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Senator Putnam from the Committee on Agriculture, Veterans, Broadband, and Rural Development, to which was referred

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S.F. No. 2458: A bill for an act relating to state government; establishing a budget for the Department of Agriculture, the Board of Animal Health, and the Agricultural Utilization Research Institute; making policy and technical changes to agriculture provisions; modifying and establishing fees; requiring reports; providing civil penalties; transferring money; appropriating money; amending Minnesota Statutes 2024, sections 17.1017; 17.1018; 17.117, subdivisions 1, 3; 17.118, subdivisions 1, 2, 3; 17.133, subdivision 1; 18B.26, subdivision 8; 18J.01; 18J.02; 18J.03; 18J.04, subdivisions 1, 2, 3, 4; 18J.05, subdivisions 1, 2, 6; 18J.06; 18J.07, subdivisions 3, 4, 5; 18J.09; 21.111; 21.112, by adding a subdivision; 21.113; 21.115; 21.117; 21.119; 21.1195; 21.1196, subdivision 2; 21.891, subdivision 2; 28A.03, subdivision 7, by adding subdivisions; 28A.04; 28A.05; 28A.06; 28A.07; 28A.0753, subdivision 3; 28A.08; 28A.085, subdivision 1; 28A.14; 28A.17; 32D.01, by adding a subdivision; 41B.039, subdivision 2; 41B.04, subdivision 8; 41B.042, subdivision 4; 41B.043, subdivision 1b; 41B.045, subdivision 2; 41B.047, subdivision 3; 41B.056, subdivision 1; 41B.057, subdivisions 1, 3; 223.17, subdivision 3; 232.22, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 21; 28A; 32D; repealing Minnesota Statutes 2024, sections 21.116; 21.118; 21.1196, subdivision 3; 21.121; 21.122; Minnesota Rules, parts 1510.2300; 1510.2305; 1510.2310; 1510.2315; 1510.2320; 1510.2325; 1510.2330; 1510.2335; 1510.2340; 1510.2345; 1510.2350; 1510.2355, subparts 1, 2, 3a, 4, 5, 6, 7.

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

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Delete everything after the enacting clause and insert:

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"ARTICLE 1  
APPROPRIATIONS

1.25

Section 1. AGRICULTURE APPROPRIATIONS.

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The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2026" and "2027" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively. "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium" is fiscal years 2026 and 2027.

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<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2026</u>	<u>2027</u>

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Sec. 2. DEPARTMENT OF AGRICULTURE

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<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>53,083,000</u>	<u>\$</u>	<u>53,401,000</u>
<u>Appropriations by Fund</u>				
	<u>2026</u>	<u>2027</u>		

2.1	<u>General</u>	<u>52,684,000</u>	<u>53,002,000</u>
2.2	<u>Remediation</u>	<u>399,000</u>	<u>399,000</u>

2.3   The amounts that may be spent for each  
2.4   purpose are specified in the following  
2.5   subdivisions.

2.6   Subd. 2. **Protection Services**

2.7	<u>Appropriations by Fund</u>		
2.8	<u>General</u>	<u>19,454,000</u>	<u>20,008,000</u>
2.9	<u>Remediation</u>	<u>399,000</u>	<u>399,000</u>

2.10   (a) \$399,000 the first year and \$399,000 the  
2.11   second year are from the remediation fund for  
2.12   administrative funding of the voluntary  
2.13   cleanup program.

2.14   (b) \$589,000 the first year and \$639,000 the  
2.15   second year are for the soil health financial  
2.16   assistance program under Minnesota Statutes,  
2.17   section 17.134. The commissioner may award  
2.18   no more than \$50,000 of the appropriation  
2.19   each year to a single recipient.

2.20   Notwithstanding Minnesota Statutes, section  
2.21   16B.98, subdivision 14, the commissioner may  
2.22   use up to 6.5 percent of this appropriation for  
2.23   costs incurred to administer the program. Any  
2.24   unencumbered balance does not cancel at the  
2.25   end of the first year and is available in the  
2.26   second year. Appropriations encumbered  
2.27   under contract on or before June 30, 2027, for  
2.28   soil health financial assistance grants are  
2.29   available until June 30, 2029.

2.30   (c) \$225,000 the first year and \$225,000 the  
2.31   second year are for compensation for livestock  
2.32   destroyed or crippled by a wolf under  
2.33   Minnesota Statutes, section 3.737. If the  
2.34   amount in the first year is insufficient, the

3.1 amount in the second year is available in the  
3.2 first year. The commissioner may use up to  
3.3 \$5,000 each year to reimburse expenses  
3.4 incurred by university extension educators to  
3.5 provide fair market values of destroyed or  
3.6 crippled livestock. If the commissioner  
3.7 receives federal funding to pay claims for  
3.8 destroyed or crippled livestock, an equivalent  
3.9 amount of this appropriation may be used to  
3.10 reimburse nonlethal prevention methods  
3.11 performed by federal wildlife services staff.

3.12 (d) \$205,000 the first year and \$205,000 the  
3.13 second year are for compensation for crop or  
3.14 fence damage caused by elk under Minnesota  
3.15 Statutes, section 3.7371. If the amount in the  
3.16 first year is insufficient, the amount in the  
3.17 second year is available in the first year. The  
3.18 commissioner may use up to \$10,000 of the  
3.19 appropriation each year to reimburse expenses  
3.20 incurred by the commissioner or the  
3.21 commissioner's approved agent to investigate  
3.22 and resolve claims, as well as for costs  
3.23 associated with training for approved agents.

3.24 The commissioner may use up to \$40,000 of  
3.25 the appropriation each year to make grants to  
3.26 producers for measures to protect stored crops  
3.27 from elk damage. If the commissioner  
3.28 determines that claims made under Minnesota  
3.29 Statutes, section 3.737 or 3.7371, are  
3.30 unusually high, amounts appropriated for  
3.31 either program may be transferred to the  
3.32 appropriation for the other program.

3.33 (e) \$825,000 the first year and \$825,000 the  
3.34 second year are to replace capital equipment

4.1 in the Department of Agriculture's analytical  
 4.2 laboratory.

4.3 (f) \$420,000 the first year and \$924,000 the  
 4.4 second year are to support current services.

4.5 (g) \$150,000 the first year and \$150,000 the  
 4.6 second year are to coordinate climate-related  
 4.7 activities and services within the Department  
 4.8 of Agriculture and with counterparts in local,  
 4.9 state, and federal agencies and for a full-time  
 4.10 climate implementation coordinator. The  
 4.11 climate implementation coordinator must  
 4.12 coordinate efforts seeking federal funding for  
 4.13 Minnesota's agricultural climate adaptation  
 4.14 and mitigation efforts and develop strategic  
 4.15 partnerships with the private sector and  
 4.16 nongovernment organizations.

4.17 (h) \$351,000 the first year and \$351,000 the  
 4.18 second year are for additional meat and poultry  
 4.19 inspection services. The base for this  
 4.20 appropriation is \$450,000 in fiscal year 2028  
 4.21 and each year thereafter.

4.22 **Subd. 3. Agricultural Marketing and**  
 4.23 **Development**

21,126,000

20,876,000

4.24 (a) \$634,000 the first year and \$634,000 the  
 4.25 second year are for the continuation of the  
 4.26 dairy development and profitability  
 4.27 enhancement program, including dairy  
 4.28 profitability teams and dairy business planning  
 4.29 grants under Minnesota Statutes, section  
 4.30 32D.30.

4.31 (b) The commissioner may use funds  
 4.32 appropriated in this subdivision for annual  
 4.33 cost-share payments to resident farmers or  
 4.34 entities that sell, process, or package

5.1 agricultural products in this state for the costs  
5.2 of organic certification. The commissioner  
5.3 may allocate these funds for assistance to  
5.4 persons transitioning from conventional to  
5.5 organic agriculture.

5.6 (c) \$75,000 the first year and \$75,000 the  
5.7 second year are for mental health outreach and  
5.8 support to farmers, ranchers, and others in the  
5.9 agricultural community and for farm safety  
5.10 grant and outreach programs under Minnesota  
5.11 Statutes, section 17.1195. Mental health  
5.12 outreach and support may include a 24-hour  
5.13 hotline, stigma reduction, and education.

5.14 Notwithstanding Minnesota Statutes, section  
5.15 16A.28, any unencumbered balance does not  
5.16 cancel at the end of fiscal year 2026 and is  
5.17 available until June 30, 2027. The base for this  
5.18 appropriation is \$50,000 in fiscal year 2028  
5.19 and each year thereafter.

5.20 (d) \$16,557,000 the first year and \$16,307,000  
5.21 the second year are for the agricultural growth,  
5.22 research, and innovation program under  
5.23 Minnesota Statutes, section 41A.12. The base  
5.24 for this appropriation is \$16,357,000 in fiscal  
5.25 year 2028 and each year thereafter.

5.26 (e) Except as provided in paragraph (f), the  
5.27 commissioner may allocate the appropriation  
5.28 in paragraph (d) each year among the  
5.29 following areas: facilitating the startup,  
5.30 modernization, improvement, or expansion of  
5.31 livestock operations, including beginning and  
5.32 transitioning livestock operations with  
5.33 preference given to robotic dairy-milking  
5.34 equipment; assisting value-added agricultural  
5.35 businesses to begin or expand, to access new

6.1 markets, or to diversify, including aquaponics  
6.2 systems, with preference given to hemp fiber  
6.3 processing equipment; facilitating the startup,  
6.4 modernization, or expansion of other  
6.5 beginning and transitioning farms, including  
6.6 by providing loans under Minnesota Statutes,  
6.7 section 41B.056; sustainable agriculture  
6.8 on-farm research and demonstration; the  
6.9 development or expansion of food hubs and  
6.10 other alternative community-based food  
6.11 distribution systems; enhancing renewable  
6.12 energy infrastructure and use; crop research,  
6.13 including basic and applied turf seed research;  
6.14 Farm Business Management tuition assistance;  
6.15 and good agricultural practices and good  
6.16 handling practices certification assistance.  
6.17 Notwithstanding Minnesota Statutes, section  
6.18 16B.98, subdivision 14, the commissioner may  
6.19 use up to 6.5 percent of the appropriation in  
6.20 paragraph(d) for costs incurred to administer  
6.21 the program.

6.22 (f) Of the amount appropriated for the  
6.23 agricultural growth, research, and innovation  
6.24 program under Minnesota Statutes, section  
6.25 41A.12:

6.26 (1) \$1,000,000 the first year and \$1,000,000  
6.27 the second year are for distribution in equal  
6.28 amounts to each of the state's county fairs to  
6.29 preserve and promote Minnesota agriculture;

6.30 (2) \$2,750,000 the first year and \$2,750,000  
6.31 the second year are for incentive payments  
6.32 under Minnesota Statutes, sections 41A.16,  
6.33 41A.17, 41A.18, and 41A.20. If this  
6.34 appropriation exceeds the total amount for  
6.35 which all producers are eligible in a fiscal

7.1 year, the balance of the appropriation is  
7.2 available for other purposes under this  
7.3 paragraph;  
7.4 (3) \$2,750,000 the first year and \$2,750,000  
7.5 the second year are for grants that enable retail  
7.6 petroleum dispensers, fuel storage tanks, and  
7.7 other equipment to dispense biofuels to the  
7.8 public in accordance with the biofuel  
7.9 replacement goals established under  
7.10 Minnesota Statutes, section 239.7911. A retail  
7.11 petroleum dispenser selling petroleum for use  
7.12 in spark ignition engines for vehicle model  
7.13 years after 2000 is eligible for grant money  
7.14 under this clause if the retail petroleum  
7.15 dispenser has no more than 20 retail petroleum  
7.16 dispensing sites and each site is located in  
7.17 Minnesota. The grant money must be used to  
7.18 replace or upgrade equipment that does not  
7.19 have the ability to be certified for E25. A grant  
7.20 award must not exceed 65 percent of the cost  
7.21 of the appropriate technology. A grant award  
7.22 must not exceed \$200,000 per station. The  
7.23 commissioner must cooperate with biofuel  
7.24 stakeholders in the implementation of the grant  
7.25 program. The commissioner, in cooperation  
7.26 with any economic or community development  
7.27 financial institution and any other entity with  
7.28 which the commissioner contracts, must  
7.29 submit a report on the biofuels infrastructure  
7.30 financial assistance program by January 15  
7.31 each year to the chairs and ranking minority  
7.32 members of the legislative committees and  
7.33 divisions with jurisdiction over agriculture  
7.34 policy and finance. The annual report must  
7.35 include but not be limited to a summary of the  
7.36 following metrics: (i) the number and types

8.1 of projects financed; (ii) the amount of dollars  
8.2 leveraged or matched per project; (iii) the  
8.3 geographic distribution of financed projects;  
8.4 (iv) any market expansion associated with  
8.5 upgraded infrastructure; (v) the demographics  
8.6 of the areas served; (vi) the costs of the  
8.7 program; and (vii) the number of grants to  
8.8 minority-owned or female-owned businesses;  
8.9 (4) \$250,000 the first year and \$250,000 the  
8.10 second year are for grants to facilitate the  
8.11 startup, modernization, or expansion of meat,  
8.12 poultry, egg, and milk processing facilities. A  
8.13 grant award under this clause must not exceed  
8.14 \$200,000;  
8.15 (5) \$1,444,000 the first year and \$1,444,000  
8.16 the second year are for providing more fruits,  
8.17 vegetables, meat, poultry, grain, and dairy for  
8.18 children in school and early childhood  
8.19 education settings, including, at the  
8.20 commissioner's discretion, providing grants  
8.21 to reimburse schools and early childhood  
8.22 education and child care providers for  
8.23 purchasing equipment and agricultural  
8.24 products. Of the amount appropriated,  
8.25 \$150,000 each year is for a statewide  
8.26 coordinator of farm-to-institution strategy and  
8.27 programming. The coordinator must consult  
8.28 with relevant stakeholders and provide  
8.29 technical assistance and training for  
8.30 participating farmers and eligible grant  
8.31 recipients;  
8.32 (6) \$1,075,000 the first year and \$1,075,000  
8.33 the second year are for grants to facilitate the  
8.34 development of urban agriculture, including  
8.35 projects related to youth education, community



9.1 and economic development, value-added  
9.2 processing, and vocational training. The base  
9.3 for this appropriation is \$1,125,000 in fiscal  
9.4 year 2028 and each year thereafter;  
9.5 (7) \$1,000,000 the first year and \$1,000,000  
9.6 the second year are for the food retail  
9.7 improvement and development program under  
9.8 Minnesota Statutes, section 17.1017;  
9.9 (8) \$200,000 the first year and \$200,000 the  
9.10 second year are for cooperative development  
9.11 grants under Minnesota Statutes, section  
9.12 17.1016; and  
9.13 (9) \$250,000 the first year is for the protecting  
9.14 livestock grant program for producers to  
9.15 support the installation of measures to prevent  
9.16 the transmission of avian influenza. For the  
9.17 appropriation in this clause, a grant applicant  
9.18 must document a cost-share of 20 percent. An  
9.19 applicant's cost-share amount may be reduced  
9.20 up to \$2,000 to cover time and labor costs.  
9.21 This is a onetime appropriation.  
9.22 Notwithstanding Minnesota Statutes, section  
9.23 16A.28, this appropriation does not cancel at  
9.24 the end of the first year and is available in the  
9.25 second year.  
9.26 (g) Notwithstanding Minnesota Statutes,  
9.27 section 16A.28, the appropriation in paragraph  
9.28 (d) does not cancel at the end of the second  
9.29 year and is available until June 30, 2029.  
9.30 Appropriations encumbered under contract on  
9.31 or before June 30, 2029, for agricultural  
9.32 growth, research, and innovation grants are  
9.33 available until June 30, 2032.

10.1	<b><u>Subd. 4. Administration and Financial</u></b>		
10.2	<b><u>Assistance</u></b>	<u>12,104,000</u>	<u>12,118,000</u>
10.3	<u>(a) \$474,000 the first year and \$474,000 the</u>		
10.4	<u>second year are for payments to county and</u>		
10.5	<u>district agricultural societies and associations</u>		
10.6	<u>under Minnesota Statutes, section 38.02,</u>		
10.7	<u>subdivision 1. Aid payments to county and</u>		
10.8	<u>district agricultural societies and associations</u>		
10.9	<u>must be disbursed no later than July 15 each</u>		
10.10	<u>year. These payments are the amount of aid</u>		
10.11	<u>from the state for an annual fair held in the</u>		
10.12	<u>previous calendar year.</u>		
10.13	<u>(b) \$300,000 the first year and \$300,000 the</u>		
10.14	<u>second year are for grants to the Minnesota</u>		
10.15	<u>Agricultural Education and Leadership</u>		
10.16	<u>Council for programs of the council under</u>		
10.17	<u>Minnesota Statutes, chapter 41D.</u>		
10.18	<u>(c) \$2,000 the first year is for a grant to the</u>		
10.19	<u>Minnesota State Poultry Association to</u>		
10.20	<u>promote youth poultry programs in Minnesota.</u>		
10.21	<u>This is a onetime appropriation.</u>		
10.22	<u>Notwithstanding Minnesota Statutes, section</u>		
10.23	<u>16A.28, any unencumbered balance does not</u>		
10.24	<u>cancel at the end of the first year and is</u>		
10.25	<u>available in the second year.</u>		
10.26	<u>(d) \$18,000 the first year and \$18,000 the</u>		
10.27	<u>second year are for grants to the Minnesota</u>		
10.28	<u>Livestock Breeders Association. This is a</u>		
10.29	<u>onetime appropriation.</u>		
10.30	<u>(e) \$30,000 the first year and \$30,000 the</u>		
10.31	<u>second year are for grants to the Northern</u>		
10.32	<u>Crops Institute that may be used to purchase</u>		
10.33	<u>equipment. This is a onetime appropriation.</u>		

11.1 (f) \$35,000 the first year and \$35,000 the  
11.2 second year are for grants to the Minnesota  
11.3 State Horticultural Society. This is a onetime  
11.4 appropriation.

11.5 (g) \$75,000 the first year and \$75,000 the  
11.6 second year are for grants to the Center for  
11.7 Rural Policy and Development. This is a  
11.8 onetime appropriation.

11.9 (h) \$40,000 the first year and \$40,000 the  
11.10 second year are appropriated from the general  
11.11 fund to the commissioner of agriculture for  
11.12 grants to the Minnesota Turf Seed Council for  
11.13 basic and applied research on:

11.14 (1) the improved production of forage and turf  
11.15 seed related to new and improved varieties;  
11.16 and

11.17 (2) native plants, including plant breeding,  
11.18 nutrient management, pest management,  
11.19 disease management, yield, and viability.

11.20 The Minnesota Turf Seed Council may  
11.21 subcontract with a qualified third party for  
11.22 some or all of the basic or applied research.

11.23 Any unencumbered balance does not cancel  
11.24 at the end of the first year and is available in  
11.25 the second year. The Minnesota Turf Seed  
11.26 Council must prepare a report outlining the  
11.27 use of the grant money and related  
11.28 accomplishments. No later than January 15,  
11.29 2027, and January 15, 2028, the council must  
11.30 submit the report to the chairs and ranking  
11.31 minority members of the legislative  
11.32 committees and divisions with jurisdiction  
11.33 over agriculture finance and policy. This is a  
11.34 onetime appropriation.

12.1 (i) \$50,000 the first year and \$50,000 the  
12.2 second year are for grants to GreenSeam for  
12.3 assistance to agriculture-related businesses to  
12.4 support business retention and development,  
12.5 business attraction and creation, talent  
12.6 development and attraction, and regional  
12.7 branding and promotion. These are onetime  
12.8 appropriations. No later than December 1,  
12.9 2026, and December 1, 2027, GreenSeam  
12.10 must report to the chairs and ranking minority  
12.11 members of the legislative committees with  
12.12 jurisdiction over agriculture and rural  
12.13 development with information on new and  
12.14 existing businesses supported, number of new  
12.15 jobs created in the region, new educational  
12.16 partnerships and programs supported, and  
12.17 regional branding and promotional efforts.

12.18 (j) \$1,000,000 the first year and \$1,000,000  
12.19 the second year are to award and administer  
12.20 farm down payment assistance grants under  
12.21 Minnesota Statutes, section 17.133, with  
12.22 priority given to eligible applicants with no  
12.23 more than \$100,000 in annual gross farm  
12.24 product sales and eligible applicants who are  
12.25 producers of industrial hemp, cannabis, or one  
12.26 or more of the following specialty crops as  
12.27 defined by the United States Department of  
12.28 Agriculture for purposes of the specialty crop  
12.29 block grant program: fruits and vegetables,  
12.30 tree nuts, dried fruits, medicinal plants,  
12.31 culinary herbs and spices, horticulture crops,  
12.32 floriculture crops, and nursery crops.

12.33 Notwithstanding Minnesota Statutes, section  
12.34 16A.28, any unencumbered balance at the end  
12.35 of the first year does not cancel and is  
12.36 available in the second year and appropriations

13.1 encumbered under contract by June 30, 2027,  
13.2 are available until December 31, 2027.

