadband infrastructure in the easement, adjusted to reflect any increase in the property's
42.2 fair market value resulting from access to broadband service;

42.3 (2) a court is prohibited from awarding consequential or special damages; and

42.4 (3) evidence of estimated revenue, profits, fees, income, or similar benefits accruing to
42.5 the provider, the provider's affiliate, or a third party as a result of use of the easement is
42.6 inadmissible.

42.7 (b) Any fees or costs incurred as a result of an action under this subdivision must be
42.8 paid by the party that incurred the fees or costs, except that a provider is responsible for a
42.9 property owner's attorney fees if the final judgment or award of damages by the court exceeds
42.10 140 percent of the provider's damage deposit made under subdivision 5, if applicable.

42.11 Subd. 7. **No limits on existing easement.** Nothing in this section limits in any way a
42.12 provider's existing easement rights.

42.13 Subd. 8. **Local governmental right-of-way management preserved.** The placement
42.14 of broadband infrastructure to provide broadband service under subdivisions 2 to 7 is subject
42.15 to local government permitting and right-of-way management authority under section
42.16 237.163, and must be coordinated with the relevant local government unit in order to
42.17 minimize potential future relocations. The provider must notify a local government unit
42.18 prior to placing infrastructure for broadband service in an easement that is in or adjacent to
42.19 the local government unit's public right-of-way.

42.20 Subd. 9. **Railroad rights-of-way crossing.** The placement of broadband infrastructure
42.21 for use to provide broadband service under subdivisions 1 to 7, or section 308A.201,
42.22 subdivision 12, in any portion of an existing easement located in a railroad right-of-way is
42.23 subject to sections 237.04 and 237.045.

42.24 **EFFECTIVE DATE.** This section is effective the day following final enactment."