13.3 (k) \$1,700,000 the first year and \$1,700,000  
13.4 the second year are for grants to Second  
13.5 Harvest Heartland on behalf of Minnesota's  
13.6 five Feeding America food banks for the  
13.7 following purposes:

13.8 (1) at least \$850,000 each year must be  
13.9 allocated to purchase milk for distribution to  
13.10 Minnesota's food shelves and other charitable  
13.11 organizations that are eligible to receive food  
13.12 from the food banks. Milk purchased under  
13.13 the grants must be acquired from Minnesota  
13.14 milk processors and based on low-cost bids.  
13.15 The milk must be allocated to each Feeding  
13.16 America food bank serving Minnesota  
13.17 according to the formula used in the  
13.18 distribution of United States Department of  
13.19 Agriculture commodities under The  
13.20 Emergency Food Assistance Program. Second  
13.21 Harvest Heartland may enter into contracts or  
13.22 agreements with food banks for shared funding  
13.23 or reimbursement of the direct purchase of  
13.24 milk. Each food bank that receives funding  
13.25 under this clause may use up to two percent  
13.26 for administrative expenses. Notwithstanding  
13.27 Minnesota Statutes, section 16A.28, any  
13.28 unencumbered balance the first year does not  
13.29 cancel and is available the second year;

13.30 (2) to compensate agricultural producers and  
13.31 processors for costs incurred to harvest and  
13.32 package for transfer surplus fruits, vegetables,  
13.33 and other agricultural commodities that would  
13.34 otherwise go unharvested, be discarded, or be  
13.35 sold in a secondary market. Surplus

- 14.1 commodities must be distributed statewide to  
14.2 food shelves and other charitable organizations  
14.3 that are eligible to receive food from the food  
14.4 banks. Surplus food acquired under this clause  
14.5 must be from Minnesota producers and  
14.6 processors. Second Harvest Heartland may  
14.7 not use any amount of each grant awarded  
14.8 under this clause for administrative expenses;  
14.9 (3) to purchase and distribute protein products,  
14.10 including but not limited to pork, poultry, beef,  
14.11 dry legumes, cheese, and eggs to Minnesota's  
14.12 food shelves and other charitable organizations  
14.13 that are eligible to receive food from the food  
14.14 banks. Second Harvest Heartland may use up  
14.15 to two percent of each grant awarded under  
14.16 this clause for administrative expenses. Protein  
14.17 products purchased under the grants must be  
14.18 acquired from Minnesota processors and  
14.19 producers; and  
14.20 (4) Up to \$500,000 each year is to purchase  
14.21 produce from The Good Acre.  
14.22 Second Harvest Heartland must submit  
14.23 quarterly reports to the commissioner and the  
14.24 chairs and ranking minority members of the  
14.25 legislative committees with jurisdiction over  
14.26 agriculture finance in the form prescribed by  
14.27 the commissioner. The reports must include  
14.28 but are not limited to information on the  
14.29 expenditure of funds, the amount of milk or  
14.30 other commodities purchased, and the  
14.31 organizations to which this food was  
14.32 distributed.  
14.33 (l) \$260,000 the first year and \$260,000 the  
14.34 second year are for a pass-through grant to  
14.35 Region Five Development Commission to

- 15.1 provide, in collaboration with Farm Business  
15.2 Management, statewide mental health  
15.3 counseling support to Minnesota farm  
15.4 operators, families, and employees, and  
15.5 individuals who work with Minnesota farmers  
15.6 in a professional capacity. Region Five  
15.7 Development Commission may use up to 6.5  
15.8 percent of the grant awarded under this  
15.9 paragraph for administration.
- 15.10 (m) \$25,000 the first year and \$25,000 the  
15.11 second year are for grants to the Southern  
15.12 Minnesota Initiative Foundation to promote  
15.13 local foods through an annual event that raises  
15.14 public awareness of local foods and connects  
15.15 local food producers and processors with  
15.16 potential buyers.
- 15.17 (n) \$1,000,000 the first year and \$1,000,000  
15.18 the second year are for the Emerging Farmers  
15.19 Office to provide services to beginning and  
15.20 emerging farmers to increase connections  
15.21 between farmers and market opportunities  
15.22 throughout the state. This appropriation may  
15.23 be used for grants, translation services,  
15.24 training programs, or other purposes in line  
15.25 with the recommendations of the emerging  
15.26 farmer working group established under  
15.27 Minnesota Statutes, section 17.055,  
15.28 subdivision 1.
- 15.29 (o) \$137,000 the first year and \$203,000 the  
15.30 second year are to support current services.
- 15.31 (p) \$337,000 the first year and \$337,000 the  
15.32 second year are for farm advocate services.  
15.33 Of these amounts, \$50,000 the first year and  
15.34 \$50,000 the second year are for the  
15.35 continuation of the farmland transition

- 16.1 programs and may be used for grants to  
16.2 farmland access teams to provide technical  
16.3 assistance to potential beginning farmers.  
16.4 Farmland access teams must assist existing  
16.5 farmers and beginning farmers with  
16.6 transitioning farm ownership and farm  
16.7 operation. Services provided by teams may  
16.8 include but are not limited to mediation  
16.9 assistance, designing contracts, financial  
16.10 planning, tax preparation, estate planning, and  
16.11 housing assistance.
- 16.12 (q) \$250,000 the first year and \$250,000 the  
16.13 second year are for the local food purchasing  
16.14 assistance grant program under article 3,  
16.15 section 42.
- 16.16 (r) \$50,000 the first year to conduct a study  
16.17 and develop recommendations for establishing  
16.18 an incentive-based program to support and  
16.19 encourage agricultural retailers in promoting  
16.20 4R nutrient management practices. The 4R  
16.21 nutrient management practices include: the  
16.22 right source of nutrients, at the right rate and  
16.23 right time, in the right place.
- 16.24 (1) As part of the study, the department must  
16.25 evaluate strategies for leveraging cost-share  
16.26 programs, including the feasibility of  
16.27 coordinating with the Agricultural Water  
16.28 Quality Certification Program and other efforts  
16.29 related to the state's Nutrient Reduction  
16.30 Strategy.
- 16.31 (2) The commissioner must submit a report  
16.32 detailing its findings, including potential  
16.33 funding sources and proposal outlines for  
16.34 funding requests where appropriate. The  
16.35 commissioner must submit the report to the



17.1 chairs and ranking minority members of the  
 17.2 legislative committees with jurisdiction over  
 17.3 agriculture and environment by December 15,  
 17.4 2025.

17.5 (s) The commissioner shall continue to  
 17.6 increase connections with ethnic minority and  
 17.7 immigrant farmers to farming opportunities  
 17.8 and farming programs throughout the state.

17.9 Sec. 3. **BOARD OF ANIMAL HEALTH**                   \$           6,656,000 \$           6,781,000  
 17.10 \$246,000 the first year and \$371,000 the  
 17.11 second year are to maintain the current level  
 17.12 of service delivery. The base for this  
 17.13 appropriation is \$371,000 in fiscal year 2028  
 17.14 and each year thereafter.

17.15 Sec. 4. **AGRICULTURAL UTILIZATION**  
 17.16 **RESEARCH INSTITUTE**                                   \$           4,388,000 \$           4,434,000  
 17.17 \$45,000 the first year and \$91,000 the second  
 17.18 year are to maintain the current level of service  
 17.19 delivery. The base for this appropriation is  
 17.20 \$91,000 in fiscal year 2028 and each year  
 17.21 thereafter.

17.22 Sec. 5. **TRANSFERS; ADMINISTRATION.**

17.23 Positions, salary money, and nonsalary administrative money may be transferred within  
 17.24 the Department of Agriculture as the commissioner of agriculture considers necessary, with  
 17.25 the advanced approval of the commissioner of management and budget. The commissioner  
 17.26 of agriculture shall report to the chairs and ranking minority members of the legislative  
 17.27 committees with jurisdiction over agriculture finance quarterly about the transfers made  
 17.28 under this section.

17.29 Sec. 6. **TRANSFERS.**

17.30 (a) \$100,000 in fiscal year 2026 and \$100,000 in fiscal year 2027 are transferred from  
 17.31 the general fund to the pollinator research account established under Minnesota Statutes,  
 17.32 section 18B.051. This transfer is \$100,000 in fiscal year 2028 and each year thereafter.

(b) \$186,000 in fiscal year 2026 and \$186,000 in fiscal year 2027 are transferred from the general fund to the Minnesota grown account and may be used as grants for Minnesota Grown promotion under Minnesota Statutes, section 17.102. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2027, for Minnesota Grown grants in this paragraph are available until June 30, 2029. This transfer is \$186,000 in fiscal year 2028 and each year thereafter.

(c) \$10,552,000 in fiscal year 2026 and \$10,552,000 in fiscal year 2027 are transferred from the general fund to the agriculture research, education, extension, and technology transfer account under Minnesota Statutes, section 41A.14, subdivision 3, and the commissioner shall transfer funds each year to the Board of Regents of the University of Minnesota for purposes of Minnesota Statutes, section 41A.14, subdivision 1, clauses (1) and (2), and must supplement and not supplant existing sources and levels of funding. The commissioner may use up to one percent of this transfer for costs incurred to administer this program.

(d) Of the amount transferred for the agriculture research, education, extension, and technology transfer grant program under Minnesota Statutes, section 41A.14:

(1) \$600,000 in fiscal year 2026 and \$600,000 in fiscal year 2027 are for the Minnesota Agricultural Experiment Station's agriculture rapid response fund under Minnesota Statutes, section 41A.14, subdivision 1, clause (2);

(2) up to \$1,000,000 in fiscal year 2026 and up to \$1,000,000 in fiscal year 2027 are for research on avian influenza, salmonella, and other turkey-related diseases and disease prevention measures;

(3) \$2,375,000 in fiscal year 2026 and \$2,375,000 in fiscal year 2027 are for grants to the Minnesota Agricultural Education Leadership Council to enhance agricultural education with priority given to Farm Business Management challenge grants;

(4) \$350,000 in fiscal year 2026 and \$350,000 in fiscal year 2027 are for potato research;

(5) \$802,000 in fiscal year 2026 and \$802,000 in fiscal year 2027 are to fund the Forever Green Initiative and protect Minnesota's natural resources while increasing the efficiency, profitability, and productivity of Minnesota farmers by incorporating perennial and winter annual crops into existing agricultural practices. By February 1 each year, the dean of the College of Food, Agricultural and Natural Resource Sciences must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture finance and policy and higher education detailing uses of the money in this clause, including administrative costs, and the achievements this money contributed to;

19.1 (6) \$200,000 in fiscal year 2026 and \$200,000 in fiscal year 2027 are for research on  
19.2 natural strands of wild rice;

19.3 (7) \$250,000 in fiscal year 2026 and \$250,000 in fiscal year 2027 are for the cultivated  
19.4 wild rice forward selection project at the North Central Research and Outreach Center,  
19.5 including a tenure track or research associate plant scientist; and

19.6 (8) \$75,000 in fiscal year 2026 and \$75,000 in fiscal year 2027 are for grants to the  
19.7 Southwest Minnesota State University Foundation to support the Minnesota Agriculture  
19.8 and Rural Leadership program.

19.9 The transfer for the agriculture research, education, extension, and technology transfer  
19.10 program is \$10,552,000 in fiscal year 2028 and each year thereafter.

19.11 (e) \$1,425,000 in fiscal year 2026 and \$1,425,000 in fiscal year 2027 are transferred  
19.12 from the general fund to the agricultural and environmental revolving loan account  
19.13 established under Minnesota Statutes, section 17.117, subdivision 5a, for low-interest or  
19.14 no-interest loans issued through the agriculture best management practices loan program  
19.15 under Minnesota Statutes, section 17.117. This transfer is \$1,425,000 in fiscal year 2028  
19.16 and each year thereafter.

19.17 **Sec. 7. FISCAL YEAR 2025 TRANSFER.**

19.18 \$1,500,000 in fiscal year 2025 is transferred from the general fund to the agricultural  
19.19 emergency account established under Minnesota Statutes, section 17.041.

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

19.21 **Sec. 8. CANCELLATIONS; FISCAL YEAR 2025.**

19.22 (a) \$3,000,000 of the appropriation in fiscal year 2024 from the general fund for green  
19.23 fertilizer production facilities under Laws 2023, chapter 60, article 10, section 4, is canceled  
19.24 to the general fund by June 30, 2025.

19.25 (b) \$1,500,000 of the appropriation in fiscal year 2025 from the general fund for Dairy  
19.26 Assistance, Investment, Relief Initiative (DAIRI) grants and other forms of financial  
19.27 assistance to Minnesota dairy farms that enroll in coverage under a federal dairy risk  
19.28 protection program and produced no more than 16,000,000 pounds of milk in 2022 under  
19.29 Laws 2024, chapter 126, article 1, section 1, is canceled to the general fund by June 30,  
19.30 2025.

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

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Sec. 9. Laws 2021, First Special Session chapter 3, article 1, section 2, subdivision 4, as amended by Laws 2022, chapter 95, article 1, section 1, subdivision 4, is amended to read:

<b>Subd. 4. Agriculture, Bioenergy, and Bioproduct Advancement</b>	25,343,000	27,257,000
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(a) \$9,300,000 the first year and \$9,300,000 the second year are for transfer to the agriculture research, education, extension, and technology transfer account under Minnesota Statutes, section 41A.14, subdivision 3. Of these amounts: at least \$600,000 the first year and \$600,000 the second year are for the Minnesota Agricultural Experiment Station's agriculture rapid response fund under Minnesota Statutes, section 41A.14, subdivision 1, clause (2); \$2,000,000 the first year and \$2,000,000 the second year are for grants to the Minnesota Agriculture Education Leadership Council to enhance agricultural education with priority given to Farm Business Management challenge grants; \$350,000 the first year and \$350,000 the second year are for potato breeding; and \$450,000 the first year and \$450,000 the second year are for the cultivated wild rice breeding project at the North Central Research and Outreach Center to include a tenure track/research associate plant breeder. The commissioner shall transfer the remaining funds in this appropriation each year to the Board of Regents of the University of Minnesota for purposes of Minnesota Statutes, section 41A.14. Of the amount transferred to the Board of Regents, up to \$1,000,000 each year is for research on avian influenza, salmonella, and other turkey-related diseases. By January 15, 2023, entities receiving grants for potato breeding and wild

21.1 rice breeding are requested to report to the  
21.2 chairs and ranking minority members of the  
21.3 legislative committees with jurisdiction over  
21.4 agriculture and higher education regarding the  
21.5 use of the grant money and to provide an  
21.6 update on the status of research and related  
21.7 accomplishments.

21.8 To the extent practicable, money expended  
21.9 under Minnesota Statutes, section 41A.14,  
21.10 subdivision 1, clauses (1) and (2), must  
21.11 supplement and not supplant existing sources  
21.12 and levels of funding. The commissioner may  
21.13 use up to one percent of this appropriation for  
21.14 costs incurred to administer the program.

21.15 (b) \$16,028,000 the first year and \$17,928,000  
21.16 the second year are for the agricultural growth,  
21.17 research, and innovation program under  
21.18 Minnesota Statutes, section 41A.12. Except  
21.19 as provided below, the commissioner may  
21.20 allocate the appropriation each year among  
21.21 the following areas: facilitating the start-up,  
21.22 modernization, improvement, or expansion of  
21.23 livestock operations including beginning and  
21.24 transitioning livestock operations with  
21.25 preference given to robotic dairy-milking  
21.26 equipment; providing funding not to exceed  
21.27 \$800,000 each year to develop and enhance  
21.28 farm-to-school markets for Minnesota farmers  
21.29 by providing more fruits, vegetables, meat,  
21.30 grain, and dairy for Minnesota children in  
21.31 school and child care settings including, at the  
21.32 commissioner's discretion, reimbursing  
21.33 schools for purchases from local farmers;  
21.34 assisting value-added agricultural businesses  
21.35 to begin or expand, to access new markets, or

22.1 to diversify, including aquaponics systems;  
22.2 providing funding not to exceed \$600,000  
22.3 each year for urban youth agricultural  
22.4 education or urban agriculture community  
22.5 development of which \$10,000 each year is  
22.6 for transfer to the emerging farmer account  
22.7 under Minnesota Statutes, section 17.055,  
22.8 subdivision 1a; providing funding not to  
22.9 exceed \$450,000 each year for the good food  
22.10 access program under Minnesota Statutes,  
22.11 section 17.1017; facilitating the start-up,  
22.12 modernization, or expansion of other  
22.13 beginning and transitioning farms including  
22.14 by providing loans under Minnesota Statutes,  
22.15 section 41B.056; sustainable agriculture  
22.16 on-farm research and demonstration;  
22.17 development or expansion of food hubs and  
22.18 other alternative community-based food  
22.19 distribution systems; enhancing renewable  
22.20 energy infrastructure and use; crop research;  
22.21 Farm Business Management tuition assistance;  
22.22 and good agricultural practices and good  
22.23 handling practices certification assistance. The  
22.24 commissioner may use up to 6.5 percent of  
22.25 this appropriation for costs incurred to  
22.26 administer the program.

22.27 Of the amount appropriated for the agricultural  
22.28 growth, research, and innovation program  
22.29 under Minnesota Statutes, section 41A.12:

22.30 (1) \$1,000,000 the first year and \$1,000,000  
22.31 the second year are for distribution in equal  
22.32 amounts to each of the state's county fairs to  
22.33 preserve and promote Minnesota agriculture;

22.34 (2) \$4,500,000 the first year and \$5,750,000  
22.35 the second year are for incentive payments

23.1 under Minnesota Statutes, sections 41A.16,  
23.2 41A.17, 41A.18, and 41A.20. Notwithstanding  
23.3 Minnesota Statutes, section 16A.28, the first  
23.4 year appropriation is available until June 30,  
23.5 2023, and the second year appropriation is  
23.6 available until June 30, 2024. If this  
23.7 appropriation exceeds the total amount for  
23.8 which all producers are eligible in a fiscal  
23.9 year, the balance of the appropriation is  
23.10 available for other purposes under this  
23.11 paragraph. The base appropriation under this  
23.12 clause is \$5,750,000 in fiscal year 2024 and  
23.13 thereafter;

23.14 (3) \$3,000,000 the first year and \$3,000,000  
23.15 the second year are for grants that enable retail  
23.16 petroleum dispensers, fuel storage tanks, and  
23.17 other equipment to dispense biofuels to the  
23.18 public in accordance with the biofuel  
23.19 replacement goals established under  
23.20 Minnesota Statutes, section 239.7911. A retail  
23.21 petroleum dispenser selling petroleum for use  
23.22 in spark ignition engines for vehicle model  
23.23 years after 2000 is eligible for grant money  
23.24 under this clause if the retail petroleum  
23.25 dispenser has no more than 10 retail petroleum  
23.26 dispensing sites and each site is located in  
23.27 Minnesota. The grant money must be used to  
23.28 replace or upgrade equipment that does not  
23.29 have the ability to be certified for E25. A grant  
23.30 award must not exceed 65 percent of the cost  
23.31 of the appropriate technology. A grant award  
23.32 must not exceed \$200,000 per station. The  
23.33 commissioner must cooperate with biofuel  
23.34 stakeholders in the implementation of the grant  
23.35 program. The commissioner, in cooperation  
23.36 with any economic or community development

24.1 financial institution and any other entity with  
24.2 which it contracts, must submit a report on the  
24.3 biofuels infrastructure financial assistance  
24.4 program by January 15 of each year to the  
24.5 chairs and ranking minority members of the  
24.6 legislative committees and divisions with  
24.7 jurisdiction over agriculture policy and  
24.8 finance. The annual report must include but  
24.9 not be limited to a summary of the following  
24.10 metrics: (i) the number and types of projects  
24.11 financed; (ii) the amount of dollars leveraged  
24.12 or matched per project; (iii) the geographic  
24.13 distribution of financed projects; (iv) any  
24.14 market expansion associated with upgraded  
24.15 infrastructure; (v) the demographics of the  
24.16 areas served; (vi) the costs of the program;  
24.17 and (vii) the number of grants to  
24.18 minority-owned or female-owned businesses;

24.19 (4) \$750,000 the first year and \$1,400,000 the  
24.20 second year are for grants to facilitate the  
24.21 start-up, modernization, or expansion of meat,  
24.22 poultry, egg, and milk processing facilities. A  
24.23 grant award under this clause must not exceed  
24.24 \$200,000. Any unencumbered balance at the  
24.25 end of the second year does not cancel until  
24.26 June 30, 2024, and may be used for other  
24.27 purposes under this paragraph. The base  
24.28 appropriation under this clause is \$250,000 in  
24.29 fiscal year 2024 and thereafter; and

24.30 (5) \$1,400,000 the first year and \$1,400,000  
24.31 the second year are for livestock investment  
24.32 grants under Minnesota Statutes, section  
24.33 17.118. Any unencumbered balance at the end  
24.34 of the second year does not cancel until June  
24.35 30, 2024, and may be used for other purposes



25.1 under this paragraph. The appropriations under  
25.2 this clause are onetime.

25.3 Notwithstanding Minnesota Statutes, section  
25.4 16A.28, ~~any unencumbered balance does not~~  
25.5 ~~cancel at the end of the first year and is~~  
25.6 ~~available for the second year, and this~~  
25.7 appropriation does not cancel at the end of the  
25.8 second year and is available until June 30,  
25.9 2029. Appropriations encumbered under  
25.10 contract on or before June 30, ~~2023~~ 2029, for  
25.11 agricultural growth, research, and innovation  
25.12 grants are available until June 30, ~~2026~~ 2032.

25.13 The base amount for the agricultural growth,  
25.14 research, and innovation program is  
25.15 \$17,553,000 in fiscal year 2024 and  
25.16 \$17,553,000 in fiscal year 2025, and includes  
25.17 funding for incentive payments under  
25.18 Minnesota Statutes, sections 41A.16, 41A.17,  
25.19 41A.18, and 41A.20.

25.20 (c) \$15,000 the first year and \$29,000 the  
25.21 second year are to maintain the current level  
25.22 of service delivery.

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

25.24 Sec. 10. Laws 2023, chapter 43, article 1, section 2, subdivision 4, as amended by Laws  
25.25 2024, chapter 126, article 1, section 1, subdivision 4, is amended to read:

25.26	Subd. 4. <b>Agriculture, Bioenergy, and Bioproduct</b>	34,034,000	38,159,000
25.27	<b>Advancement</b>		

25.28 (a) \$10,702,000 the first year and \$10,702,000  
25.29 the second year are for the agriculture  
25.30 research, education, extension, and technology  
25.31 transfer program under Minnesota Statutes,  
25.32 section 41A.14. Except as provided below,  
25.33 the appropriation each year is for transfer to  
25.34 the agriculture research, education, extension,

26.1 and technology transfer account under  
26.2 Minnesota Statutes, section 41A.14,  
26.3 subdivision 3, and the commissioner shall  
26.4 transfer funds each year to the Board of  
26.5 Regents of the University of Minnesota for  
26.6 purposes of Minnesota Statutes, section  
26.7 41A.14. To the extent practicable, money  
26.8 expended under Minnesota Statutes, section  
26.9 41A.14, subdivision 1, clauses (1) and (2),  
26.10 must supplement and not supplant existing  
26.11 sources and levels of funding. The  
26.12 commissioner may use up to one percent of  
26.13 this appropriation for costs incurred to  
26.14 administer the program.

26.15 Of the amount appropriated for the agriculture  
26.16 research, education, extension, and technology  
26.17 transfer grant program under Minnesota  
26.18 Statutes, section 41A.14:

26.19 (1) \$600,000 the first year and \$600,000 the  
26.20 second year are for the Minnesota Agricultural  
26.21 Experiment Station's agriculture rapid  
26.22 response fund under Minnesota Statutes,  
26.23 section 41A.14, subdivision 1, clause (2);

26.24 (2) up to \$1,000,000 the first year and up to  
26.25 \$1,000,000 the second year are for research  
26.26 on avian influenza, salmonella, and other  
26.27 turkey-related diseases and disease prevention  
26.28 measures;

26.29 (3) \$2,250,000 the first year and \$2,250,000  
26.30 the second year are for grants to the Minnesota  
26.31 Agricultural Education Leadership Council to  
26.32 enhance agricultural education with priority  
26.33 given to Farm Business Management  
26.34 challenge grants;

27.1 (4) \$450,000 the first year is for the cultivated  
27.2 wild rice breeding project at the North Central  
27.3 Research and Outreach Center to include a  
27.4 tenure track/research associate plant breeder;

27.5 (5) \$350,000 the first year and \$350,000 the  
27.6 second year are for potato breeding;

27.7 (6) \$802,000 the first year and \$802,000 the  
27.8 second year are to fund the Forever Green  
27.9 Initiative and protect the state's natural  
27.10 resources while increasing the efficiency,  
27.11 profitability, and productivity of Minnesota  
27.12 farmers by incorporating perennial and  
27.13 winter-annual crops into existing agricultural  
27.14 practices. The base for the allocation under  
27.15 this clause is \$802,000 in fiscal year 2026 and  
27.16 each year thereafter. By February 1 each year,  
27.17 the dean of the College of Food, Agricultural  
27.18 and Natural Resource Sciences must submit  
27.19 a report to the chairs and ranking minority  
27.20 members of the legislative committees with  
27.21 jurisdiction over agriculture finance and policy  
27.22 and higher education detailing uses of the  
27.23 funds in this paragraph, including  
27.24 administrative costs, and the achievements  
27.25 these funds contributed to;

27.26 (7) \$350,000 each year is for farm-scale winter  
27.27 greenhouse research and development  
27.28 coordinated by University of Minnesota  
27.29 Extension Regional Sustainable Development  
27.30 Partnerships. The allocation in this clause is  
27.31 onetime;

27.32 (8) \$200,000 the second year is for research  
27.33 on natural stands of wild rice; and

28.1 (9) \$250,000 the second year is for the  
28.2 cultivated wild rice forward selection project  
28.3 at the North Central Research and Outreach  
28.4 Center, including a tenure track or research  
28.5 associate plant scientist.

28.6 (b) The base for the agriculture research,  
28.7 education, extension, and technology transfer  
28.8 program is \$10,352,000 in fiscal year 2026  
28.9 and \$10,352,000 in fiscal year 2027.

28.10 (c) \$23,332,000 the first year is for the  
28.11 agricultural growth, research, and innovation  
28.12 program under Minnesota Statutes, section  
28.13 41A.12. Except as provided below, the  
28.14 commissioner may allocate this appropriation  
28.15 among the following areas: facilitating the  
28.16 start-up, modernization, improvement, or  
28.17 expansion of livestock operations, including  
28.18 beginning and transitioning livestock  
28.19 operations with preference given to robotic  
28.20 dairy-milking equipment; assisting  
28.21 value-added agricultural businesses to begin  
28.22 or expand, to access new markets, or to  
28.23 diversify, including aquaponics systems, with  
28.24 preference given to hemp fiber processing  
28.25 equipment; facilitating the start-up,  
28.26 modernization, or expansion of other  
28.27 beginning and transitioning farms, including  
28.28 by providing loans under Minnesota Statutes,  
28.29 section 41B.056; sustainable agriculture  
28.30 on-farm research and demonstration; the  
28.31 development or expansion of food hubs and  
28.32 other alternative community-based food  
28.33 distribution systems; enhancing renewable  
28.34 energy infrastructure and use; crop research,  
28.35 including basic and applied turf seed research;

29.1 Farm Business Management tuition assistance;  
29.2 and good agricultural practices and good  
29.3 handling practices certification assistance. The  
29.4 commissioner may use up to 6.5 percent of  
29.5 this appropriation for costs incurred to  
29.6 administer the program.

29.7 Of the amount appropriated for the agricultural  
29.8 growth, research, and innovation program  
29.9 under Minnesota Statutes, section 41A.12:

29.10 (1) \$1,000,000 the first year is for distribution  
29.11 in equal amounts to each of the state's county  
29.12 fairs to preserve and promote Minnesota  
29.13 agriculture;

29.14 (2) \$5,750,000 the first year is for incentive  
29.15 payments under Minnesota Statutes, sections  
29.16 41A.16, 41A.17, 41A.18, and 41A.20.

29.17 Notwithstanding Minnesota Statutes, section  
29.18 16A.28, the first year appropriation is  
29.19 available until June 30, 2025. If this  
29.20 appropriation exceeds the total amount for  
29.21 which all producers are eligible in a fiscal  
29.22 year, the balance of the appropriation is  
29.23 available for other purposes under this  
29.24 paragraph;

29.25 (3) \$3,375,000 the first year is for grants that  
29.26 enable retail petroleum dispensers, fuel storage  
29.27 tanks, and other equipment to dispense  
29.28 biofuels to the public in accordance with the  
29.29 biofuel replacement goals established under  
29.30 Minnesota Statutes, section 239.7911. A retail  
29.31 petroleum dispenser selling petroleum for use  
29.32 in spark ignition engines for vehicle model  
29.33 years after 2000 is eligible for grant money  
29.34 under this clause if the retail petroleum  
29.35 dispenser has no more than 10 retail petroleum

30.1 dispensing sites and each site is located in  
30.2 Minnesota. The grant money must be used to  
30.3 replace or upgrade equipment that does not  
30.4 have the ability to be certified for E25. A grant  
30.5 award must not exceed 65 percent of the cost  
30.6 of the appropriate technology. A grant award  
30.7 must not exceed \$200,000 per station. The  
30.8 commissioner must cooperate with biofuel  
30.9 stakeholders in the implementation of the grant  
30.10 program. The commissioner, in cooperation  
30.11 with any economic or community development  
30.12 financial institution and any other entity with  
30.13 which the commissioner contracts, must  
30.14 submit a report on the biofuels infrastructure  
30.15 financial assistance program by January 15 of  
30.16 each year to the chairs and ranking minority  
30.17 members of the legislative committees and  
30.18 divisions with jurisdiction over agriculture  
30.19 policy and finance. The annual report must  
30.20 include but not be limited to a summary of the  
30.21 following metrics: (i) the number and types  
30.22 of projects financed; (ii) the amount of dollars  
30.23 leveraged or matched per project; (iii) the  
30.24 geographic distribution of financed projects;  
30.25 (iv) any market expansion associated with  
30.26 upgraded infrastructure; (v) the demographics  
30.27 of the areas served; (vi) the costs of the  
30.28 program; and (vii) the number of grants to  
30.29 minority-owned or female-owned businesses;  
30.30 (4) \$1,250,000 the first year is for grants to  
30.31 facilitate the start-up, modernization, or  
30.32 expansion of meat, poultry, egg, and milk  
30.33 processing facilities. A grant award under this  
30.34 clause must not exceed \$200,000. Any  
30.35 unencumbered balance at the end of the second  
30.36 year does not cancel until June 30, 2026, and

31.1 may be used for other purposes under this  
31.2 paragraph;

31.3 (5) \$1,150,000 the first year is for providing  
31.4 more fruits, vegetables, meat, poultry, grain,  
31.5 and dairy for children in school and early  
31.6 childhood education settings, including, at the  
31.7 commissioner's discretion, providing grants  
31.8 to reimburse schools and early childhood  
31.9 education and child care providers for  
31.10 purchasing equipment and agricultural  
31.11 products. Organizations must participate in  
31.12 the National School Lunch Program or the  
31.13 Child and Adult Care Food Program to be  
31.14 eligible. Of the amount appropriated, \$150,000  
31.15 is for a statewide coordinator of  
31.16 farm-to-institution strategy and programming.  
31.17 The coordinator must consult with relevant  
31.18 stakeholders and provide technical assistance  
31.19 and training for participating farmers and  
31.20 eligible grant recipients;

31.21 (6) \$2,000,000 the first year is for urban youth  
31.22 agricultural education or urban agriculture  
31.23 community development;

31.24 (7) \$1,000,000 the first year is for the good  
31.25 food access program under Minnesota  
31.26 Statutes, section 17.1017; and

31.27 (8) \$225,000 the first year is to provide grants  
31.28 to secondary career and technical education  
31.29 programs for the purpose of offering  
31.30 instruction in meat cutting and butchery.  
31.31 Notwithstanding Minnesota Statutes, section  
31.32 16B.98, subdivision 14, the commissioner may  
31.33 use up to 6.5 percent of this appropriation for  
31.34 administrative costs. This is a onetime

32.1 appropriation. Grants may be used for costs,  
32.2 including but not limited to:

32.3 (i) equipment required for a meat cutting  
32.4 program;

32.5 (ii) facility renovation to accommodate meat  
32.6 cutting; and

32.7 (iii) training faculty to teach the fundamentals  
32.8 of meat processing.

32.9 A grant recipient may be awarded a grant of  
32.10 up to \$75,000 and may use up to ten percent  
32.11 of the grant for faculty training. Priority may  
32.12 be given to applicants who are coordinating  
32.13 with meat cutting and butchery programs at  
32.14 Minnesota State Colleges and Universities  
32.15 institutions or with local industry partners.

32.16 By January 15, 2025, the commissioner must  
32.17 report to the chairs and ranking minority  
32.18 members of the legislative committees with  
32.19 jurisdiction over agriculture finance and  
32.20 education finance by listing the grants made  
32.21 under this paragraph by county and noting the  
32.22 number and amount of grant requests not  
32.23 fulfilled. The report may include additional  
32.24 information as determined by the  
32.25 commissioner, including but not limited to  
32.26 information regarding the outcomes produced  
32.27 by these grants. If additional grants are  
32.28 awarded under this paragraph that were not  
32.29 covered in the report due by January 15, 2025,  
32.30 the commissioner must submit an additional  
32.31 report to the chairs and ranking minority  
32.32 members of the legislative committees with  
32.33 jurisdiction over agriculture finance and



33.1 education finance regarding all grants issued  
33.2 under this paragraph by November 1, 2025.

33.3 Notwithstanding Minnesota Statutes, section  
33.4 16A.28, any unencumbered balance does not  
33.5 cancel at the end of the first year and is  
33.6 available for the second year, and  
33.7 appropriations encumbered under contract on  
33.8 or before June 30, 2025, for agricultural  
33.9 growth, research, and innovation grants are  
33.10 available until June 30, 2028.

33.11 (d) \$27,457,000 the second year is for the  
33.12 agricultural growth, research, and innovation  
33.13 program under Minnesota Statutes, section  
33.14 41A.12. Except as provided below, the  
33.15 commissioner may allocate this appropriation  
33.16 among the following areas: facilitating the  
33.17 start-up, modernization, improvement, or  
33.18 expansion of livestock operations, including  
33.19 beginning and transitioning livestock  
33.20 operations with preference given to robotic  
33.21 dairy-milking equipment; assisting  
33.22 value-added agricultural businesses to begin  
33.23 or expand, to access new markets, or to  
33.24 diversify, including aquaponics systems, with  
33.25 preference given to hemp fiber processing  
33.26 equipment; facilitating the start-up,  
33.27 modernization, or expansion of other  
33.28 beginning and transitioning farms, including  
33.29 by providing loans under Minnesota Statutes,  
33.30 section 41B.056; sustainable agriculture  
33.31 on-farm research and demonstration; the  
33.32 development or expansion of food hubs and  
33.33 other alternative community-based food  
33.34 distribution systems; enhancing renewable  
33.35 energy infrastructure and use; crop research,

34.1 including basic and applied turf seed research;  
34.2 Farm Business Management tuition assistance;  
34.3 and good agricultural practices and good  
34.4 handling practices certification assistance. The  
34.5 commissioner may use up to 6.5 percent of  
34.6 this appropriation for costs incurred to  
34.7 administer the program.

34.8 Of the amount appropriated for the agricultural  
34.9 growth, research, and innovation program  
34.10 under Minnesota Statutes, section 41A.12:

34.11 (1) \$1,000,000 the second year is for  
34.12 distribution in equal amounts to each of the  
34.13 state's county fairs to preserve and promote  
34.14 Minnesota agriculture;

34.15 (2) \$5,750,000 the second year is for incentive  
34.16 payments under Minnesota Statutes, sections  
34.17 41A.16, 41A.17, 41A.18, and 41A.20.

34.18 Notwithstanding Minnesota Statutes, section  
34.19 16A.28, this appropriation is available until  
34.20 June 30, 2027. If this appropriation exceeds  
34.21 the total amount for which all producers are  
34.22 eligible in a fiscal year, the balance of the  
34.23 appropriation is available for other purposes  
34.24 under this paragraph. The base under this  
34.25 clause is \$3,000,000 in fiscal year 2026 and  
34.26 each year thereafter;

34.27 (3) \$3,375,000 the second year is for grants  
34.28 that enable retail petroleum dispensers, fuel  
34.29 storage tanks, and other equipment to dispense  
34.30 biofuels to the public in accordance with the  
34.31 biofuel replacement goals established under  
34.32 Minnesota Statutes, section 239.7911. A retail  
34.33 petroleum dispenser selling petroleum for use  
34.34 in spark ignition engines for vehicle model  
34.35 years after 2000 is eligible for grant money

35.1 under this clause if the retail petroleum  
35.2 dispenser has no more than ten retail  
35.3 petroleum dispensing sites and each site is  
35.4 located in Minnesota. The grant money must  
35.5 be used to replace or upgrade equipment that  
35.6 does not have the ability to be certified for  
35.7 E25. A grant award must not exceed 65  
35.8 percent of the cost of the appropriate  
35.9 technology. A grant award must not exceed  
35.10 \$200,000 per station. The commissioner must  
35.11 cooperate with biofuel stakeholders in the  
35.12 implementation of the grant program. The  
35.13 commissioner, in cooperation with any  
35.14 economic or community development  
35.15 financial institution and any other entity with  
35.16 which the commissioner contracts, must  
35.17 submit a report on the biofuels infrastructure  
35.18 financial assistance program by January 15 of  
35.19 each year to the chairs and ranking minority  
35.20 members of the legislative committees and  
35.21 divisions with jurisdiction over agriculture  
35.22 policy and finance. The annual report must  
35.23 include but not be limited to a summary of the  
35.24 following metrics: (i) the number and types  
35.25 of projects financed; (ii) the amount of money  
35.26 leveraged or matched per project; (iii) the  
35.27 geographic distribution of financed projects;  
35.28 (iv) any market expansion associated with  
35.29 upgraded infrastructure; (v) the demographics  
35.30 of the areas served; (vi) the costs of the  
35.31 program; and (vii) the number of grants to  
35.32 minority-owned or female-owned businesses.  
35.33 The base under this clause is \$3,000,000 for  
35.34 fiscal year 2026 and each year thereafter;  
35.35 (4) \$1,250,000 the second year is for grants  
35.36 to facilitate the start-up, modernization, or

36.1 expansion of meat, poultry, egg, and milk  
36.2 processing facilities. A grant award under this  
36.3 clause must not exceed \$200,000. Any  
36.4 unencumbered balance at the end of the second  
36.5 year does not cancel until June 30, 2027, and  
36.6 may be used for other purposes under this  
36.7 paragraph. The base under this clause is  
36.8 \$250,000 in fiscal year 2026 and each year  
36.9 thereafter;

36.10 (5) \$1,275,000 the second year is for providing  
36.11 more fruits, vegetables, meat, poultry, grain,  
36.12 and dairy for children in school and early  
36.13 childhood education settings, including, at the  
36.14 commissioner's discretion, providing grants  
36.15 to reimburse schools and early childhood  
36.16 education and child care providers for  
36.17 purchasing equipment and agricultural  
36.18 products. Organizations must participate in  
36.19 the National School Lunch Program or the  
36.20 Child and Adult Care Food Program to be  
36.21 eligible. Of the amount appropriated, \$150,000  
36.22 is for a statewide coordinator of  
36.23 farm-to-institution strategy and programming.  
36.24 The coordinator must consult with relevant  
36.25 stakeholders and provide technical assistance  
36.26 and training for participating farmers and  
36.27 eligible grant recipients. The base under this  
36.28 clause is \$1,294,000 in fiscal year 2026 and  
36.29 each year thereafter;

36.30 (6) \$4,000,000 the second year is for Dairy  
36.31 Assistance, Investment, Relief Initiative  
36.32 (DAIRI) grants and other forms of financial  
36.33 assistance to Minnesota dairy farms that enroll  
36.34 in coverage under a federal dairy risk  
36.35 protection program and produced no more

37.1 than 16,000,000 pounds of milk in 2022. The  
37.2 commissioner must make DAIRI payments  
37.3 based on the amount of milk produced in  
37.4 2022, up to 5,000,000 pounds per participating  
37.5 farm, at a rate determined by the commissioner  
37.6 within the limits of available funding. Any  
37.7 unencumbered balance on June 30, 2026, may  
37.8 be used for other purposes under this  
37.9 paragraph. The allocation in this clause is  
37.10 onetime;

37.11 (7) \$2,000,000 the second year is for urban  
37.12 youth agricultural education or urban  
37.13 agriculture community development;

37.14 (8) \$1,000,000 the second year is for the good  
37.15 food access program under Minnesota  
37.16 Statutes, section 17.1017; and

37.17 (9) \$225,000 the second year is for the  
37.18 protecting livestock grant program for  
37.19 producers to support the installation of  
37.20 measures to prevent the transmission of avian  
37.21 influenza. For the appropriation in this  
37.22 paragraph, a grant applicant must document  
37.23 a cost-share of 20 percent. An applicant's  
37.24 cost-share amount may be reduced up to  
37.25 \$2,000 to cover time and labor costs.

37.26 Notwithstanding Minnesota Statutes, section  
37.27 16B.98, subdivision 14, the commissioner may  
37.28 use up to 6.5 percent of this appropriation for  
37.29 administrative costs. This appropriation is  
37.30 available until June 30, 2027. This is a onetime  
37.31 appropriation.

37.32 (e) Notwithstanding Minnesota Statutes,  
37.33 section 16A.28, ~~this~~ the appropriation in  
37.34 paragraph (d) does not cancel at the end of the  
37.35 second year and is available until June 30,

38.1 2027. Appropriations encumbered under

38.2 contract on or before June 30, 2027, for

38.3 agricultural growth, research, and innovation

38.4 grants are available until June 30, 2030.

38.5 ~~(e)~~ (f) The base for the agricultural growth,

38.6 research, and innovation program is

38.7 \$17,582,000 in fiscal year 2026 and each year

38.8 thereafter and includes \$200,000 each year for

38.9 cooperative development grants.

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

38.11 **ARTICLE 2**

38.12 **BROADBAND**

38.13 Section 1. **BROADBAND DEVELOPMENT APPROPRIATIONS.**

38.14 The sums shown in the columns marked "Appropriations" are appropriated to the agencies

38.15 and for the purposes specified in this article. The appropriations are from the general fund,

38.16 or another named fund, and are available for the fiscal years indicated for each purpose.

38.17 The figures "2026" and "2027" used in this article mean that the appropriations listed under

38.18 them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively.

38.19 "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium"

38.20 is fiscal years 2026 and 2027.

38.21		<u><b>APPROPRIATIONS</b></u>	
38.22		<u><b>Available for the Year</b></u>	
38.23		<u><b>Ending June 30</b></u>	
38.24		<u><b>2026</b></u>	<u><b>2027</b></u>
38.25	Sec. 2. <u><b>DEPARTMENT OF EMPLOYMENT</b></u>		
38.26	<u><b>AND ECONOMIC DEVELOPMENT</b></u>	<u><b>\$ 1,001,000</b></u>	<u><b>\$ 1,001,000</b></u>
38.27	<u>\$1,001,000 each year is for the Office of</u>		
38.28	<u>Broadband Development.</u>		

**ARTICLE 3****POLICY PROVISIONS**

Section 1. Minnesota Statutes 2024, section 17.1017, is amended to read:

**17.1017 GOOD FOOD ACCESS RETAIL IMPROVEMENT AND DEVELOPMENT PROGRAM.**

Subdivision 1. **Definitions.** (a) For purposes of this section, unless the language or context indicates that a different meaning is intended, the following terms have the meanings given them.

(b) "Account" means the ~~good food access~~ retail improvement and development account established in subdivision 3.

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

(d) "Economic or community development financial institution (ECDFI)" means a lender, including but not limited to a community development financial institution (CDFI), an economic development district (EDD), a political subdivision of the state, a microenterprise firm, or a nonprofit community lending organization that has previous experience lending to a food retailer, producer, or another healthy food enterprise ~~in an underserved community in a low-income or moderate-income area, as defined in this section; has been in existence and operating prior to January 1, 2014;~~ has demonstrated the ability to raise matching capital and in-kind services to leverage appropriated money; has the demonstrated ability to underwrite loans and grants; and has partnered previously with nonprofit healthy food access, public health, or related governmental departments or community organizations.

(e) "Farmers' market" means an association of three or more persons who assemble at a defined location that is open to the public for the purpose of selling directly to the consumer the products of a farm or garden occupied and cultivated by the person selling the product.

(f) "Financing" means loans, including low-interest loans, zero-interest loans, forgivable loans, and other types of financial assistance other than grants.

(g) "Food hub" means a centrally located facility with a business management structure that facilitates the aggregation, storage, processing, distribution, marketing, and sale of locally or regionally produced food products, and which may include a small-scale retail grocery operation.

~~(h) "Good Food Access Program Advisory Committee" means the Good Food Access Program Advisory Committee under section 17.1018.~~

(h) "Food Retail Improvement and Development Program Advisory Committee" means the Food Retail Improvement and Development Program Advisory Committee under section 17.1018.

(i) "Grocery store" means a for-profit, not-for-profit, or cooperative self-service retail establishment that sells primarily meat, fish, seafood, fruits, vegetables, dry groceries, and dairy products and may also sell household products, sundries, and other products. Grocery store includes a supermarket or a large-, mid-, or small-scale retail grocery establishment and may include a mobile food market or a delivery service operation.

(j) "Low-income area" means a census tract as reported in the most recently completed decennial census published by the United States Bureau of the Census that has a poverty rate of at least 20 percent or in which the median family income does not exceed 80 percent of the greater of the statewide or metropolitan median family income.

(k) "Moderate-income area" means a census tract as reported in the most recently completed decennial census published by the United States Bureau of the Census in which the median family income is between 81 percent and 95 percent of the median family income for that area.

(l) "Mobile food market" means a self-contained for-profit, not-for-profit, or cooperative retail grocery operation located in a movable new or renovated truck, bus, or other vehicle that is used to store, prepare, display, and sell primarily meat, fish, seafood, fruits, vegetables, dry groceries, and dairy products and may also be used to sell a nominal supply of cooking utensils and equipment and other household products and sundries.

(m) "Program" means the ~~good food access~~ retail improvement and development program established in this section.

(n) "Small food retailer" means a small-scale retail food outlet, other than a grocery store as defined in this section. Small food retailer includes, but is not limited to, a corner store, convenience store, farmers' market, mobile food market, and a retail food outlet operated by an emergency food program or food hub.

(o) "Technical assistance" means needs-based project assistance provided through the program, including sustainability-focused individualized guidance, presentations, workshops, trainings, printed materials, mentorship opportunities, peer-to-peer opportunities, or other guidance and resources on relevant topics such as business planning, sales projections, cash flow, succession planning, financing, fundraising, marketing, food preparation demonstrations, and workforce training.



(p) "Underserved community" means ~~a census tract that is federally designated as a food desert by the United States Department of Agriculture, or a census tract in a low-income or moderate-income area that includes a substantial subpopulation such as the elderly or the disabled that has low supermarket access, regardless of distance, due to lack of transportation~~ geographic area or group of people whose food access needs are not met by existing retail options, including a low-income and moderate-income area, a census tract that is federally designated as a food desert by the United States Department of Agriculture, an area where there is a limited number of grocery stores, or a group of people with particular needs such as the aging population, people with disabilities, or people with special dietary needs or preferences, or as otherwise defined by the commissioner.

Subd. 2. **Program established.** (a) A ~~good food access~~ retail improvement and development program is established within the Department of Agriculture to increase the availability of and access to affordable, nutritious, and culturally appropriate food, including fresh fruits and vegetables, for underserved communities ~~in low-income and moderate-income areas~~ by providing financial support and sustainable public-private projects to open, renovate, or expand the operations of grocery stores and small food retailers; expanding access to credit and reducing barriers to investment in underserved communities ~~in low- and moderate-income areas~~; and to provide technical assistance, primarily for small food retailers with demonstrated need, to increase availability and sustainable sales of affordable, nutritious, and culturally appropriate food, including fresh fruits and vegetables, to underserved communities in low-income and moderate-income areas. The commissioner, in cooperation with public and private partners, shall establish and implement the program as provided in this section.

(b) The ~~good food access~~ retail improvement and development program shall be comprised of state or private grants, loans, or other types of financial and technical assistance for the establishment, construction, expansion of operations, or renovation of grocery stores and small food retailers to increase the availability of and access to affordable fresh produce and other nutritious, culturally appropriate food to underserved communities ~~in low-income and moderate-income areas~~.

Subd. 3. **Good Food access** retail improvement and development account. A ~~good food access~~ retail improvement and development account is established in the agricultural fund. The account consists of money appropriated by the legislature to the commissioner, as provided by law, and any other money donated, allotted, transferred, or otherwise provided to the account. Money in the account, including interest, is appropriated to the commissioner

42.1 for the purposes of this section, and shall be used, to the extent practicable, to leverage other  
42.2 forms of public and private financing or financial assistance for the projects.

42.3 Subd. 4. **Program administration.** (a) The commissioner shall be the administrator of  
42.4 the account for auditing purposes and shall establish program requirements and a competitive  
42.5 process for projects applying for financial and technical assistance.

42.6 (b) The commissioner may receive money or other assets from any source, including  
42.7 but not limited to philanthropic foundations and financial investors, for deposit into the  
42.8 account.

42.9 (c) Through issuance of requests for proposals, the commissioner may contract with one  
42.10 or more qualified economic or community development financial institutions to manage  
42.11 the financing component of the program and with one or more qualified organizations or  
42.12 public agencies with financial or other program-related expertise to manage the provision  
42.13 of technical assistance to project grantees.

42.14 (d) Money in the account at the close of each fiscal year shall remain in the account and  
42.15 shall not cancel. In each biennium, the commissioner shall determine the appropriate  
42.16 proportion of money to be allocated to loans, grants, technical assistance, and any other  
42.17 types of financial assistance.

42.18 (e) To encourage public-private, cross-sector collaboration and investment in the account  
42.19 and program and to ensure that the program intent is maintained throughout implementation,  
42.20 the commissioner shall convene and maintain the ~~Good Food Access~~ Retail Improvement  
42.21 and Development Program Advisory Committee.

42.22 (f) The commissioner, in cooperation with the ~~Good Food Access~~ Retail Improvement  
42.23 and Development Program Advisory Committee, shall manage the program, establish  
42.24 program criteria, facilitate leveraging of additional public and private investment, and  
42.25 promote the program statewide.

42.26 (g) The commissioner, in cooperation with the ~~Good Food Access~~ Retail Improvement  
42.27 and Development Program Advisory Committee, shall establish annual monitoring and  
42.28 accountability mechanisms for all projects receiving financing or other financial or technical  
42.29 assistance through this program.

42.30 Subd. 5. **Eligible projects.** (a) The commissioner, in cooperation with the program  
42.31 partners and advisers, shall establish project eligibility guidelines and application processes  
42.32 to be used to review and select project applicants for financing or other financial or technical

assistance. All projects must ~~be located in~~ serve an underserved community ~~or must serve primarily underserved communities in low-income and moderate-income areas.~~

(b) Projects eligible for financing include, but are not limited to, new construction, renovations, expansions of operations, and infrastructure upgrades of grocery stores and small food retailers to improve the availability of and access to affordable, nutritious food, including fresh fruits and vegetables, and build capacity in areas of greatest need.

(c) Projects eligible for other types of financial assistance such as grants or technical assistance are primarily projects throughout the state, including, but not limited to, feasibility studies, new construction, renovations, expansion of operations, and infrastructure upgrades of small food retailers.

Subd. 6. **Qualifications for receipt of financing and other financial or technical assistance.** (a) An applicant for receipt of financing through an economic or community development financial institution, or an applicant for a grant or other financial ~~or technical~~ assistance, may be a for-profit or not-for-profit entity, including, but not limited to, a sole proprietorship, limited liability company, corporation, cooperative, nonprofit organization, or nonprofit community development organization. Each applicant must:

(1) demonstrate community engagement in and support for the project;

(2) demonstrate the capacity to successfully implement the project;

(3) demonstrate a viable plan for long-term sustainability, including the ability to increase the availability of and access to affordable, nutritious, and culturally appropriate food, including fresh fruits and vegetables, for underserved communities ~~in low-income and moderate-income areas~~; and

(4) demonstrate the ability to repay the debt, to the extent that the financing requires repayment.

(b) Each applicant must also agree to comply with the following conditions for a period of at least five years, except as otherwise specified in this section:

(1) accept Supplemental Nutrition Assistance Program (SNAP) benefits;

(2) allocate at least 30 percent of retail space for the sale of affordable, nutritious, and culturally appropriate foods, including fruits and vegetables, low-fat and nonfat dairy, fortified dairy substitute beverages such as soy-based or nut-based dairy substitute beverages, whole grain-rich staple foods, meats, poultry, fish, seafood, and other proteins, consistent with nutrition standards in national guidelines described in the current United States Department of Agriculture Dietary Guidelines for Americans; and

(3) comply with all data collection and reporting requirements established by the commissioner; ~~and,~~

~~(4) promote the hiring, training, and retention of local or regional residents from low-income and moderate-income areas that reflect area demographics, including communities of color.~~

(c) A selected project that is a small food retailer is not subject to the allocation agreement under paragraph (b), clause (2), and may use financing, grants, or other financial or technical assistance for refrigeration, displays, or onetime capital expenditures for the promotion and sale of perishable foods, including a combination of affordable, nutritious, and culturally appropriate fresh or frozen dairy, dairy substitute products, produce, meats, poultry, and fish, consistent with nutrition standards in national guidelines described in the current United States Department of Agriculture Dietary Guidelines for Americans.

Subd. 7. **Additional selection criteria.** In determining which qualified projects to finance, and in determining which qualified projects to provide with grants or other types of financial or technical assistance, the commissioner, in cooperation with any entities with which the commissioner contracts for those purposes and the ~~Good Food Access~~ Retail Improvement and Development Program Advisory Committee, ~~shall~~ may also consider:

(1) the level of need in the area to be served;

(2) the degree to which the project requires an investment of public support, or technical assistance where applicable, to move forward, build capacity, create community impact, or be competitive;

(3) the likelihood that the project will have positive economic and health impacts on the underserved community, including creation and retention of jobs for local or regional residents ~~from low-income and moderate-income areas~~ that reflect area demographics, including Indigenous communities and communities of color;

(4) the degree to which the project will participate in state and local health department initiatives to educate consumers on nutrition, promote healthy eating and healthy weight, and support locally grown food products through programs such as Minnesota Grown; and

(5) any other criteria that the commissioner, in cooperation with public and private partners, determines to be consistent with the purposes of this chapter.

Subd. 8. **Eligible costs.** Financing for project loans, including low-interest, zero-interest, and forgivable loans, grants, and other financial or technical assistance, may be used to support one or more of the following purposes:

- 45.1 (1) site acquisition and preparation;
- 45.2 (2) predevelopment costs, including but not limited to feasibility studies, market studies,
- 45.3 and appraisals;
- 45.4 (3) construction and build-out costs;
- 45.5 (4) equipment and furnishings;
- 45.6 (5) workforce or retailer training; and
- 45.7 (6) working capital.

45.8 Subd. 9. **Legislative report.** The commissioner, in cooperation with any economic or  
 45.9 community development financial institution and any other entity with which it contracts,  
 45.10 shall submit an annual report on the good food access program by January 15 of each year  
 45.11 to the chairs and ranking minority members of the house of representatives and senate  
 45.12 committees and divisions with jurisdiction over agriculture policy and finance. The annual  
 45.13 report shall include, but not be limited to, a summary of the following metrics:

- 45.14 (1) the number and types of projects financed;
- 45.15 (2) the amount of dollars leveraged or matched per project;
- 45.16 (3) the geographic distribution of financed projects;
- 45.17 (4) the number and types of technical assistance recipients;
- 45.18 ~~(5) any market or commodity expansion associated with increased access;~~
- 45.19 ~~(6)~~ (5) the demographics of the areas served;
- 45.20 ~~(7)~~ (6) the costs of the program;
- 45.21 ~~(8)~~ (7) the number of SNAP ~~and WIC~~ dollars spent;
- 45.22 ~~(9)~~ (8) any increase in retail square footage;
- 45.23 ~~(10)~~ (9) the number of loans or grants to ~~minority-owned or female-owned businesses~~  
 45.24 businesses owned by women and Black, Indigenous, or Persons of Color; and
- 45.25 ~~(11)~~ (10) measurable economic and health outcomes, including, but not limited to,  
 45.26 increases in sales and consumption of locally sourced and other fresh fruits and vegetables,  
 45.27 the number of construction and retail jobs retained or created, and any health initiatives  
 45.28 associated with the program.

Sec. 2. Minnesota Statutes 2024, section 17.1018, is amended to read:

**17.1018 GOOD FOOD ACCESS RETAIL IMPROVEMENT AND  
DEVELOPMENT PROGRAM ADVISORY COMMITTEE.**

Subdivision 1. **Definitions.** As used in this section, the following terms have the meanings given them:

(1) "program" means the good food access program under section 17.1017; and

(2) "commissioner" means the commissioner of agriculture.

Subd. 2. **Creation.** The ~~Good Food Access~~ Retail Improvement and Development Program Advisory Committee consists of the following members, appointed by the commissioner of agriculture, unless otherwise specified:

(1) the commissioners of health; employment and economic development; and ~~human services~~ children, youth, and families, or their respective designees;

(2) one person representing the grocery industry;

(3) two people representing economic or community development, one rural member and one urban or suburban member;

(4) two people representing political subdivisions of the state;

(5) one person designated by the Council for Minnesotans of African Heritage;

(6) one person designated by the Minnesota Indian Affairs Council;

(7) one person designated by the Council on Asian Pacific Minnesotans;

(8) one person designated by the ~~Chicago-Latino Affairs~~ Council on Latino Affairs;

(9) one person designated by the Minnesota Farmers Union;

(10) one person representing public health experts;

(11) one person representing philanthropic foundations;

(12) one person representing economic or community development financial institutions;

(13) one person representing the University of Minnesota Regional Sustainable Development Partnerships;

(14) two people representing organizations engaged in addressing food security, one representative from a statewide hunger relief organization and one from a community-based organization;

47.1 (15) one person representing immigrant farmer-led organizations;

47.2 (16) one person representing small business technical assistance with experience in food  
47.3 retail; and

47.4 (17) up to four additional members with economic development, health equity, financial,  
47.5 or other relevant expertise.

47.6 At least half of the members must reside in or their organizations must serve rural  
47.7 Minnesota. The commissioner may remove members and fill vacancies as provided in  
47.8 section 15.059, subdivision 4.

47.9 Subd. 3. **Duties.** The advisory committee must advise the commissioner of agriculture  
47.10 on managing the program, establishing program criteria, establishing project eligibility  
47.11 guidelines, establishing application processes and additional selection criteria, establishing  
47.12 annual monitoring and accountability mechanisms, facilitating leveraging of additional  
47.13 public and private investments, and promoting the program statewide.

47.14 Subd. 4. **Meetings.** The commissioner must convene the advisory committee at least  
47.15 two times per year to achieve the committee's duties.

47.16 Subd. 5. **Administrative support.** The commissioner of agriculture must provide staffing,  
47.17 meeting space, and administrative services for the advisory committee.

47.18 Subd. 6. **Chair.** The commissioner of agriculture or the commissioner's designee shall  
47.19 serve as chair of the committee.

47.20 Subd. 7. **Compensation.** The public members of the advisory committee serve without  
47.21 compensation or payment of expenses.

47.22 Subd. 8. **Expiration.** The advisory committee does not expire.

47.23 Sec. 3. Minnesota Statutes 2024, section 17.117, subdivision 1, is amended to read:

47.24 Subdivision 1. **Purpose.** The purpose of the agriculture best management practices loan  
47.25 program is to provide low or no interest financing to farmers, agriculture supply businesses,  
47.26 ~~rural~~ landowners, and water-quality cooperatives for the implementation of agriculture and  
47.27 other best management practices that reduce environmental pollution.

47.28 Sec. 4. Minnesota Statutes 2024, section 17.117, subdivision 3, is amended to read:

47.29 Subd. 3. **Appropriations.** Up to ~~\$140,000,000~~ \$280,000,000 of the balance in the clean  
47.30 water revolving fund in section 446A.07, as determined by the Public Facilities Authority,  
47.31 is appropriated to the commissioner for the establishment of this program. In addition, the

48.1 commissioner may receive appropriations from the legislature and grants or funds from  
48.2 other sources for implementation of the program.

48.3 Sec. 5. Minnesota Statutes 2024, section 17.118, subdivision 1, is amended to read:

48.4 Subdivision 1. **Establishment.** The commissioner may award a livestock investment  
48.5 grant to ~~a person~~ an eligible applicant who raises livestock in this state equal to ~~ten percent~~  
48.6 ~~of the first \$500,000 of qualifying expenditures, provided the person makes qualifying~~  
48.7 ~~expenditures of at least \$4,000~~ 25 percent of the first \$200,000 of qualifying expenditures.  
48.8 The commissioner may award multiple livestock investment grants to a person over the life  
48.9 of the program and shall give preference to applicants who have not previously received a  
48.10 grant under this section.

48.11 Sec. 6. Minnesota Statutes 2024, section 17.118, subdivision 2, is amended to read:

48.12 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this  
48.13 subdivision have the meanings given ~~them~~.

48.14 (b) "Livestock" means animals raised for the production of fiber, meat, and animal  
48.15 by-products for sale or as breeding stock, including but not limited to beef cattle, dairy  
48.16 cattle, swine, poultry, goats, mules, farmed Cervidae, Ratitae, bison, sheep, horses,  
48.17 aquaculture, and llamas.

48.18 (c) "Qualifying expenditures" means the amount spent for:

48.19 (1) the acquisition, construction, or improvement of buildings or facilities for the  
48.20 production of livestock or livestock products;

48.21 (2) the development of pasture for use by livestock including, but not limited to, the  
48.22 acquisition, development, or improvement of:

48.23 (i) lanes used by livestock that connect pastures to a central location;

48.24 (ii) watering systems for livestock on pasture including water lines, booster pumps, and  
48.25 well installations;

48.26 (iii) livestock stream crossing stabilization; and

48.27 (iv) fences; or

48.28 (3) the acquisition of equipment for livestock housing, confinement, feeding, and waste  
48.29 management including, but not limited to, the following:

48.30 (i) freestall barns;



- 49.1 (ii) watering facilities;
- 49.2 (iii) feed storage and handling equipment;
- 49.3 (iv) milking parlors;
- 49.4 (v) robotic equipment;
- 49.5 (vi) scales;
- 49.6 (vii) milk storage and cooling facilities;
- 49.7 (viii) bulk tanks;
- 49.8 (ix) computer hardware and software and associated equipment used to monitor the
- 49.9 productivity and feeding of livestock;
- 49.10 (x) manure pumping and storage facilities;
- 49.11 (xi) swine farrowing facilities;
- 49.12 (xii) swine and cattle finishing barns;
- 49.13 (xiii) calving facilities;
- 49.14 (xiv) digesters;
- 49.15 (xv) equipment used to produce energy;
- 49.16 (xvi) on-farm processing facilities equipment;
- 49.17 (xvii) fences, including but not limited to farmed Cervidae perimeter fences required
- 49.18 under section 35.155, subdivision 4; and
- 49.19 (xviii) livestock pens and corrals and sorting, restraining, and loading chutes.

49.20 Except for qualifying pasture development expenditures under clause (2), qualifying  
49.21 expenditures only include amounts that are allowed to be capitalized and deducted under  
49.22 either section 167 or 179 of the Internal Revenue Code in computing federal taxable income.  
49.23 Qualifying expenditures do not include an amount paid to refinance existing debt.

49.24 Sec. 7. Minnesota Statutes 2024, section 17.118, subdivision 3, is amended to read:

49.25 Subd. 3. **Eligibility.** To be eligible for a livestock investment grant, ~~a person~~ an applicant  
49.26 must:

49.27 (1) be a resident of Minnesota, a unit of Tribal government, or an entity specifically  
49.28 defined in section 500.24, subdivision 2, that is eligible to own farmland and operate a farm  
49.29 in this state under section 500.24;

50.1 (2) be the principal operator of the farm;

50.2 (3) hold a feedlot registration, if required; and

50.3 (4) apply to the commissioner on forms prescribed by the commissioner including a  
50.4 statement of the qualifying expenditures made during the qualifying period along with any  
50.5 proof or other documentation the commissioner may require.

50.6 Sec. 8. Minnesota Statutes 2024, section 17.133, subdivision 1, is amended to read:

50.7 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
50.8 the meanings given.

50.9 (b) "Eligible farmer" means an individual who at the time that the grant is awarded:

50.10 (1) is a resident of Minnesota who intends to acquire farmland located within the state  
50.11 and provide the majority of the day-to-day physical labor and management of the farm;

50.12 (2) grosses no more than \$250,000 per year from the sale of farm products;

50.13 (3) has not, and whose spouse has not, at any time had a direct or indirect ownership  
50.14 interest in farmland; and

50.15 (4) is not, and whose spouse is not, ~~related by blood or marriage to an owner~~ a family  
50.16 member of the owner of the farmland that the individual intends to acquire. "Family member"  
50.17 has the meaning given in section 267(c)(4) of the Internal Revenue Code.

50.18 (c) "Farm down payment" means an initial, partial payment required by a lender or seller  
50.19 to purchase farmland.

50.20 (d) "Incubator farm" means a farm where:

50.21 (1) individuals are given temporary, exclusive, and affordable access to small parcels  
50.22 of land, infrastructure, and often training, for the purpose of honing skills and launching a  
50.23 farm business; and

50.24 (2) a majority of the individuals farming the small parcels of land grow industrial hemp,  
50.25 cannabis, or one or more of the following specialty crops as defined by the United States  
50.26 Department of Agriculture for purposes of the specialty crop block grant program: fruits  
50.27 and vegetables, tree nuts, dried fruits, medicinal plants, culinary herbs and spices, horticulture  
50.28 crops, floriculture crops, and nursery crops.

50.29 (e) "Limited land access" means farming without ownership of land and:

51.1 (1) the individual or the individual's child rents or leases the land, with the term of each  
51.2 rental or lease agreement not exceeding three years in duration, from a person who is not  
51.3 related to the individual or the individual's spouse by blood or marriage; or

51.4 (2) the individual rents the land from an incubator farm.

51.5 (f) "Limited market access" means the individual has gross sales of no more than  
51.6 \$100,000 per year from the sale of farm products.

51.7 Sec. 9. Minnesota Statutes 2024, section 18B.26, subdivision 8, is amended to read:

51.8 Subd. 8. **PFAS prohibitions.** (a) Beginning January 1, 2026, the commissioner may not  
51.9 register a ~~cleaning~~ product in the categories listed in section 116.943, subdivision 5, paragraph  
51.10 (a), if the product contains intentionally added PFAS unless the commissioner determines  
51.11 that the use of PFAS is a currently unavoidable use.

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

51.15 Sec. 10. Minnesota Statutes 2024, section 18C.111, is amended by adding a subdivision  
51.16 to read:

51.17 Subd. 6. **Fertilizers and fertilizer by-products.** The commissioner may coordinate the  
51.18 protection of public health and the environment from the unreasonable adverse effects of  
51.19 fertilizers and fertilizer by-products among state agencies and local governments and may  
51.20 assist other state agencies and local governments in providing such protection.

51.21 Sec. 11. Minnesota Statutes 2024, section 25.391, subdivision 1, is amended to read:

51.22 Subdivision 1. **Exemption.** The provisions of this chapter do not apply to ~~an individual~~  
51.23 a person who prepares and sells home-processed pet treats for dogs and cats, provided the  
51.24 following conditions are met:

51.25 (1) the person is an individual, a sole proprietorship, a single-member limited liability  
51.26 company owned by one individual, or a limited liability company owned by two individuals  
51.27 residing at the same residence;

51.28 (2) the person does not hold a commercial feed license under section 25.341;

51.29 (3) the individual person is registered with the commissioner under section 28A.152,  
51.30 subdivision 4;

52.1       ~~(2)~~ (4) the pet treats are not potentially hazardous food, as defined in Minnesota Rules,  
52.2 part 4626.0020, subpart 62, that is safe for human consumption and for consumption by the  
52.3 intended species;

52.4       ~~(3)~~ (5) the pet treats are baked or dehydrated;

52.5       ~~(4)~~ (6) the ~~individual~~ person displays at the point of sale a clearly legible sign or placard  
52.6 stating, "These products are homemade and not subject to state inspection."; and

52.7       ~~(5)~~ (7) each individual pet treat package is labeled with the following: (i) the name and  
52.8 registration number or address of the individual preparing the pet treat; (ii) the date on which  
52.9 the pet treat was prepared; (iii) the ingredients listed; and (iv) the statement "These products  
52.10 are homemade and not subject to state inspection."

52.11       Sec. 12. Minnesota Statutes 2024, section 25.391, subdivision 2, is amended to read:

52.12       Subd. 2. **Direct sales to consumers.** ~~An individual~~ A person qualifying for the exemption  
52.13 under subdivision 1 may sell the exempt pet treats to consumers in accordance with section  
52.14 28A.152, except that pet treats may also be delivered by mail or commercial delivery.

52.15       Sec. 13. Minnesota Statutes 2024, section 32D.01, is amended by adding a subdivision to  
52.16 read:

52.17       Subd. 12a. **Milk marketer.** "Milk marketer" means any person who collects or procures  
52.18 milk from dairy producers in Minnesota or markets milk on behalf of Minnesota dairy  
52.19 producers. Milk marketer does not include:

52.20       (1) a person who only brokers a contract between a milk producer and a milk contractor  
52.21 but does not become a party to the contract, take control of the milk, or accept payment on  
52.22 behalf of the milk producer;

52.23       (2) a person who only buys or sells milk on a board of trade or commodity exchange;

52.24       (3) a person who collects milk solely from their own farm, for use in their own dairy  
52.25 plant; or

52.26       (4) a person who only sells milk direct to the end consumer, from their own farm.

52.27       Sec. 14. **[32D.31] MILK MARKETING LICENSE.**

52.28       Subdivision 1. **License requirement and eligibility.** A current milk marketing license  
52.29 is required for any milk marketer who procures more than 700,000 pounds of milk annually

53.1 from Minnesota farms. Before a milk marketing license is issued, the commissioner must  
53.2 determine that the applicant meets the relevant licensing requirements.

53.3 Subd. 2. **Application.** An applicant for a milk marketing license must apply on a form  
53.4 provided by the commissioner. An applicant must also submit:

53.5 (1) a report of the total milk payroll obligations that the applicant incurred during the  
53.6 applicant's last completed fiscal year. If the applicant has not yet operated as a milk marketer  
53.7 in Minnesota, the applicant shall estimate the total milk payroll obligations that the applicant  
53.8 will incur during the applicant's first complete fiscal year;

53.9 (2) a report of any milk payroll obligations to dairy producers that were unpaid during  
53.10 the applicant's last completed fiscal year and the payroll amount; and

53.11 (3) the total amount of hundredweights procured, collected, or marketed from Minnesota  
53.12 milk producers during the applicant's last completed fiscal year.

53.13 Subd. 3. **Term of license; transferability.** A milk marketing license issued by the  
53.14 commissioner expires on December 31 of each year, must be renewed annually, and is not  
53.15 transferable.

53.16 Subd. 4. **Fees and penalties.** (a) The fee for a milk marketing license is:

53.17 (1) \$100 for an initial license; and

53.18 (2) \$250 annually for a license renewal.

53.19 (b) The fee must be paid to the commissioner before the commissioner issues an initial  
53.20 or renewal license. If a person has not applied for a milk marketing license renewal before  
53.21 January 1, a late fee of \$100 must be imposed. After January 1, 2026, any person who  
53.22 requires a milk marketing license and conducts activities subject to licensing within 365  
53.23 days prior to obtaining a milk marketing license must pay a penalty of \$250 to receive the  
53.24 person's initial license.

53.25 Subd. 5. **License requirements.** An applicant for a milk marketing license must:

53.26 (1) complete monthly procurement payments under section 32D.11, if applicable;

53.27 (2) provide, upon request of the commissioner, a list of dairy producers from whom the  
53.28 applicant collects milk;

53.29 (3) provide dairy field service as described in section 32D.02, subdivision 6;

53.30 (4) submit associated farm inspection fees as required under sections 32D.06 and 32D.08;

(5) provide, upon the request of the commissioner, a financial statement to demonstrate that sufficient financial resources are available to satisfy payroll obligations for milk that is procured or collected from Minnesota dairy producers; and

(6) satisfy all contractual payments and agreements made with any Minnesota dairy producer that maintains a permit or certification as required under section 32D.05 or 32D.07. A person's failure to pay dairy producers in accordance with contracts may result in the revocation or suspension of the person's milk marketing license.

Subd. 6. **Permit requirement.** (a) A person conducting the following activities must hold a valid milk marketing permit:

(1) any activities subject to a milk marketing license; or

(2) if the person is a Minnesota milk producer, marketing milk on the producer's own behalf.

(b) An applicant must apply for a milk marketing permit on a form provided by the commissioner. A milk marketing permit must be issued to an applicant in conjunction with the initial license issued and must contain a milk marketing permit number. An applicant for a milk marketing permit must not be required to pay a fee to the commissioner when applying. A milk marketing permit is valid if the holder of the permit maintains a current milk marketing license or continues to market the permit holder's own milk, with no renewals required.

Sec. 15. Minnesota Statutes 2024, section 35.155, subdivision 12, is amended to read:

Subd. 12. **Importation.** (a) A person must not import live Cervidae into the state from a state or province where chronic wasting disease has been detected in the farmed or wild cervid population in the last five years unless the animal has tested not detected for chronic wasting disease with a validated live-animal test.

(b) Live Cervidae or Cervidae semen must originate from a herd that has been subject to a state-, federal-, or provincial-approved chronic wasting disease herd certification program and that has reached a status equivalent to the highest certification.

(c) Cervidae imported in violation of this section may be seized and destroyed by the commissioner of natural resources.

(d) This subdivision does not apply to the interstate transfer of animals between two facilities accredited by the Association of Zoos and Aquariums.

(e) Notwithstanding this subdivision, the commissioner of natural resources may issue a permit allowing the importation of orphaned wild cervid species that are not susceptible to chronic wasting disease from another state to an Association of Zoos and Aquariums accredited institution in Minnesota following a joint risk-based assessment conducted by the commissioner and the institution.

(f) Notwithstanding this subdivision, the state veterinarian may issue a permit to a zoo that is a United States Department of Agriculture licensed exhibitor of regulated animals to import live Cervidae from another state if the Cervidae are part of a herd that is:

(1) in the United States Department of Agriculture Herd Certification Program; or

(2) subject to similar equivalent disease surveillance at the discretion of the state veterinarian.

Sec. 16. Minnesota Statutes 2024, section 41A.09, subdivision 2a, is amended to read:

Subd. 2a. **Definitions.** For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(a) "Ethanol" means fermentation ethyl alcohol derived from agricultural products, including potatoes, cereal grains, cheese whey, and sugar beets; forest products; or other renewable resources, including residue and waste generated from the production, processing, and marketing of agricultural products, forest products, and other renewable resources, that:

(1) meets all of the specifications in ASTM specification ~~D4806-04a~~ D4806-21a; and

(2) is denatured as specified in Code of Federal Regulations, title 27, parts 20 and 21.

(b) "Ethanol plant" means a plant at which ethanol is produced.

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

(d) "Rural economic infrastructure" means the development of activities that will enhance the value of agricultural crop or livestock commodities or by-products or waste from farming operations through new and improved value-added conversion processes and technologies, the development of more timely and efficient infrastructure delivery systems, and the enhancement of marketing opportunities. "Rural economic infrastructure" also means land, buildings, structures, fixtures, and improvements located or to be located in Minnesota and used or operated primarily for the processing or the support of production of marketable products from agricultural commodities or wind energy produced in Minnesota.

56.1 Sec. 17. Minnesota Statutes 2024, section 41A.16, subdivision 7, is amended to read:

56.2 Subd. 7. **Eligibility for participants after April 1, 2023.** (a) A facility eligible for  
56.3 payment under this section must source at least 80 percent raw materials from Minnesota.  
56.4 If a facility is sited 50 miles or less from the state border, raw materials may be sourced  
56.5 from within a 100-mile radius. Raw materials must be from agricultural or forestry sources  
56.6 or from solid waste. The facility must be located in Minnesota, must begin production at a  
56.7 specific location after April 1, 2023, and before June 30, 2025, and must not begin operating  
56.8 above 23,750 MMbtu of quarterly advanced biofuel production before July 1, 2015. Eligible  
56.9 facilities include existing companies and facilities that are adding advanced biofuel  
56.10 production capacity, or retrofitting existing capacity, as well as new companies and facilities.  
56.11 Production of conventional corn ethanol and conventional biodiesel is not eligible. Eligible  
56.12 advanced biofuel facilities must produce at least 23,750 MMbtu of biofuel quarterly.

56.13 (b) No payments shall be made for advanced biofuel production that occurs after June  
56.14 30, 2035, for those eligible biofuel producers under paragraph (a).

56.15 (c) An eligible producer of advanced biofuel shall not transfer the producer's eligibility  
56.16 for payments under this section to an advanced biofuel facility at a different location.

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

56.19 (e) Renewable chemical production for which payment has been received under section  
56.20 41A.17, and biomass thermal production for which payment has been received under section  
56.21 41A.18, are not eligible for payment under this section.

56.22 (f) Biobutanol is eligible under this section.

56.23 Sec. 18. Minnesota Statutes 2024, section 41A.30, subdivision 1, is amended to read:

56.24 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
56.25 the meanings given.

56.26 (b) "Aircraft" has the meaning given in section 296A.01, subdivision 3.

56.27 (c) "Aviation gasoline" has the meaning given in section 296A.01, subdivision 7.

56.28 (d) "Commissioner" means the commissioner of agriculture.

56.29 (e) "Jet fuel" has the meaning given in section 296A.01, subdivision 8.

56.30 (f) "Qualifying taxpayer" means a taxpayer, as defined in section 290.01, subdivision  
56.31 6, that is engaged in the business of:



57.1 (1) producing sustainable aviation fuel; or

57.2 (2) blending sustainable aviation fuel with aviation gasoline or jet fuel.

57.3 (g) "Sustainable aviation fuel" means liquid fuel that:

57.4 (1) is derived from biomass, as defined in section 41A.15, subdivision 2e, or gaseous  
57.5 carbon oxides;

57.6 (2) is not derived from palm fatty acid distillates; and

57.7 (3) achieves at least a 50 percent life cycle greenhouse gas emissions reduction in  
57.8 comparison with petroleum-based aviation gasoline, aviation turbine fuel, and jet fuel as  
57.9 determined by a test that shows:

57.10 (i) that the fuel production pathway achieves at least a 50 percent life cycle greenhouse  
57.11 gas emissions reduction in comparison with petroleum-based aviation gasoline, aviation  
57.12 turbine fuel, and jet fuel utilizing the most recent version of Argonne National Laboratory's  
57.13 Greenhouse Gases, Regulated Emissions, and Energy Use in Technologies (GREET) model  
57.14 that accounts for reduced emissions throughout the fuel production process; or

57.15 (ii) that the fuel production pathway achieves at least a 50 percent reduction of the  
57.16 aggregate attributional core life cycle emissions and the positive induced land use change  
57.17 values under the life cycle methodology for sustainable aviation fuels adopted by the  
57.18 International Civil Aviation Organization with the agreement of the United States.

57.19 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
57.20 after December 31, 2023, for sustainable aviation fuel sold after June 30, 2024.

57.21 Sec. 19. Minnesota Statutes 2024, section 41B.039, subdivision 2, is amended to read:

57.22 Subd. 2. **State participation.** The state may participate in a new real estate loan with  
57.23 an eligible lender to a beginning farmer to the extent of 45 percent of the principal amount  
57.24 of the loan ~~or~~. Individual loans must be no less than \$50,000 and no more than \$500,000;  
57.25 ~~whichever is less.~~ The interest rates and repayment terms of the authority's participation  
57.26 interest may be different than the interest rates and repayment terms of the lender's retained  
57.27 portion of the loan.

57.28 Sec. 20. Minnesota Statutes 2024, section 41B.0391, subdivision 1, is amended to read:

57.29 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
57.30 the meanings given.

58.1 (b) "Agricultural assets" means agricultural land, livestock, facilities, buildings, and  
58.2 machinery used for farming in Minnesota.

58.3 (c) "Beginning farmer" means an individual ~~who~~, a single-member limited liability  
58.4 company owned by one individual, or a limited liability company owned by two individuals  
58.5 who are family members. Each individual must:

58.6 (1) ~~is~~ be a resident of Minnesota;

58.7 (2) ~~is~~ be seeking entry, or ~~has~~ have entered within the last ten years, into farming;

58.8 (3) ~~intends~~ intend to farm land located within the state borders of Minnesota;

58.9 (4) except as provided in subdivision 2, paragraph (f), ~~is not and whose spouse is not~~  
58.10 not be, nor may their spouse be, a family member of the owner of the agricultural assets  
58.11 from whom the beginning farmer is seeking to purchase or rent agricultural assets;

58.12 (5) except as provided in subdivision 2, paragraph (f), ~~is not and whose spouse is not~~  
58.13 not be, nor may their spouse be, a family member of a partner, member, shareholder, or  
58.14 trustee of the owner of agricultural assets from whom the beginning farmer is seeking to  
58.15 purchase or rent agricultural assets; and

58.16 (6) ~~meets~~ meet the following eligibility requirements as determined by the authority:

58.17 (i) ~~has~~ have a net worth that does not exceed the limit provided under section 41B.03,  
58.18 subdivision 3, paragraph (a), clause (2);

58.19 (ii) ~~provides~~ provide the majority of the day-to-day physical labor and management of  
58.20 the farm;

58.21 (iii) ~~has~~ have, by the judgment of the authority, adequate farming experience or  
58.22 demonstrates knowledge in the type of farming for which the beginning farmer seeks  
58.23 assistance from the authority;

58.24 (iv) ~~demonstrates~~ demonstrate to the authority a profit potential by submitting projected  
58.25 earnings statements;

58.26 (v) ~~asserts~~ assert to the satisfaction of the authority that farming will be a significant  
58.27 source of income for the beginning farmer;

58.28 (vi) ~~is~~ be enrolled in or ~~has~~ have completed within ten years of their first year of farming  
58.29 a financial management program approved by the authority or the commissioner of  
58.30 agriculture;

(vii) ~~agrees~~ agree to notify the authority if the beginning farmer no longer meets the eligibility requirements within the three-year certification period, in which case the beginning farmer is no longer eligible for credits under this section; and

(viii) ~~has~~ have other qualifications as specified by the authority.

The authority may waive the requirement in item (vi) if the participant requests a waiver and has a four-year degree in an agricultural program or related field, reasonable agricultural job-related experience, or certification as an adult farm management instructor.

~~(d) "Emerging farmer" means an emerging farmer within the meaning of section 17.055, subdivision 1.~~

~~(e)~~ (d) "Family member" means a family member within the meaning of the Internal Revenue Code, section 267(c)(4).

~~(f)~~ (e) "Farm product" means plants and animals useful to humans and includes, but is not limited to, forage and sod crops, oilseeds, grain and feed crops, dairy and dairy products, poultry and poultry products, livestock, fruits, and vegetables.

~~(g)~~ (f) "Farming" means the active use, management, and operation of real and personal property for the production of a farm product.

(g) "Limited land access farmer" means a farmer experiencing limited land access as defined in section 17.133, subdivision 1.

(h) "Owner of agricultural assets" means an individual, trust, or pass-through entity that is the owner in fee of agricultural land or has legal title to any other agricultural asset. Owner of agricultural assets does not mean an equipment dealer, livestock dealer defined in section 17A.03, subdivision 7, or comparable entity that is engaged in the business of selling agricultural assets for profit and that is not engaged in farming as its primary business activity. An owner of agricultural assets approved and certified by the authority under subdivision 4 must notify the authority if the owner no longer meets the definition in this paragraph within the three year certification period and is then no longer eligible for credits under this section.

(i) "Resident" has the meaning given in section 290.01, subdivision 7.

(j) "Share rent agreement" means a rental agreement in which the principal consideration given to the owner of agricultural assets is a predetermined portion of the production of farm products produced from the rented agricultural assets and which provides for sharing production costs or risk of loss, or both.

60.1 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
60.2 31, 2024.

60.3 Sec. 21. Minnesota Statutes 2024, section 41B.0391, subdivision 2, is amended to read:

60.4 Subd. 2. **Tax credit for owners of agricultural assets.** (a) An owner of agricultural  
60.5 assets may take a credit against the tax due under chapter 290 for the sale or rental of  
60.6 agricultural assets to a beginning farmer in the amount allocated by the authority under  
60.7 subdivision 4. An owner of agricultural assets is eligible for allocation of a credit equal to:

60.8 (1) eight percent of the lesser of the sale price or the fair market value of the agricultural  
60.9 asset, up to a maximum of \$50,000;

60.10 (2) ten percent of the gross rental income in each of the first, second, and third years of  
60.11 a rental agreement, up to a maximum of \$7,000 per year; or

60.12 (3) 15 percent of the cash equivalent of the gross rental income in each of the first,  
60.13 second, and third years of a share rent agreement, up to a maximum of \$10,000 per year.

60.14 (b) A qualifying rental agreement includes cash rent of agricultural assets or a share rent  
60.15 agreement. The agricultural asset must be rented at prevailing community rates as determined  
60.16 by the authority.

60.17 (c) The credit may be claimed only after approval and certification by the authority, and  
60.18 is limited to the amount stated on the certificate issued under subdivision 4. An owner of  
60.19 agricultural assets must apply to the authority for certification ~~and allocation~~ of a credit, in  
60.20 a form and manner prescribed by the authority. Applications for credits allowed under  
60.21 paragraph (a), clause (1), are due by November 1, 2025, and each year thereafter.  
60.22 Applications for credits allowed under paragraph (a), clauses (2) and (3), are due by July  
60.23 1, 2025, and each year thereafter.

60.24 (d) An owner of agricultural assets or beginning farmer may terminate a rental agreement,  
60.25 including a share rent agreement, for reasonable cause upon approval of the authority. If a  
60.26 rental agreement is terminated without the fault of the owner of agricultural assets, the tax  
60.27 credits shall not be retroactively disallowed. In determining reasonable cause, the authority  
60.28 must look at which party was at fault in the termination of the agreement. If the authority  
60.29 determines the owner of agricultural assets did not have reasonable cause, the owner of  
60.30 agricultural assets must repay all credits received as a result of the rental agreement to the  
60.31 commissioner of revenue. The repayment is additional income tax for the taxable year in  
60.32 which the authority makes its decision or when a final adjudication under subdivision 5,  
60.33 paragraph (a), is made, whichever is later.

(e) The credit is limited to the liability for tax as computed under chapter 290 for the taxable year. If the amount of the credit determined under this section for any taxable year exceeds this limitation, the excess is a beginning farmer incentive credit carryover according to section 290.06, subdivision 37.

(f) For purposes of the credit for the sale of agricultural land only, the family member definitional exclusions in subdivision 1, paragraph (c), clauses (4) and (5), do not apply. For a sale to a family member to qualify for the credit, the sales price of the agricultural land must equal or exceed the assessed value of the land as of the date of the sale. For purposes of this paragraph, "sale to a family member" means a sale to a beginning farmer in which the beginning farmer or the beginning farmer's spouse is a family member of:

(1) the owner of the agricultural land; or

(2) a partner, member, shareholder, or trustee of the owner of the agricultural land.

(g) For a sale to ~~an emerging~~ a limited land access farmer, the credit rate under paragraph (a), clause (1), is twelve percent rather than eight percent.

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2024.

Sec. 22. Minnesota Statutes 2024, section 41B.0391, subdivision 4, is amended to read:

Subd. 4. **Authority duties.** (a) The authority shall:

(1) approve and certify or recertify beginning farmers as eligible for the program under this section;

(2) approve and certify or recertify owners of agricultural assets as eligible for the tax credit under subdivision 2 subject to the allocation limits in paragraph (c);

(3) provide necessary and reasonable assistance and support to beginning farmers for qualification and participation in financial management programs approved by the authority;

(4) refer beginning farmers to agencies and organizations that may provide additional pertinent information and assistance; and

(5) notwithstanding section 41B.211, the Rural Finance Authority must share information with the commissioner of revenue to the extent necessary to administer provisions under this subdivision and section 290.06, subdivisions 37 and 38. The Rural Finance Authority must annually notify the commissioner of revenue of approval and certification or recertification of beginning farmers and owners of agricultural assets under this section.

62.1 For credits under subdivision 2, the notification must include the amount of credit approved  
62.2 by the authority and stated on the credit certificate.

62.3 (b) The certification of a beginning farmer or an owner of agricultural assets under this  
62.4 section is valid for the year of the certification and the two following years, after which  
62.5 time the beginning farmer or owner of agricultural assets must apply to the authority for  
62.6 recertification.

62.7 (c) For credits for owners of agricultural assets allowed under subdivision 2, the authority  
62.8 must not allocate more than \$6,500,000 for taxable years beginning after December 31,  
62.9 2022, and before January 1, 2024, and \$4,000,000 for taxable years beginning after December  
62.10 31, 2023. The authority must allocate credits on a first-come, first-served basis beginning  
62.11 on January 1 of each year, except that recertifications for the second and third years of  
62.12 credits under subdivision 2, paragraph (a), clauses (1) and (2), have first priority. Any  
62.13 amount authorized but not allocated for taxable years ending before January 1, 2023, is  
62.14 canceled and is not allocated for future taxable years. For taxable years beginning after  
62.15 December 31, 2022, any amount authorized but not allocated in any taxable year does not  
62.16 cancel and is added to the allocation for the next taxable year. For each taxable year, 50  
62.17 percent of newly allocated credits must be allocated to emerging farmers. Any portion of a  
62.18 taxable year's newly allocated credits that is reserved for emerging farmers that is not  
62.19 allocated by ~~September 30~~ June 1 of the taxable year is available for allocation to other  
62.20 credit allocations beginning on ~~October 1~~ June 2.

62.21 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
62.22 31, 2024.

62.23 Sec. 23. Minnesota Statutes 2024, section 41B.0391, subdivision 6, is amended to read:

62.24 Subd. 6. **Report to legislature.** (a) No later than February 1, ~~2024~~, each year the Rural  
62.25 Finance Authority, in consultation with the commissioner of revenue, must provide a report  
62.26 to the chairs and ranking minority members of the legislative committees having jurisdiction  
62.27 over agriculture, economic development, rural development, and taxes, in compliance with  
62.28 sections 3.195 and 3.197, on the beginning farmer tax credits under this section ~~issued in~~  
62.29 ~~tax years beginning after December 31, 2017, and before January 1, 2024.~~

62.30 (b) The report must include background information on beginning farmers in Minnesota  
62.31 and any other information the commissioner and authority find relevant to evaluating the  
62.32 effect of the credits on increasing opportunities for and the number of beginning farmers.

63.1 (c) For credits issued under subdivision 2, paragraph (a), clauses (1) to (3), the report  
63.2 must include:

63.3 (1) the number and amount of credits issued under each clause;

63.4 (2) the geographic distribution of credits issued under each clause;

63.5 (3) the type of agricultural assets for which credits were issued under clause (1);

63.6 (4) the number and geographic distribution of beginning farmers whose purchase or  
63.7 rental of assets resulted in credits for the seller or owner of the asset;

63.8 (5) the number and amount of credits disallowed under subdivision 2, paragraph (d);  
63.9 and

63.10 (6) data on the number of beginning farmers by geographic region ~~in calendar years~~  
63.11 ~~2017 through 2023~~, including:

63.12 (i) the number of beginning farmers by race and ethnicity, as those terms are applied in  
63.13 the 2020 United States Census; and

63.14 (ii) to the extent available, the number of beginning farmers who are ~~emerging~~ limited  
63.15 land access farmers; ~~and~~.

63.16 ~~(7) the number and amount of credit applications that exceeded the allocation available~~  
63.17 ~~in each year.~~

63.18 (d) For credits issued under subdivision 3, the report must include:

63.19 (1) the number and amount of credits issued;

63.20 (2) the geographic distribution of credits;

63.21 (3) a listing and description of each approved financial management program for which  
63.22 credits were issued; and

63.23 (4) a description of the approval procedure for financial management programs not on  
63.24 the list maintained by the authority, as provided in subdivision 3, paragraph (a).

63.25 **EFFECTIVE DATE.** This section is effective for reports due for credits issued for  
63.26 taxable years beginning after December 31, 2025.

63.27 Sec. 24. Minnesota Statutes 2024, section 41B.04, subdivision 8, is amended to read:

63.28 Subd. 8. **State participation.** With respect to loans that are eligible for restructuring  
63.29 under sections 41B.01 to 41B.23 and upon acceptance by the authority, the authority shall  
63.30 enter into a participation agreement or other financial arrangement whereby it shall participate

in a restructured loan to the extent of 45 percent of the primary principal ~~or~~. Individual loans must be no less than \$50,000 and no more than \$625,000, whichever is less. The authority's portion of the loan must be protected during the authority's participation by the first mortgage held by the eligible lender to the extent of its participation in the loan.

Sec. 25. Minnesota Statutes 2024, section 41B.042, subdivision 4, is amended to read:

Subd. 4. **Participation limit; interest.** The authority may participate in new seller-sponsored loans to the extent of 45 percent of the principal amount of the loan ~~or~~. Individual loans must be no less than \$50,000 and no more than \$500,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the seller's retained portion of the loan.

Sec. 26. Minnesota Statutes 2024, section 41B.043, subdivision 1b, is amended to read:

Subd. 1b. **Loan participation.** The authority may participate in an agricultural improvement loan with an eligible lender to a farmer who meets the requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who is actively engaged in farming. Participation is limited to 45 percent of the principal amount of the loan ~~or~~. Individual loans must be no less than \$50,000 and no more than \$500,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the lender's retained portion of the loan.

Sec. 27. Minnesota Statutes 2024, section 41B.045, subdivision 2, is amended to read:

Subd. 2. **Loan participation.** The authority may participate in a livestock expansion and modernization loan with an eligible lender to a livestock farmer who meets the requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who are actively engaged in a livestock operation. A prospective borrower must have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than \$1,700,000 in 2017 and an amount in subsequent years which is adjusted for inflation by multiplying that amount by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index.

Participation is limited to 45 percent of the principal amount of the loan ~~or~~. Individual loans must be no less than \$50,000 and no more than \$625,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different from the interest rates and repayment terms of the lender's retained portion of the loan.



65.1 Sec. 28. Minnesota Statutes 2024, section 41B.047, subdivision 3, is amended to read:

65.2 Subd. 3. **Eligibility.** To be eligible for this program, a borrower must:

65.3 (1) meet the requirements of section 41B.03, subdivision 1;

65.4 (2) certify that the damage or loss was: (i) sustained within a county that was the subject  
65.5 of a state or federal disaster declaration; (ii) due to the confirmed presence of a highly  
65.6 contagious animal disease in Minnesota; (iii) due to an infectious human disease for which  
65.7 the governor has declared a peacetime emergency; or (iv) due to an emergency as determined  
65.8 by the authority;

65.9 (3) demonstrate an ability to repay the loan; ~~and~~

65.10 (4) have received at least 25 percent of annual gross income from farming in the past  
65.11 year; and

65.12 (5) have a total net worth, including assets and liabilities of the borrower's spouse and  
65.13 dependents, of less than \$5,000,000.

65.14 Sec. 29. Minnesota Statutes 2024, section 41B.056, subdivision 1, is amended to read:

65.15 Subdivision 1. **Establishment.** The authority shall establish and implement ~~a pilot~~ an  
65.16 agricultural microloan program to help finance the purchase of agricultural land or the  
65.17 production of specialty crops or eligible livestock. The authority may contract with an  
65.18 intermediary to provide an efficient delivery system for this program.

65.19 Sec. 30. Minnesota Statutes 2024, section 41B.057, subdivision 1, is amended to read:

65.20 Subdivision 1. **Establishment.** The authority shall establish a farm opportunity loan  
65.21 program to provide loans that enable farmers to:

65.22 (1) add value to crops or livestock produced in Minnesota; or

65.23 ~~(2) adopt best management practices that emphasize sufficiency and self-sufficiency;~~

65.24 ~~(3) reduce or improve management of agricultural inputs resulting in environmental~~  
65.25 ~~improvements; or~~

65.26 ~~(4)~~ (2) increase production of on-farm energy.

65.27 Sec. 31. Minnesota Statutes 2024, section 41B.057, subdivision 3, is amended to read:

65.28 Subd. 3. **Loan participation.** The authority may participate in a farm opportunity loan  
65.29 with an eligible lender, as defined in section 41B.02, subdivision 8, to a farmer or a group

of farmers on joint projects who are eligible under subdivision 2, paragraph (c), and who are actively engaged in farming. Participation is limited to 45 percent of the principal amount of the loan or \$100,000 per individual, whichever is less. For loans to a group made up of four or more individuals, participation is limited to 45 percent of the principal amount of the loan or \$250,000, whichever is less. The interest rate on the loans must not exceed six percent. A borrower must have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than \$1,700,000 in 2017 and an amount in subsequent years that is adjusted for inflation by multiplying that amount by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index.

Sec. 32. Minnesota Statutes 2024, section 223.17, subdivision 3, is amended to read:

Subd. 3. **Grain buyers and storage account; fees.** (a) The commissioner shall set the fees for inspections under sections 223.15 to 223.22 at levels necessary to pay the expenses of administering and enforcing sections 223.15 to 223.22. The fee for any license issued or renewed after June 30, 2005, ~~shall be set according to the following schedule:~~ 2025, is \$500 for each licensed location. A licensed location with no grain bin capacity must be charged a \$350 examination fee.

~~(1) \$140 plus \$110 for each additional location for grain buyers whose gross annual purchases are less than \$100,000;~~

~~(2) \$275 plus \$110 for each additional location for grain buyers whose gross annual purchases are at least \$100,000, but not more than \$750,000;~~

~~(3) \$415 plus \$220 for each additional location for grain buyers whose gross annual purchases are more than \$750,000 but not more than \$1,500,000;~~

~~(4) \$550 plus \$220 for each additional location for grain buyers whose gross annual purchases are more than \$1,500,000 but not more than \$3,000,000; and~~

~~(5) \$700 plus \$220 for each additional location for grain buyers whose gross annual purchases are more than \$3,000,000.~~

~~(b) In addition to the license fee required under paragraph (a), a grain buyer must pay to the commissioner an annual examination fee for each licensed location, as follows:~~

<del>Bushel Capacity</del>	<del>Examination Fee</del>
<del>Examinations without a grain measure</del>	<del>\$ 100</del>
<del>Less than 150,001</del>	<del>\$ 300</del>
<del>150,001 to 250,000</del>	<del>\$ 425</del>

67.1	<del>250,001 to 500,000</del>	\$	545
67.2	<del>500,001 to 750,000</del>	\$	700
67.3	<del>750,001 to 1,000,000</del>	\$	865
67.4	<del>1,000,001 to 1,200,000</del>	\$	<del>1,040</del>
67.5	<del>1,200,001 to 1,500,000</del>	\$	<del>1,205</del>
67.6	<del>1,500,001 to 2,000,000</del>	\$	<del>1,380</del>
67.7	<del>More than 2,000,000</del>	\$	<del>1,555</del>

67.8        (b) Examination fees must be calculated based on bushel capacity of each licensed  
67.9 location with a charge of \$0.0035 per bushel of capacity.

67.10      (c) Examination fees must not be less than \$350 and must not exceed \$4,000.

67.11      ~~(e)~~ (d) The fee for any supplemental examination required by the commissioner under  
67.12 section 223.23 is ~~\$55~~ \$110 per hour per examiner.

67.13      ~~(d)~~ (e) A licensed grain buyer meeting the annual examination requirements under section  
67.14 223.23 is exempt from the fees under paragraph (b) if the annual examination is conducted  
67.15 by the Agricultural Marketing Service of the United State Department of Agriculture.

67.16      ~~(e)~~ (f) A penalty amount not to exceed ten percent of the fees due may be imposed by  
67.17 the commissioner for each month for which the fees are delinquent.

67.18      ~~(f)~~ (g) There is created the grain buyers and storage account in the agricultural fund.  
67.19 Money collected pursuant to sections 223.15 to 223.23 shall be paid into the state treasury  
67.20 and credited to the grain buyers and storage account. Money in the account, including  
67.21 interest, is appropriated to the commissioner for the administration and enforcement of  
67.22 sections 223.15 to 223.23.

67.23      **EFFECTIVE DATE.** This section is effective July 1, 2025.

67.24      Sec. 33. Minnesota Statutes 2024, section 232.22, subdivision 3, is amended to read:

67.25      Subd. 3. **Fees; grain buyers and storage account.** (a) There is created in the agricultural  
67.26 fund an account known as the grain buyers and storage account. The commissioner shall  
67.27 set the fees for examinations, certifications, and licenses under sections 232.20 to 232.24  
67.28 at levels necessary to pay the costs of administering and enforcing sections 232.20 to 232.24.  
67.29 All money collected pursuant to sections 232.20 to 232.24 shall be paid by the commissioner  
67.30 into the state treasury and credited to the grain buyers and storage account. Money in the  
67.31 account, including interest, is appropriated to the commissioner for the administration and  
67.32 enforcement of sections 232.20 to 232.24.

(b) All money collected pursuant to chapter 231 shall be paid by the commissioner into the grain buyers and storage account. Money in the account is appropriated to the commissioner for the administration and enforcement of chapter 231.

(c) The fees for a license to store grain are as follows:

(1) for a license to store grain, ~~\$110~~ \$300 for each home rule charter or statutory city or town in which a public grain warehouse is operated; and

~~(2) in addition to the license fee required under clause (1), a person with a license to store grain in a public grain warehouse is subject to an examination fee for each licensed location, as follows:~~

<del>Bushel Capacity</del>	<del>Examination Fee</del>
<del>Less than 150,001</del>	<del>\$ 300</del>
<del>150,001 to 250,000</del>	<del>\$ 425</del>
<del>250,001 to 500,000</del>	<del>\$ 545</del>
<del>500,001 to 750,000</del>	<del>\$ 700</del>
<del>750,001 to 1,000,000</del>	<del>\$ 865</del>
<del>1,000,001 to 1,200,000</del>	<del>\$ 1,040</del>
<del>1,200,001 to 1,500,000</del>	<del>\$ 1,205</del>
<del>1,500,001 to 2,000,000</del>	<del>\$ 1,380</del>
<del>More than 2,000,000</del>	<del>\$ 1,555</del>

~~(3)~~ (2) the fee for supplemental examinations required by the commissioner under section 232.24 is ~~\$55~~ \$110 per hour per examiner.

(d) A penalty amount not to exceed ten percent of the fees due may be imposed by the commissioner for each month for which the fees are delinquent.

**EFFECTIVE DATE.** This section is effective July 1, 2025.

Sec. 34. Minnesota Statutes 2024, section 239.761, subdivision 3, is amended to read:

Subd. 3. **Gasoline.** (a) Gasoline that is not blended with biofuel must not be contaminated with water or other impurities and must comply with ASTM specification ~~D4814-11b~~ D4814-24a. Gasoline that is not blended with biofuel must also comply with the volatility requirements in Code of Federal Regulations, title 40, part 1090.

(b) After gasoline is sold, transferred, or otherwise removed from a refinery or terminal, a person responsible for the product:

69.1 (1) may blend the gasoline with agriculturally derived ethanol as provided in subdivision  
69.2 4;

69.3 (2) shall not blend the gasoline with any oxygenate other than biofuel;

69.4 (3) shall not blend the gasoline with other petroleum products that are not gasoline or  
69.5 biofuel;

69.6 (4) shall not blend the gasoline with products commonly and commercially known as  
69.7 casinghead gasoline, absorption gasoline, condensation gasoline, drip gasoline, or natural  
69.8 gasoline; and

69.9 (5) may blend the gasoline with a detergent additive, an antiknock additive, or an additive  
69.10 designed to replace tetra-ethyl lead, that is registered by the EPA.

69.11 Sec. 35. Minnesota Statutes 2024, section 239.761, subdivision 4, is amended to read:

69.12 Subd. 4. **Gasoline blended with ethanol; general.** (a) Gasoline may be blended with  
69.13 agriculturally derived, denatured ethanol that complies with the requirements of subdivision  
69.14 5.

69.15 (b) A gasoline-ethanol blend must:

69.16 (1) comply with the volatility requirements in Code of Federal Regulations, title 40, part  
69.17 1090;

69.18 (2) comply with ASTM specification ~~D4814-11b~~ D4814-24a, or the gasoline base stock  
69.19 from which a gasoline-ethanol blend was produced must comply with ASTM specification  
69.20 ~~D4814-11b~~ D4814-24a; and

69.21 (3) not be blended with casinghead gasoline, absorption gasoline, condensation gasoline,  
69.22 drip gasoline, or natural gasoline after the gasoline-ethanol blend has been sold, transferred,  
69.23 or otherwise removed from a refinery or terminal.

69.24 Sec. 36. Minnesota Statutes 2024, section 239.761, subdivision 5, is amended to read:

69.25 Subd. 5. **Denatured ethanol.** Denatured ethanol that is to be blended with gasoline must  
69.26 be agriculturally derived and must comply with ASTM specification ~~D4806-11a~~ D4806-21a.  
69.27 This includes the requirement that ethanol may be denatured only as specified in Code of  
69.28 Federal Regulations, title 27, parts 20 and 21.

70.1 Sec. 37. Minnesota Statutes 2024, section 239.761, subdivision 6, is amended to read:

70.2 Subd. 6. **Gasoline blended with nonethanol oxygenate.** (a) A person responsible for  
70.3 the product shall comply with the following requirements:

70.4 (1) after July 1, 2000, gasoline containing in excess of one-third of one percent, in total,  
70.5 of nonethanol oxygenates listed in paragraph (b) must not be sold or offered for sale at any  
70.6 time in this state; and

70.7 (2) after July 1, 2005, gasoline containing any of the nonethanol oxygenates listed in  
70.8 paragraph (b) must not be sold or offered for sale in this state.

70.9 (b) The oxygenates prohibited under paragraph (a) are:

70.10 (1) methyl tertiary butyl ether, as defined in section 296A.01, subdivision 34;

70.11 (2) ethyl tertiary butyl ether, as defined in section 296A.01, subdivision 18; or

70.12 (3) tertiary amyl methyl ether.

70.13 (c) Gasoline that is blended with a nonethanol oxygenate must comply with ASTM  
70.14 specification ~~D4814-11b~~ D4814-24a. Nonethanol oxygenates must not be blended into  
70.15 gasoline after the gasoline has been sold, transferred, or otherwise removed from a refinery  
70.16 or terminal.

70.17 Sec. 38. Minnesota Statutes 2024, section 296A.01, subdivision 20, is amended to read:

70.18 Subd. 20. **Ethanol, denatured.** "Ethanol, denatured" means ethanol that is to be blended  
70.19 with gasoline, has been agriculturally derived, and complies with ASTM specification  
70.20 ~~D4806-11a~~ D4806-21a. This includes the requirement that ethanol may be denatured only  
70.21 as specified in Code of Federal Regulations, title 27, parts 20 and 21.

70.22 Sec. 39. Minnesota Statutes 2024, section 296A.01, subdivision 23, is amended to read:

70.23 Subd. 23. **Gasoline.** (a) "Gasoline" means:

70.24 (1) all products commonly or commercially known or sold as gasoline regardless of  
70.25 their classification or uses, except casinghead gasoline, absorption gasoline, condensation  
70.26 gasoline, drip gasoline, or natural gasoline that under the requirements of section 239.761,  
70.27 subdivision 3, must not be blended with gasoline that has been sold, transferred, or otherwise  
70.28 removed from a refinery or terminal; and

70.29 (2) any liquid prepared, advertised, offered for sale or sold for use as, or commonly and  
70.30 commercially used as, a fuel in spark-ignition, internal combustion engines, and that when

71.1 tested by the Weights and Measures Division meets the specifications in ASTM specification  
71.2 ~~D4814-11b~~ D4814-24a.

71.3 (b) Gasoline that is not blended with ethanol must not be contaminated with water or  
71.4 other impurities and must comply with both ASTM specification ~~D4814-11b~~ D4814-24a  
71.5 and the volatility requirements in Code of Federal Regulations, title 40, part 1090.

71.6 (c) After gasoline is sold, transferred, or otherwise removed from a refinery or terminal,  
71.7 a person responsible for the product:

71.8 (1) may blend the gasoline with agriculturally derived ethanol, as provided in subdivision  
71.9 24;

71.10 (2) must not blend the gasoline with any oxygenate other than denatured, agriculturally  
71.11 derived ethanol;

71.12 (3) must not blend the gasoline with other petroleum products that are not gasoline or  
71.13 denatured, agriculturally derived ethanol;

71.14 (4) must not blend the gasoline with products commonly and commercially known as  
71.15 casinghead gasoline, absorption gasoline, condensation gasoline, drip gasoline, or natural  
71.16 gasoline; and

71.17 (5) may blend the gasoline with a detergent additive, an antiknock additive, or an additive  
71.18 designed to replace tetra-ethyl lead, that is registered by the EPA.

71.19 Sec. 40. Minnesota Statutes 2024, section 296A.01, subdivision 24, is amended to read:

71.20 Subd. 24. **Gasoline blended with nonethanol oxygenate.** "Gasoline blended with  
71.21 nonethanol oxygenate" means gasoline blended with ETBE, MTBE, or other alcohol or  
71.22 ether, except denatured ethanol, that is approved as an oxygenate by the EPA, and that  
71.23 complies with ASTM specification ~~D4814-11b~~ D4814-24a. Oxygenates, other than denatured  
71.24 ethanol, must not be blended into gasoline after the gasoline has been sold, transferred, or  
71.25 otherwise removed from a refinery or terminal.

71.26 Sec. 41. **[343.256] ELECTIVE DECLAWING PROHIBITED.**

71.27 Subdivision 1. **Definitions.** (a) For purposes of this section, the terms in this subdivision  
71.28 have the meanings given.

71.29 (b) "Cat" means an animal of the taxonomic family *Felidae*.

72.1 (c) "Declawing" means an onychectomy or any other surgical procedure to amputate or  
72.2 modify a portion of a cat's paw in order to remove the cat's claws. Declawing does not  
72.3 include the trimming of nonviable claw husk or placing nonpermanent nail caps.

72.4 (d) "Procedure performed solely for a therapeutic purpose" means a medically necessary  
72.5 procedure to address an existing or recurring infection, disease, injury, or abnormal condition  
72.6 in the claws, nail bed, or toe bone that jeopardizes the cat's health. Procedure performed  
72.7 solely for a therapeutic purpose does not include a procedure performed for a cosmetic or  
72.8 aesthetic purpose or to make a cat more convenient to keep or handle.

72.9 (e) "Tendonectomy" means a procedure in which the tendons to a cat's limbs, paws, or  
72.10 toes are cut or modified so that the normal functioning of the claws is impaired.

72.11 Subd. 2. **Prohibited acts.** Except as provided in subdivision 3, a person must not perform  
72.12 surgical claw removal, declawing, or a tendonectomy on any cat or otherwise alter a cat's  
72.13 toes, claws, or paws in a manner that prevents or impairs the normal function of the cat's  
72.14 toes, claws, or paws.

72.15 Subd. 3. **Therapeutic purpose.** The prohibition in subdivision 2 does not apply to a  
72.16 procedure performed solely for a therapeutic purpose.

72.17 Sec. 42. **LOCAL FOOD PURCHASING ASSISTANCE GRANT PROGRAM.**

72.18 (a) The commissioner of agriculture may award grants to eligible applicants to purchase  
72.19 and distribute food at no cost to Minnesotans experiencing food insecurity. When awarding  
72.20 grants, the commissioner of agriculture must give preference to applicants that:

72.21 (1) source 100 percent of food from Minnesota;

72.22 (2) source at least 70 percent of food from farmers who are experiencing limited land  
72.23 access or limited market access as defined in Minnesota Statutes, section 17.133, subdivision  
72.24 1; and

72.25 (3) demonstrate strong connections to individuals whose needs are not met through the  
72.26 traditional emergency food system.

72.27 (b) Eligible applicants include but are not limited to individuals, nonprofit organizations,  
72.28 for-profit businesses, Tribal governments, government entities, agricultural cooperatives,  
72.29 economic development organizations, and educational institutions.

72.30 (c) Grantees may use up to 15 percent of each grant awarded under this section for  
72.31 administrative and transportation expenses.



73.1 Sec. 43. **REPEALER.**

73.2 (a) Minnesota Statutes 2024, section 239.77, subdivision 5, is repealed.

73.3 (b) Minnesota Statutes 2024, sections 35.68; and 35.830, are repealed.

73.4 Sec. 44. **EFFECTIVE DATE.**

73.5 Except as otherwise provided, this article is effective August 1, 2025.

73.6 **ARTICLE 4**

73.7 **LIVESTOCK MARKET AGENCY AND DEALER LICENSING PROVISIONS**

73.8 Section 1. Minnesota Statutes 2024, section 17A.03, subdivision 8, is amended to read:

73.9 Subd. 8. **Livestock dealer agent.** "Livestock dealer agent" means any individual who  
73.10 is engaged by a livestock dealer to act as the dealer's representative.

73.11 Sec. 2. Minnesota Statutes 2024, section 17A.03, subdivision 10, is amended to read:

73.12 Subd. 10. **Meat packing plants companies, packers, and slaughtering houses.** "Meat  
73.13 packing plants companies," "packers," and "slaughtering houses" ~~means~~ mean places of  
73.14 business ~~where livestock purchased or acquired is slaughtered~~ that have the meaning given  
73.15 to "packers" as defined in section 31B.02, subdivision 8.

73.16 Sec. 3. Minnesota Statutes 2024, section 17A.03, subdivision 11, is amended to read:

73.17 Subd. 11. **Buying station.** "Buying station" means any stockyard or concentration point,  
73.18 other than a public stockyard, at which livestock is bought and sold or assembled for shipment  
73.19 to a meat packing plant company or a public stockyard, or graded or weighed for the purpose  
73.20 of establishing a basis for sale or reshipment.

73.21 Sec. 4. Minnesota Statutes 2024, section 17A.03, is amended by adding a subdivision to  
73.22 read:

73.23 Subd. 16. **Meat packing company agent.** "Meat packing company agent" means an  
73.24 individual who is engaged by a meat packing company to act as the company's representative.

73.25 Sec. 5. Minnesota Statutes 2024, section 17A.04, subdivision 1, is amended to read:

73.26 Subdivision 1. **Licensing provisions.** (a) Licenses shall be issued to livestock market  
73.27 agencies and public stockyards annually and shall expire on December 31 each year,  
73.28 renewable annually thereafter. A separate license must be obtained for each separate

geographical location even though operated under the same management or same person, partnership, firm, corporation, or livestock market. The license issued to a livestock market agency ~~and~~ or public stockyard shall be conspicuously posted at the licensee's place of business.

(b) Licenses shall be required for livestock dealers ~~and their agents~~, livestock dealer agents, meat packing companies, and meat packing company agents for the period beginning July 1 each year and ending June 30. A license issued under this subdivision is renewable annually thereafter. The license issued to a livestock dealer ~~or the agent of a~~, livestock dealer agent, meat packing company, or meat packing company agent shall be carried by the person ~~so who is~~ licensed. ~~The~~ A livestock dealer or meat packing company shall be responsible for the acts of the ~~dealer's agents~~ livestock dealer agent or meat packing company agent. Licensed livestock market agencies, public stockyards, and livestock dealers shall be responsible for the faithful performance of duty of the public livestock weighers at their places of business. The license issued to a livestock market agency, public stockyard ~~or~~, meat packing company, meat packing company agent, livestock dealer, or agent of a livestock dealer agent is not transferable. The operation of livestock market agencies, livestock dealers, agents, and ~~packers~~ meat packing companies at a public stockyard are exempt from sections 17A.01 to 17A.09 and 17A.12 to 17A.17.

Sec. 6. Minnesota Statutes 2024, section 17A.04, subdivision 2, is amended to read:

Subd. 2. **Application.** Any person desiring to carry on the business of a livestock market agency or livestock dealer, or both, or a public stockyard, livestock dealer agent, meat packing company, or meat packing company agent shall make application to the commissioner on a form or forms provided by the commissioner.

Sec. 7. Minnesota Statutes 2024, section 17A.04, subdivision 4, is amended to read:

Subd. 4. **Surety bonds required.** Each livestock market agency and livestock dealer applying for a license ~~under Laws 1974, chapter 347~~ shall file with the commissioner a valid and effective bond issued by a surety company licensed to do business in this state, or meeting the requirements of section 17A.05, in the form and amount set forth in section 17A.05. No bond shall be required of a public stockyard or any agent of a bonded livestock dealer. The commissioner may at any time raise or lower bond requirements if it appears that a modification of such bond requirements is justified and will protect the public. The bonds of livestock market agencies and dealers whose residence or principal place of business is within the state of Minnesota shall name the commissioner as the trustee. ~~Any~~ A license

75.1 ~~issued under Laws 1974, chapter 347~~ shall automatically become void upon the termination  
75.2 of the surety bond covering the licensed operations.

75.3 Sec. 8. Minnesota Statutes 2024, section 17A.04, subdivision 6, is amended to read:

75.4 Subd. 6. **Refusal to license.** The commissioner shall refuse to issue or renew a livestock  
75.5 market agency, meat packing company, or livestock dealer license if the applicant has not  
75.6 filed a surety bond in the form and amount required under this section and section 17A.05;  
75.7 the commissioner may refuse to issue or renew a license if the applicant: (1) has not  
75.8 satisfactorily demonstrated by a current balance sheet and financial statement that the  
75.9 applicant's assets exceed liabilities; (2) has been found by the department to have failed to  
75.10 pay, without reasonable cause, obligations incurred in connection with livestock transactions;  
75.11 (3) has failed to maintain and operate livestock or monorail scales in a manner to ensure  
75.12 accurate and correct weights; or (4) has failed to comply with other statutes, rules, or  
75.13 regulations enforced by the commissioner, the Board of Animal Health, the Division of  
75.14 Weights and Measures of the Department of Commerce, or the federal Packers and  
75.15 Stockyards Administration.

75.16 Sec. 9. Minnesota Statutes 2024, section 17A.04, subdivision 7, is amended to read:

75.17 Subd. 7. **Revocation of license.** Whenever the commissioner finds that any livestock  
75.18 market agency, meat packing company, or livestock dealer has violated the provisions of  
75.19 this chapter, or has failed to comply with other laws, rules, or regulations enforced by the  
75.20 Board of Animal Health, the Division of Weights and Measures of the Department of  
75.21 Commerce, or the federal Packers and Stockyards Administration, the commissioner may,  
75.22 by order, pursuant to the provisions of chapter 14, and this subdivision, revoke the license  
75.23 of the offender. ~~Before any such license shall be revoked, the licensee shall be furnished~~  
75.24 ~~with a statement of the complaints made against the licensee, and a hearing shall be had~~  
75.25 ~~before the commissioner upon at least ten days' notice to the licensee to determine whether~~  
75.26 ~~such license shall be revoked, which notice may be served either by certified mail addressed~~  
75.27 ~~to the address of the licensee as shown in the license application or in the manner provided~~  
75.28 ~~by law for the service of a summons. At the time and place fixed for hearing, the~~  
75.29 ~~commissioner or any official, employee or agent of the department authorized by the~~  
75.30 ~~commissioner, shall receive evidence, administer oaths, examine witnesses, hear the~~  
75.31 ~~testimony and thereafter file an order either dismissing the proceedings or revoking the~~  
75.32 ~~license.~~

76.1 Sec. 10. Minnesota Statutes 2024, section 17A.04, subdivision 8, is amended to read:

76.2 Subd. 8. **Suspension of license.** Whenever the commissioner finds that the licensee has  
76.3 violated provisions of this chapter, or has failed to comply with other laws, rules, or  
76.4 regulations enforced by the Board of Animal Health, the Division of Weights and Measures  
76.5 of the Department of Commerce, or the federal Packers and Stockyards Administration,  
76.6 and that the continued activity of a licensee may cause irreparable injury or loss to persons  
76.7 engaged in business with the licensee, the commissioner may, without hearing, suspend the  
76.8 license of the licensee, provided that when a license is so suspended, the commissioner shall  
76.9 immediately initiate procedures to afford the licensee a hearing pursuant to subdivision 7  
76.10 ~~except that the ten days' notice required in subdivision 7 may be waived by the licensee.~~

76.11 Sec. 11. Minnesota Statutes 2024, section 17A.06, subdivision 2, is amended to read:

76.12 Subd. 2. **Hearing on claims.** In case of default by the licensee, the commissioner shall  
76.13 have the power to have the matter heard as a contested case pursuant to procedures outlined  
76.14 in chapter 14. ~~No hearing shall be required if all affected parties to a bond claim proceeding~~  
76.15 ~~waive their right to a hearing and agree to accept the commissioner's determination as to~~  
76.16 ~~the validity of the claim and the allocation of the proceeds of the bond. The commissioner~~  
76.17 must first determine whether a claim is valid. If the commissioner determines that a claim  
76.18 is valid, the commissioner must notify the licensee of the determination and that the licensee  
76.19 has 15 days to either pay the claim or appeal the determination. If the licensee does not  
76.20 respond within 15 days, the determination must be considered a final order by the  
76.21 commissioner. If the commissioner determines that a claim is not valid, the commissioner  
76.22 must notify the claimant of the determination and that the claimant has 15 days to appeal  
76.23 the determination. If the claimant does not respond within 15 days, the determination must  
76.24 be considered a final order by the commissioner.

76.25 Sec. 12. Minnesota Statutes 2024, section 17A.06, subdivision 3, is amended to read:

76.26 Subd. 3. **Public notice.** ~~Prior to a hearing~~ After the commissioner determines that a  
76.27 claim is valid, the commissioner shall publish a notice setting forth the default of the licensee  
76.28 and requiring all claimants to file proof of claim with the commissioner within 45 days of  
76.29 the date such notice is published or be barred from participating in the proceeds of the bond.  
76.30 Such publication shall be made in a newspaper published in the county in which the licensee's  
76.31 principal place of business is located. The commissioner shall also fulfill any notice  
76.32 requirements prescribed by chapter 14 and rules of the Office of Administrative Hearings.  
76.33 No claim shall be allowed unless it is filed with the commissioner within one year of the

77.1 date of the transaction. If a livestock market agency, meat packing company, or livestock  
77.2 dealer has on file a Packers and Stockyards Act bond and is registered with the Packers and  
77.3 Stockyards Administration, the terms of the bond or that federal agency's regulations will  
77.4 control.

77.5 Sec. 13. Minnesota Statutes 2024, section 17A.07, is amended to read:

77.6 **17A.07 PROHIBITED CONDUCT.**

77.7 It shall be unlawful for any person to: (1) carry on the business of a livestock market  
77.8 agency, livestock dealer, livestock dealer agent, meat packing company, meat packing  
77.9 company agent, or public stockyard without a valid and effective license issued by the  
77.10 commissioner under the provisions of section 17A.04; (2) carry on the business of a livestock  
77.11 market agency, meat packing company, or livestock dealer without filing and maintaining  
77.12 a valid and effective surety bond in conformity with sections 17A.04 and 17A.05; (3) carry  
77.13 on the business of a livestock market agency, meat packing company, or livestock dealer  
77.14 if the person cannot pay debts as they become due or ceases to pay debts in the ordinary  
77.15 course of business as they become due; (4) use or allow to be used any livestock scale or  
77.16 monorail scale which has not been certified and approved for official use or has been found  
77.17 to be inaccurate; (5) fail to maintain and operate livestock or monorail scales in a manner  
77.18 to ensure accurate and correct weights; (6) weigh livestock or carcasses at other than true  
77.19 and correct weights or issue accounts and records on the basis of inaccurate or incorrect  
77.20 weights; (7) engage in or use any unfair or deceptive practice or device in connection with  
77.21 marketing of livestock; (8) willfully make or cause to be made any false entry or statement  
77.22 of fact in any application, financial statement or report filed with the department under this  
77.23 chapter.

77.24 Sec. 14. Minnesota Statutes 2024, section 17A.08, is amended to read:

77.25 **17A.08 RECORD KEEPING.**

77.26 Every person shall make and retain such accounts, records, and memoranda necessary  
77.27 to fully and correctly disclose all transactions involved in the person's business, including  
77.28 the true ownership of such business by stockholding or otherwise. Whenever the  
77.29 commissioner finds that the accounts, records, and memoranda of any such person do not  
77.30 fully and correctly disclose all transactions involved in the person's business, the  
77.31 commissioner may ~~prescribe~~ take enforcement actions in addition to prescribing the manner  
77.32 or form and length of time for retention which such accounts, records, and memoranda shall  
77.33 be kept. The commissioner shall at all reasonable times have access to, for the purpose of

78.1 examination, and the right to copy any documentary evidence of any person being  
78.2 investigated or proceeded against.

78.3 Sec. 15. Minnesota Statutes 2024, section 17A.15, is amended to read:

78.4 **17A.15 POWERS AND DUTIES OF COMMISSIONER.**

78.5 The commissioner shall enforce the provisions of ~~Laws 1974, chapter 347~~ this chapter  
78.6 and shall promulgate, in the manner provided by law, such rules as the commissioner deems  
78.7 necessary or desirable, and may cooperate with any department of state or government, to  
78.8 carry out the provisions of sections 17A.01 to 17A.15. The commissioner or a duly authorized  
78.9 agent shall have the power to issue subpoenas, administer oaths and affirmations, examine  
78.10 witnesses, receive evidence, and shall have the power to require by subpoena the attendance  
78.11 and testimony of witnesses and the production of all such documentary evidence relating  
78.12 to any matter under investigation or administrative proceeding.

78.13 Sec. 16. **EFFECTIVE DATE.**

78.14 This article is effective August 1, 2025.

78.15 **ARTICLE 5**

78.16 **SEED POTATO PROVISIONS**

78.17 Section 1. Minnesota Statutes 2024, section 18J.01, is amended to read:

78.18 **18J.01 DEFINITIONS.**

78.19 (a) The definitions in this section; chapters 18G, 18H, 18K, 27, 223, 231, and 232; and  
78.20 sections 18G.02, 18H.02, 18K.02, 27.01, 223.16, 231.01, and 232.21 21.111 to 21.125 and  
78.21 21.80 to 21.92 apply to this chapter.

78.22 (b) For purposes of this chapter, "associated rules" means rules adopted under this  
78.23 chapter, chapter 18G, 18H, 18K, 27, 223, 231, or 232, or sections ~~21.80~~ 21.111 to 21.92  
78.24 21.125.

78.25 Sec. 2. Minnesota Statutes 2024, section 18J.02, is amended to read:

78.26 **18J.02 DUTIES OF COMMISSIONER.**

78.27 The commissioner shall administer and enforce this chapter, chapters 18G, 18H, 18K,  
78.28 27, 223, 231, and 232; sections 21.111 to 21.125, and 21.80 to 21.92; and associated rules.

79.1 Sec. 3. Minnesota Statutes 2024, section 18J.03, is amended to read:

79.2 **18J.03 CIVIL LIABILITY.**

79.3 A person regulated by this chapter, chapter 18G, 18H, 18K, 27, 223, 231, or 232, or  
79.4 sections 21.111 to 21.125 or 21.80 to 21.92, is civilly liable for any violation of one of those  
79.5 statutes or associated rules by the person's employee or agent.

79.6 Sec. 4. Minnesota Statutes 2024, section 18J.04, subdivision 1, is amended to read:

79.7 Subdivision 1. **Access and entry.** The commissioner, upon presentation of official  
79.8 department credentials, must be granted immediate access at reasonable times to sites where  
79.9 a person manufactures, distributes, uses, handles, disposes of, stores, or transports seeds,  
79.10 plants, grain, household goods, general merchandise, produce, or other living or nonliving  
79.11 products or other objects regulated under chapter 18G, 18H, 18K, 27, 223, 231, or 232;  
79.12 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules.

79.13 Sec. 5. Minnesota Statutes 2024, section 18J.04, subdivision 2, is amended to read:

79.14 Subd. 2. **Purpose of entry.** (a) The commissioner may enter sites for:

79.15 (1) inspection of inventory and equipment for the manufacture, storage, handling,  
79.16 distribution, disposal, or any other process regulated under chapter 18G, 18H, 18K, 27, 223,  
79.17 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;

79.18 (2) sampling of sites, seeds, plants, products, grain, household goods, general  
79.19 merchandise, produce, or other living or nonliving objects that are manufactured, stored,  
79.20 distributed, handled, or disposed of at those sites and regulated under chapter 18G, 18H,  
79.21 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;

79.22 (3) inspection of records related to the manufacture, distribution, storage, handling, or  
79.23 disposal of seeds, plants, products, grain, household goods, general merchandise, produce,  
79.24 or other living or nonliving objects regulated under chapter 18G, 18H, 18K, 27, 223, 231,  
79.25 or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;

79.26 (4) investigating compliance with chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections  
79.27 21.111 to 21.125 or 21.80 to 21.92; or associated rules; or

79.28 (5) other purposes necessary to implement chapter 18G, 18H, 18K, 27, 223, 231, or 232;  
79.29 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules.

79.30 (b) The commissioner may enter any public or private premises during or after regular  
79.31 business hours without notice of inspection when a suspected violation of chapter 18G,

80.1 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated  
80.2 rules may threaten public health or the environment.

80.3 Sec. 6. Minnesota Statutes 2024, section 18J.04, subdivision 3, is amended to read:

80.4 Subd. 3. **Notice of inspection samples and analyses.** (a) The commissioner shall provide  
80.5 the owner, operator, or agent in charge with a receipt describing any samples obtained. If  
80.6 requested, the commissioner shall split any samples obtained and provide them to the owner,  
80.7 operator, or agent in charge. If an analysis is made of the samples, a copy of the results of  
80.8 the analysis must be furnished to the owner, operator, or agent in charge within 30 days  
80.9 after an analysis has been performed. If an analysis is not performed, the commissioner  
80.10 must notify the owner, operator, or agent in charge within 30 days of the decision not to  
80.11 perform the analysis.

80.12 (b) The sampling and analysis must be done according to methods provided for under  
80.13 applicable provisions of chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to  
80.14 21.125 or 21.80 to 21.92; or associated rules. In cases not covered by those sections and  
80.15 methods or in cases where methods are available in which improved applicability has been  
80.16 demonstrated the commissioner may adopt appropriate methods from other sources.

80.17 Sec. 7. Minnesota Statutes 2024, section 18J.04, subdivision 4, is amended to read:

80.18 Subd. 4. **Inspection requests by others.** (a) A person who believes that a violation of  
80.19 chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92;  
80.20 or associated rules has occurred may request an inspection by giving notice to the  
80.21 commissioner of the violation. The notice must be in writing, state with reasonable  
80.22 particularity the grounds for the notice, and be signed by the person making the request.

80.23 (b) If after receiving a notice of violation the commissioner reasonably believes that a  
80.24 violation has occurred, the commissioner shall make a special inspection in accordance with  
80.25 the provisions of this section as soon as practicable, to determine if a violation has occurred.

80.26 (c) An inspection conducted pursuant to a notice under this subdivision may cover an  
80.27 entire site and is not limited to the portion of the site specified in the notice. If the  
80.28 commissioner determines that reasonable grounds to believe that a violation occurred do  
80.29 not exist, the commissioner must notify the person making the request in writing of the  
80.30 determination.



81.1 Sec. 8. Minnesota Statutes 2024, section 18J.05, subdivision 1, is amended to read:

81.2 Subdivision 1. **Enforcement required.** (a) A violation of chapter 18G, 18H, 18K, 27,  
81.3 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or an associated rule is a  
81.4 violation of this chapter.

81.5 (b) Upon the request of the commissioner, county attorneys, sheriffs, and other officers  
81.6 having authority in the enforcement of the general criminal laws must take action to the  
81.7 extent of their authority necessary or proper for the enforcement of chapter 18G, 18H, 18K,  
81.8 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules or  
81.9 valid orders, standards, stipulations, and agreements of the commissioner.

81.10 Sec. 9. Minnesota Statutes 2024, section 18J.05, subdivision 2, is amended to read:

81.11 Subd. 2. **Commissioner's discretion.** If minor violations of chapter 18G, 18H, 18K,  
81.12 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules occur  
81.13 or the commissioner believes the public interest will be best served by a suitable notice of  
81.14 warning in writing, this section does not require the commissioner to:

81.15 (1) report the violation for prosecution;

81.16 (2) institute seizure proceedings; or

81.17 (3) issue a withdrawal from distribution, stop-sale, or other order.

81.18 Sec. 10. Minnesota Statutes 2024, section 18J.05, subdivision 6, is amended to read:

81.19 Subd. 6. **Agent for service of process.** All persons licensed, permitted, registered, or  
81.20 certified under chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or  
81.21 21.80 to 21.92; or associated rules must appoint the commissioner as the agent upon whom  
81.22 all legal process may be served and service upon the commissioner is deemed to be service  
81.23 on the licensee, permittee, registrant, or certified person.

81.24 Sec. 11. Minnesota Statutes 2024, section 18J.06, is amended to read:

81.25 **18J.06 FALSE STATEMENT OR RECORD.**

81.26 A person must not knowingly make or offer a false statement, record, or other information  
81.27 as part of:

81.28 (1) an application for registration, license, certification, or permit under chapter 18G,  
81.29 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated  
81.30 rules;

- 82.1 (2) records or reports required under chapter 18G, 18H, 18K, 27, 223, 231, or 232;  
82.2 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules; or
- 82.3 (3) an investigation of a violation of chapter 18G, 18H, 18K, 27, 223, 231, or 232;  
82.4 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules.

82.5 Sec. 12. Minnesota Statutes 2024, section 18J.07, subdivision 3, is amended to read:

82.6 Subd. 3. **Cancellation of registration, permit, license, certification.** The commissioner  
82.7 may cancel or revoke a registration, permit, license, or certification provided for under  
82.8 chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92;  
82.9 or associated rules or refuse to register, permit, license, or certify under provisions of chapter  
82.10 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or  
82.11 associated rules if the registrant, permittee, licensee, or certified person has used fraudulent  
82.12 or deceptive practices in the evasion or attempted evasion of a provision of chapter 18G,  
82.13 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated  
82.14 rules.

82.15 Sec. 13. Minnesota Statutes 2024, section 18J.07, subdivision 4, is amended to read:

82.16 Subd. 4. **Service of order or notice.** (a) If a person is not available for service of an  
82.17 order, the commissioner may attach the order to the facility, site, seed or seed container,  
82.18 plant or other living or nonliving object regulated under chapter 18G, 18H, 18K, 27, 223,  
82.19 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules and notify the  
82.20 owner, custodian, other responsible party, or registrant.

82.21 (b) The seed, seed container, plant, or other living or nonliving object regulated under  
82.22 chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92;  
82.23 or associated rules may not be sold, used, tampered with, or removed until released under  
82.24 conditions specified by the commissioner, by an administrative law judge, or by a court.

82.25 Sec. 14. Minnesota Statutes 2024, section 18J.07, subdivision 5, is amended to read:

82.26 Subd. 5. **Unsatisfied judgments.** (a) An applicant for a license, permit, registration, or  
82.27 certification under provisions of this chapter, chapter 18G, 18H, 18K, 27, 223, 231, or 232;  
82.28 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules may not allow a final  
82.29 judgment against the applicant for damages arising from a violation of those statutes or  
82.30 rules to remain unsatisfied for a period of more than 30 days.

82.31 (b) Failure to satisfy, within 30 days, a final judgment resulting from a violation of this  
82.32 chapter results in automatic suspension of the license, permit, registration, or certification.

83.1 Sec. 15. Minnesota Statutes 2024, section 18J.09, is amended to read:

83.2 **18J.09 CREDITING OF PENALTIES, FEES, AND COSTS.**

83.3 Penalties, cost reimbursements, fees, and other money collected under this chapter must  
83.4 be deposited into the state treasury and credited to the appropriate nursery and phytosanitary  
83.5 account under section 18H.17, industrial hemp account under section 18K.07, or seed potato  
83.6 inspection account under section 21.115, seed inspection account under section 21.92, or  
83.7 grain buyers and storage account under sections 223.17 and 232.22.

83.8 Sec. 16. Minnesota Statutes 2024, section 21.111, is amended to read:

83.9 **21.111 DEFINITIONS.**

83.10 Subdivision 1. **Scope.** When used in sections 21.111 to ~~21.122~~ 21.125 the terms defined  
83.11 in this section shall have the meanings ascribed to them.

83.12 ~~Subd. 2. **Inspected.** "Inspected" means that the potato plants are examined in the field~~  
83.13 ~~and that the harvested potatoes produced by the potato plants are examined by or under the~~  
83.14 ~~authority of the commissioner. For seed potatoes produced in a lab, inspected means that~~  
83.15 ~~the lab's records, including records related to the lab's procedures and protocols, as well as~~  
83.16 ~~the seed potatoes, have been examined under the authority of the commissioner.~~

83.17 Subd. 3. **Certified.** "Certified" means that the potatoes were inspected while growing  
83.18 in the field and, when possible, again after being harvested, and were thereafter duly certified  
83.19 by or under the authority of the commissioner, as provided in sections 21.111 to ~~21.122~~,  
83.20 ~~and as provided by rules adopted and published by the commissioner~~ 21.125. For seed  
83.21 potatoes produced in a lab, certified means that:

83.22 (1) the seed potato lab facilities and the lab's procedures and protocols have been  
83.23 examined under the authority of the commissioner; and

83.24 (2) the seed potatoes have been inspected after they have been harvested, removed, or  
83.25 released from the lab, and were duly certified by or under the authority of the commissioner,  
83.26 as provided in sections 21.111 to ~~21.122~~ 21.125.

83.27 ~~Subd. 3a. **Interstate cooperation.** In order to best use state resources, the commissioner~~  
83.28 ~~may enter into agreements with other seed potato certification entities to carry out the~~  
83.29 ~~purposes of sections 21.111 to 21.122. Any agreement may provide for field inspections,~~  
83.30 ~~shipping point inspections, winter tests, and other certification functions to be carried out~~  
83.31 ~~by personnel employed by either entity according to methods determined by the certification~~  
83.32 ~~entities of the respective areas. The commissioner may extend seed potato certification~~

84.1 ~~services to states where growers wish to grow certified seed potatoes and the state does not~~  
84.2 ~~have a seed potato certification program. Any agreement must be reported to the chairs of~~  
84.3 ~~the legislative committees responsible for the budget or policy of the seed potato inspection~~  
84.4 ~~program and to the commissioner of management and budget.~~

84.5 Subd. 3b. **Certified seed potatoes.** "Certified seed potatoes" means potatoes that have  
84.6 been produced, graded, sacked or placed in bulk, inspected, and certified in accordance with  
84.7 this chapter.

84.8 Subd. 3c. **Class.** "Class" means the seed quality level related to compliance with  
84.9 tolerances for diseases and varietal purity.

84.10 Subd. 3d. **Clone.** "Clone" means a unit of seed potatoes that is the progeny of one plant,  
84.11 which has been tested to become eligible to produce Generation 1 class seed potatoes.

84.12 Subd. 3e. **Commissioner.** "Commissioner" means the commissioner of agriculture or  
84.13 the commissioner's designee.

84.14 Subd. 3f. **Crop.** "Crop" means all lots produced on a farm in one year.

84.15 Subd. 3g. **Department.** "Department" means the Department of Agriculture.

84.16 Subd. 3h. **Explant.** "Explant" means an in vitro potato plant or a plantlet that is produced  
84.17 by rooting an excised tip of a tuber sprout or an axillary bud from a growing plant and that  
84.18 serves as a parent for a whole clone or accession of micropropagated plants or plantlets.

84.19 Subd. 3i. **Farm.** "Farm" means a potato-growing enterprise. Farm includes all land,  
84.20 equipment, storage facilities, and laborers used to produce potatoes.

84.21 Subd. 3j. **Field.** "Field" means a plot of land on a farm where potatoes are grown.

84.22 Subd. 3k. **Inspected.** (a) For plants growing in a field, "inspected" means that the  
84.23 commissioner has examined the plants in the field where the plants are grown and has  
84.24 visually assessed the plants for disease and factors impacting quality.

84.25 (b) For harvested potatoes, inspected means that the commissioner has observed the  
84.26 tubers and, when requested, the commissioner has evaluated the tubers for quality and  
84.27 conditions described in section 21.125.

84.28 (c) For seed potatoes produced by a laboratory, inspected means that the commissioner  
84.29 has examined the seed potatoes and the laboratory's records, including records related to  
84.30 the laboratory's procedures and protocols.

85.1        Subd. 3l. **Lot.** "Lot" means a group of seed potatoes of one variety, planted in one  
85.2 continuous plot, grown on the same farm, and physically separated from other lots while  
85.3 being grown and stored.

85.4        Subd. 3m. **Material in maintenance.** "Material in maintenance" means propagative  
85.5 material, plantlets, or tubers that are maintained, not multiplied, under controlled laboratory  
85.6 conditions.

85.7        Subd. 3n. **Roguing.** "Roguing" is the process of removing infected plants from a field  
85.8 of certified seed potatoes.

85.9        Subd. 3o. **Stand.** "Stand" is the live plant population in a certified seed potato lot.

85.10       Subd. 5. **Seed potatoes.** "Seed potatoes" means potatoes used, sold, offered or exposed  
85.11 for sale, or held with intent to sell or as a sample representing any lot or stock of potatoes  
85.12 offered or exposed for sale or held with intent to sell within this state, for the purpose of  
85.13 planting.

85.14       Subd. 6. **Person.** "Person" includes an individual, partnership, corporation, company,  
85.15 society, association, and firms.

85.16       Subd. 7. **Physically separated.** "Physically separated" means separated by at least the  
85.17 width of one row and markings such as flags at every corner of the lot.

85.18       Subd. 8. **Rejected.** "Rejected" means that a field or lot fails to meet the certification  
85.19 standards in this chapter.

85.20       Subd. 9. **Tuber units.** "Tuber units" means the separate pieces of one tuber that are  
85.21 planted consecutively in two or more hills in a row.

85.22       Subd. 10. **Winter testing.** "Winter testing" means growing out and visually inspecting  
85.23 a representative sample of tubers from each seed lot for stand, vigor, varietal purity, and  
85.24 disease.

85.25       Sec. 17. Minnesota Statutes 2024, section 21.112, is amended by adding a subdivision to  
85.26 read:

85.27       Subd. 1a. **Interstate cooperation.** In order to best use state resources, the commissioner  
85.28 may enter into agreements with other seed potato certification entities to carry out the  
85.29 purposes of sections 21.111 to 21.125. An agreement under this subdivision may provide  
85.30 for field inspections, shipping point inspections, winter testing, and other certification  
85.31 functions to be carried out by personnel employed by either the commissioner or other seed  
85.32 potato certification entities according to methods determined by the seed potato certification

entities. The commissioner may extend seed potato certification services to a state where growers wish to grow certified seed potatoes and where the state does not have a seed potato certification program. Any agreement under this subdivision must be reported to the chairs and ranking minority members of the legislative committees responsible for the budget or policy of the seed potato inspection program and to the commissioner of management and budget.

Sec. 18. Minnesota Statutes 2024, section 21.113, is amended to read:

**21.113 SHIPPING POINT CERTIFICATES OF INSPECTION; CERTIFICATES OF ORIGIN; AND BULK CERTIFICATES.**

Subdivision 1. Shipping point inspections. (a) The commissioner shall issue shipping point certificates of inspection only when seed potatoes have been inspected while growing in the field and again after being harvested.

(b) For seed potatoes produced in a lab or greenhouse, the commissioner shall issue certificates of inspection only after:

(1) the seed potato ~~lab~~ growth facility and the ~~lab's growth facility's~~ records have been inspected; and

(2) the seed potatoes have been inspected after they have been harvested, removed, or released from the lab or greenhouse.

(c) Certificates of inspection under this section shall show the varietal purity and the freedom from disease and physical injury of such potatoes and any other information as may be prescribed by ~~rules adopted and published under~~ sections 21.111 to ~~21.122~~ 21.125.

Subd. 2. Other certificates. (a) The use of a certificate of origin requires the approval of the seller and the purchaser and must only be used for intrastate shipments between certified seed potato producers. The certificate of origin must contain information considered necessary by the commissioner and must at a minimum identify the producer, receiver, variety, classification, quantity, date of shipment, and lot of the seed potatoes. The limitation of warranty as described in paragraph (c) must not include any representation of the condition of the potatoes at the time of shipment. A certificate of origin must only be used for intrastate shipment if a shipping point inspection is not available. Use of a certificate of origin must be approved by the commissioner prior to shipment.

(b) A bulk certificate must include the date of issuance, class, grade, lot number, and approximate weight of the load.

87.1 (c) A certification does not represent a warranty of any kind, express or implied, including  
87.2 merchantability, as to the quality of the crop produced from the certified seed potatoes. A  
87.3 certification must only represent that the seed potatoes were produced, graded, sacked or  
87.4 placed in bulk, and inspected in accordance with this chapter. A certification under this  
87.5 subdivision must not include any representation of the condition of the potatoes at the time  
87.6 of shipment.

87.7 Sec. 19. Minnesota Statutes 2024, section 21.115, is amended to read:

87.8 **21.115 FEES; SEED POTATO INSPECTION ACCOUNT.**

87.9 The commissioner shall fix the fees for all inspections and certifications in such amounts  
87.10 as from time to time may be found necessary to pay the expenses of carrying out and  
87.11 enforcing the purposes of sections 21.111 to ~~21.122~~ 21.125, with a reasonable reserve, and  
87.12 shall require the same to be paid before such inspections or certifications are made. All  
87.13 moneys collected as fees or as penalties for violations of any of the provisions of such  
87.14 sections shall be paid into the agricultural fund and credited to the seed potato inspection  
87.15 account of the commissioner, which account is hereby created and appropriated for carrying  
87.16 out the purposes of sections 21.111 to ~~21.122~~ 21.125. Interest, if any, received on deposits  
87.17 of these moneys shall be credited to the account, and there shall be paid into this fund any  
87.18 sum provided by the legislature for the purpose of carrying out the provisions of such  
87.19 sections.

87.20 Sec. 20. Minnesota Statutes 2024, section 21.117, is amended to read:

87.21 **21.117 APPLICATIONS FOR INSPECTIONS; WITHDRAWALS;**  
87.22 **AMENDMENTS.**

87.23 (a) Any person may make application to the commissioner for inspection or certification  
87.24 of seed potatoes growing or to be grown. Upon receiving such application and the required  
87.25 fee and such other information as may be required, the commissioner shall cause such  
87.26 potatoes to be inspected or certified in accordance with the provisions of sections 21.111  
87.27 to ~~21.122~~ and the rules adopted and published thereunder 21.125.

87.28 (b) If a grower wishes to withdraw ~~a field or lab~~ an application after having made a  
87.29 timely application for inspection and such withdrawal is requested before the field or lab  
87.30 inspection has been made, the fee paid shall be refunded to said grower. A grower must  
87.31 submit a withdrawal request in writing and include a reason for withdrawal. A grower must  
87.32 remove withdrawn acres from production before the first field inspection.

88.1 (c) If a grower wishes to amend an application after submitting a timely application for  
88.2 inspection, the grower must submit the request in writing, including a reason for the  
88.3 amendment.

88.4 Sec. 21. Minnesota Statutes 2024, section 21.119, is amended to read:

88.5 **21.119 USE OF CERTAIN TERMS FORBIDDEN; EXCEPTIONS.**

88.6 It shall be unlawful to use or employ the term "certified" or the term "inspected," or any  
88.7 term or terms conveying a meaning substantially equivalent to the meaning of either of  
88.8 these terms, either orally or in writing, printing, marking, or otherwise in reference to or in  
88.9 connection with, or in advertising or characterizing or labeling seed potatoes or the containers  
88.10 thereof, unless such potatoes shall have been duly inspected and certified pursuant to the  
88.11 provisions of sections 21.111 to ~~21.122~~ 21.125.

88.12 Sec. 22. Minnesota Statutes 2024, section 21.1195, is amended to read:

88.13 **21.1195 MINIMUM STANDARDS FOR PLANTING.**

88.14 (a) Seed Potatoes may not be planted in the state in lots of ten or more acres unless the  
88.15 seed meets the minimum disease standards prescribed by the commissioner. ~~Seed~~ Potatoes  
88.16 may meet the standards by being certified in accordance with this chapter and rules adopted  
88.17 by the commissioner, or under the certification program of another state or province which,  
88.18 in the judgment of the commissioner, provides equivalent assurances of seed potato quality.  
88.19 ~~Seed~~ Potatoes may be planted without certification if they have had at least field inspection  
88.20 as required for certified seed potatoes, have passed the field inspection standards of disease  
88.21 tolerance, and are free from ring rot. ~~A person that plants seed potatoes in violation of this~~  
88.22 ~~section is subject to a civil penalty of \$20 per acre for each acre or part of an acre planted~~  
88.23 ~~in violation of this section.~~ Failure to maintain complete and accurate records in accordance  
88.24 with this section ~~or rules adopted by the commissioner is an additional violation resulting~~  
88.25 ~~in a separate civil penalty of \$200 for each failure~~ is a violation and subject to enforcement  
88.26 under chapter 18J.

88.27 (b) If there is not available to be planted in this state, in any year, a sufficient volume  
88.28 of potato seed meeting certified seed potato disease standards, in any or all varieties, the  
88.29 commissioner may, upon application by one or more growers, permit seed that does not  
88.30 comply with this section to be planted for that growing season if the seed does not pose a  
88.31 serious disease threat.

88.32 (c) Each grower shall keep records of each lot of ~~seed~~ potatoes planted. For each growing  
88.33 season, the records must include, by field, the variety, planting location, and source of the



seed potatoes. Each grower shall register fields and file records as prescribed by the commissioner. All records must be made available for inspection by the commissioner or the commissioner's agents during normal business hours.

(d) In addition to the enforcement powers and penalties in this section, the commissioner may issue a subpoena to a grower in order to compel delivery of records which are required under this section. These subpoenas are enforceable by any court of competent jurisdiction.

Sec. 23. Minnesota Statutes 2024, section 21.1196, subdivision 2, is amended to read:

Subd. 2. **Restriction.** ~~(a) The seed potato certification requirements under sections 21.111 to 21.122 apply to potatoes grown in plots of ten acres or more in the restricted seed potato growing area. Qualifying potatoes grown in the restricted seed potato growing area must be certified as seed potatoes.~~ A grower who seeks to plant potatoes in the restricted seed potato growing area and who does not intend to have the potatoes certified as seed potatoes must meet the following requirements:

(1) seed potatoes planted in the restricted seed potato growing area must have been certified before planting. For seed potatoes to be certified, the seed potatoes must meet the standards of this chapter or the standards of a certification program of another state or province that, in the judgment of the commissioner, provides equivalent assurances of seed potato quality;

(2) certification documentation for all lots planted on a farm must be filed with the Department of Agriculture;

(3) planted lots must meet tolerances for certified class seed potatoes; and

(4) the potato plants must be inspected by the commissioner during a site visit.

(b) The commissioner may enter and inspect plots subject to paragraph (a) during the growing season.

(c) Potatoes grown in the restricted seed potato growing area that have not met the requirements for certification must not be labeled, marketed, or sold as certified seed potatoes.

(d) If, in any year, a sufficient volume of potato seed that meets certification standards related to disease, in any or all varieties, is not available to be planted in Minnesota, the commissioner may, upon application by one or more growers, permit potato seed that does not comply with this section to be planted for that growing season if the seed does not pose a serious threat of disease to the public.

90.1       Sec. 24. [21.123] SEED POTATO CERTIFICATION.

90.2           Subdivision 1. Eligibility. In order to produce certified seed potatoes, a grower must  
90.3 comply with the following requirements:

90.4           (1) a grower must ensure that potatoes meet the tolerances prescribed by this chapter  
90.5 and the potatoes have been inspected by the commissioner while growing in a field;

90.6           (2) a grower must ensure that all potatoes planted on the grower's farm have been entered  
90.7 for certification by the commissioner;

90.8           (3) a grower must ensure that each lot is grown while physically separated from other  
90.9 lots. Markers must be visible to an inspector from anywhere in the area of separation;

90.10          (4) a grower must submit an application for certification before June 16 each year on  
90.11 forms provided by the commissioner. The commissioner must charge a ten percent late  
90.12 registration fee to a grower who submitted an application postmarked after June 15 and  
90.13 before July 1. The commissioner may extend the deadline due to special circumstances,  
90.14 such as a natural disaster, that make it impractical or impossible for planting to be completed  
90.15 by the deadline and that affect an area or large number of growers. A grower must make a  
90.16 request for an extension in writing before June 16;

90.17          (5) an application for certification must include a North American Health Certificate  
90.18 and a shipping point certificate, bulk seed certificate, or certificate of origin. The  
90.19 commissioner must not accept an incomplete application for certification;

90.20          (6) an application for recertification must demonstrate that the seed potatoes being  
90.21 entered for recertification originated from a class system in Minnesota or another state or  
90.22 province under the supervision of another certifying agency; and

90.23          (7) a grower must comply with sections 21.111 to 21.125. A grower's violation of sections  
90.24 21.111 to 21.125 is cause for the commissioner to reject the grower's field or lot. A grower  
90.25 must not sell or label potatoes as certified seed potatoes when the potatoes were grown in  
90.26 a rejected field or lot.

90.27          Subd. 2. Certification process. (a) As part of the certification process, the commissioner  
90.28 must visually inspect sample plants and tubers from each field and lot belonging to the  
90.29 grower, except that the commissioner is not required to visually inspect sample plants and  
90.30 tubers when certifying prenuclear class potatoes.

90.31          (b) For seed potato varieties that do not exhibit visible symptoms of a specific pathogen,  
90.32 the commissioner must subject the seed potatoes to laboratory tests to determine the level

91.1 of a pathogen in a seed lot. Testing under this paragraph may occur during the growing  
91.2 season, the storage season, or winter testing.

91.3 (c) The commissioner must not accept an application for certification from a grower in  
91.4 a community or county without sufficient acreage for total inspection fee charges to cover  
91.5 the cost of wages and expenses of the commissioner to complete an inspection. The  
91.6 commissioner must make a determination of sufficient acreage under this paragraph before  
91.7 conducting an inspection as part of the certification process.

91.8 (d) The commissioner must not inspect a field for certification unless both the planted  
91.9 seed potato variety and the particular planted lot have been authorized by the commissioner.  
91.10 When considering the authorization of a particular seed potato variety for planting as certified  
91.11 seed potatoes, the commissioner must consider scientific evidence and the expert opinions  
91.12 of inspectors.

91.13 (e) The following classes of seed potatoes are eligible for planting as certified seed  
91.14 potatoes: Prenuclear (PN), Generation 1 (G1), Generation 2 (G2), Generation 3 (G3),  
91.15 Generation 4 (G4), Generation 5 (G5), and experimental class seed potatoes. The  
91.16 commissioner may authorize the planting of Certified (C) class or Generation 6 (G6) class  
91.17 seed potatoes if the commissioner determines that the seeds do not pose a serious threat of  
91.18 disease to the public.

91.19 Subd. 3. **Bacterial ring rot or potato spindle tuber viroid.** If the commissioner finds  
91.20 the presence of bacterial ring rot or potato spindle tuber viroid in a field or lot, the  
91.21 commissioner must reject the entire field or lot. If the commissioner discovers a single plant  
91.22 in a field or a tuber in storage that is infected with bacterial ring rot or potato spindle tuber  
91.23 viroid, the commissioner must reject the entire field or lot where the plant was grown. If  
91.24 the commissioner has not found bacterial ring rot or potato spindle tuber viroid in a field  
91.25 or lot, the field or lot is not necessarily free from either disease.

91.26 Subd. 4. **Winter testing.** (a) In order to detect certain virus diseases, the commissioner  
91.27 must conduct winter testing of a sample from each class seeking eligibility for recertification,  
91.28 except PN, G1, and experimental classes. The commissioner must grow out and visually  
91.29 inspect a representative sample of tubers from each seed lot for stand, vigor, varietal purity,  
91.30 and disease. If, during a visual inspection, a plant shows signs of potato virus Y or potato  
91.31 leafroll virus, or if the plant is of a variety that does not express visual symptoms of infection,  
91.32 the commissioner must ensure that a sample of the plant is lab tested for potato virus Y and  
91.33 potato leafroll virus. The commissioner must determine whether a field or lot contains the  
91.34 threshold amount of disease permitted under section 21.124, subdivision 9. The commissioner

92.1 must include any lot that passes winter testing in the approved list of certified seed lots  
92.2 eligible for recertification.

92.3 (b) If the commissioner determines that a winter test of a lot or field has a serious  
92.4 malfunction, the commissioner must base classification of the lot or field on summer field  
92.5 readings from the previous year or lab testing.

92.6 (c) Instead of winter testing a sample of winter grow out, the commissioner may accept  
92.7 comprehensive lab testing if the commissioner determines that special circumstances exist,  
92.8 such as a natural disaster, that would make submission of samples for inclusion in winter  
92.9 testing impractical or impossible.

92.10 (d) The commissioner must reject a field or lot if the commissioner determines that a  
92.11 large number of plants are missing from the field or lot due to disease.

92.12 (e) The commissioner must reject a field or lot if the commissioner determines that the  
92.13 field or lot contains a large number of weak plants.

92.14 (f) The commissioner may reject a field or lot if the field or lot contains a large number  
92.15 of plants that have a mixture of variety.

92.16 Subd. 5. **Seed potato certification classes.** Seed potato certification classes must be  
92.17 differentiated by the potatoes' compliance with disease tolerances, varietal purity, and seed  
92.18 origin. Seed potato certification classes are: Prenuclear, Generation 1, Generation 2,  
92.19 Generation 3, Generation 4, Generation 5, Generation 6, and Certified.

92.20 Subd. 6. **Experimental status.** (a) Lots from a breeder's seed that have not been tested  
92.21 and have not been determined to be virus-free are considered experimental. The commissioner  
92.22 must designate seedlings or numbered selections in experimental status as a class and  
92.23 determine requirements of that class.

92.24 (b) To obtain experimental status under this subdivision, an applicant must submit a  
92.25 written statement from the seedlings' or numbered selections' breeder, originator, or  
92.26 originator's designee verifying that the applicant has full and unrestricted rights to introduce  
92.27 the seedlings or numbered selections into the commercial market and that the applicant may  
92.28 apply to enter the seedlings or numbered selections into the certification system. The written  
92.29 statement must accompany the certification application submitted by the applicant.

92.30 (c) After reviewing the applicant's written statement and certification application, the  
92.31 commissioner may designate seedlings or numbered selections described in the application  
92.32 as having experimental status.

93.1 (d) After an applicant is notified by the commissioner that the seedlings or numbered  
93.2 selections have experimental status, the applicant must ensure that the seedlings or numbered  
93.3 selections are tagged with the word "EXPERIMENTAL."

93.4 Subd. 7. **Protected varieties.** If an applicant seeks to enter a seed potato variety protected  
93.5 under the Plant Variety Protection Act Amendments of 1994 into the certification system,  
93.6 the applicant must submit a written statement from the breeder, originator, or originator's  
93.7 designee that the applicant has full and unrestricted rights to introduce the protected variety  
93.8 into the certification system. The applicant must ensure that the written statement  
93.9 accompanies the certification application for any protected seed potato variety.

93.10 Subd. 8. **Certification factors; field inspection.** (a) The commissioner must consider  
93.11 the following factors when conducting a field inspection pursuant to a certification  
93.12 application:

93.13 (1) the commissioner must reject a field or lot if a large number of plants are missing  
93.14 due to disease;

93.15 (2) the commissioner must reject a field or lot if the field or lot contains a large number  
93.16 of weak plants;

93.17 (3) the commissioner must inspect a field or lot for bacterial ring rot. The commissioner  
93.18 must reject a field or lot if the commissioner finds the presence of bacterial ring rot. If  
93.19 bacterial ring rot is present in a field or lot, the remaining crop is not eligible for certification  
93.20 planting;

93.21 (4) the commissioner must reject a field or lot if the field or lot contains potatoes with  
93.22 a level of disease higher than the acceptable tolerance for the disease for the potatoes' seed  
93.23 potato certification class according to section 21.124, subdivision 9;

93.24 (5) the commissioner must reject a field or lot if the field or lot contains a percentage  
93.25 of diseased plants that exceeds the acceptable percentage of disease listed in section 21.124  
93.26 for the seed potato certification class;

93.27 (6) the commissioner must reject a field or lot if any of the following are present in the  
93.28 field or lot to such an extent that the commissioner is unable to complete a satisfactory  
93.29 inspection for diseases: early or late blight, blackleg or wilt of any kind, weeds, plant injury  
93.30 from insects, or chemical damage; and

93.31 (7) the commissioner must reject a field or lot if any other conditions are present to such  
93.32 an extent that the commissioner is unable to make a satisfactory inspection for diseases.

94.1 (b) The commissioner must determine that a field is ineligible for certification if cull  
94.2 piles are in such close vicinity to the field that it is likely that the field is contaminated.

94.3 (c) The commissioner must make at least two field inspections of a field during the  
94.4 growing season. The commissioner must conduct a final inspection of a field for bacterial  
94.5 ring rot during the time of year that symptoms of bacterial ring rot are most likely to be  
94.6 observed. If the commissioner is unable to conduct a final inspection under this paragraph  
94.7 due to management practices of the grower or for a reason that is out of the grower's control,  
94.8 such as a natural disaster, the grower must ensure that laboratory testing is conducted to  
94.9 maintain eligibility for certification. An additional inspection or additional laboratory testing  
94.10 may be necessary to meet phytosanitary requirements in established markets in another state  
94.11 or in a Canadian province.

94.12 Subd. 9. **Roguing.** If any of the diseases listed in section 21.124, subdivision 1, are  
94.13 present in a field in amounts greater than the maximum disease tolerance level, the grower  
94.14 must rogue the field and remove the infected plants before the final inspection by the  
94.15 commissioner. If a grower has completed roguing a field after tubers have formed, the  
94.16 grower must remove and destroy all tubers from rogued plants.

94.17 Subd. 10. **Storage.** (a) A grower must ensure that a lot is stored under conditions that  
94.18 prevent disease contamination. A grower must not store a lot in any warehouse where other  
94.19 potatoes are stored, unless the grower labels the lot according to paragraph (b).

94.20 (b) If more than one grower stores lots in the same warehouse, each grower must identify  
94.21 the grower's lots by labeling the bin containing the lot with the grower's name, the grower's  
94.22 address, the variety of potatoes in the bin, and the number of potatoes in the bin.

94.23 (c) If a grower plans to store a lot in a public warehouse or storage unit that is not directly  
94.24 under the grower's control, the grower must send a complete record of storage to the  
94.25 commissioner prior to storing the lot. The record must include the address and location of  
94.26 the public warehouse or storage unit, the variety of potatoes in each bin, and the number of  
94.27 potatoes in each bin. If a warehouse receipt for the lot is available, the grower must submit  
94.28 a copy of the warehouse receipt to the commissioner. If more than one grower stores lots  
94.29 in the same public warehouse or storage unit, the grower must label each lot according to  
94.30 paragraph (b).

94.31 (d) A grower must not use the same equipment for grading and handling lots of certified  
94.32 seed potatoes and other potatoes. If a grower has used the same equipment for grading and  
94.33 handling certified seed potatoes and other potatoes, the commissioner must reject the grower's  
94.34 lots.

95.1 (e) A firm that handles lots under contract must label each bin containing a lot with the  
95.2 name of the grower whose lots are being stored. A firm handling lots under contract must  
95.3 properly label and handle bins containing lots. A certification tag or bulk certificate must  
95.4 not be issued unless all bins are properly labeled according to this paragraph.

95.5 (f) By November 1 of each crop year, a grower must submit to the commissioner a  
95.6 completed storage and yield report for each lot on a form prescribed by the commissioner.  
95.7 The commissioner may extend the deadline after November 1 due to special circumstances,  
95.8 such as a natural disaster, that would make it impractical or impossible for a grower to  
95.9 complete harvesting and storage by November 1 and that affect an area or a large number  
95.10 of growers. A grower must submit a written request for an extension to the commissioner  
95.11 before November 1 of the crop year for which the extension is sought.

95.12 Subd. 11. **Tags; bulk certificates.** (a) Once the commissioner has informed a grower  
95.13 that the grower's potatoes meet the certification requirements in sections 21.111 to 21.125,  
95.14 a grower may tag the potatoes using an approved tag indicating the grade of potatoes as  
95.15 blue-tag-certified seed potato grade, yellow-tag-certified seed potato grade, or  
95.16 white-tag-certified seed potato grade. A grower's name, the city where the farm is located,  
95.17 the potato variety, and the crop year must be printed on a tag under this subdivision.

95.18 (b) When fastening a tag to a potato sack, a grower must fasten the tag to the sack to  
95.19 form a seal at the time that the lot is prepared for shipment.

95.20 (c) A bulk certificate must include the date that the certificate was issued, class, grade,  
95.21 lot number, and approximate weight of the lot.

95.22 (d) If a grower wishes to tag the grower's own potatoes, the grower must order the tags  
95.23 for the grower's own potatoes.

95.24 (e) A grower may print a tag for potatoes if the grower has provided proof of each lot  
95.25 to the commissioner for review before using the tag. A tag printed by a grower must contain  
95.26 the following statement: "The quality and condition of each lot is only confirmed through  
95.27 a shipping point inspection certificate. This tag, without an accompanying shipping point  
95.28 inspection certificate, is not proof that the potatoes contained within have been duly  
95.29 inspected."

95.30 Subd. 12. **Certified seed potato grades.** Certified seed potatoes must be classified by  
95.31 certified seed potato grades based on the number of physical defects of tubers. A grower  
95.32 must only use a certified seed potato grade for potatoes after a shipping point inspection of  
95.33 the potatoes has been completed. The following three grades of certified seed potatoes must  
95.34 be used for Minnesota-certified seed potatoes:

96.1 (1) the blue-tag-certified seed potato grade is the first grade of certified seed potatoes.  
96.2 The blue-tag-certified seed potato grade is stricter than other grades. The blue-tag-certified  
96.3 seed potato grade does not allow as many physical defects of tubers as other grades. A  
96.4 grower may use the blue-tag-certified seed potato grade for intrastate and interstate shipments  
96.5 of certified seed potatoes.

96.6 (2) the yellow-tag-certified seed potato grade is the second grade of certified seed  
96.7 potatoes. The yellow-tag-certified seed potato grade allows more physical defects of tubers  
96.8 than the blue-tag-certified seed potato grade. A grower may use the yellow-tag-certified  
96.9 seed potato grade for intrastate and interstate shipments of certified seed potatoes; and

96.10 (3) the white-tag-certified seed potato grade is the third grade of certified seed potatoes.  
96.11 The number of physical defects that the white-tag-certified seed potato grade allows is  
96.12 determined by an agreement between the purchaser and seller of the certified seed potatoes.  
96.13 A grower may use the white-tag-certified seed potato grade for intrastate and interstate  
96.14 shipments of certified seed potatoes.

96.15 Subd. 13. **Grading.** (a) A grower must ensure that a lot is inspected at the shipping point  
96.16 if the lot requires a grade statement.

96.17 (b) If an inspection at the shipping point is impossible, a grower must request a grading  
96.18 inspection in transit.

96.19 (c) A grower must ensure that a bagged lot or shipment offered for sale and tagged with  
96.20 approved certification tags is contained in new even-weight sacks.

96.21 (d) A grower must ensure that a bulk shipment is identified with a bulk certificate.

96.22 (e) A grower must ensure that a bagged lot and bulk lot or shipment meets grade standards  
96.23 in section 21.125.

96.24 (f) A grower must recondition a lot or shipment that fails to meet the grade standards in  
96.25 section 21.125.

96.26 (1) If a lot or shipment fails to meet grade standards and is contained in sacks, a grower  
96.27 must remove approved certification tags from the lot or shipment before the lot or shipment  
96.28 may proceed to its destination.

96.29 (2) If a shipment is in bulk and fails to meet grade standards in section 21.125, a bulk  
96.30 certificate must not be issued.

96.31 (g) If a lot or shipment fails to meet grade standards, the shipper must bear the costs of  
96.32 reconditioning potatoes to meet the grade standards in section 21.125.



97.1       Sec. 25. [21.124] REQUIREMENTS FOR PRODUCTION OF DIFFERENT  
97.2 CLASSES OF CERTIFIED SEED POTATOES.

97.3       Subdivision 1. Prenuclear class certified seed potatoes. (a) A lot grown as and intended  
97.4 to be prenuclear class certified seed potatoes must be grown from plants tested and shown  
97.5 to be free from the following pathogens:

97.6       (1) *Clavibacter michiganensis* ssp. *sepedonicus* (ring rot);

97.7       (2) *Pectobacterium atrosepticum* ssp. *Atrosepticum*, *carotovora* (blackleg);

97.8       (3) potato virus X;

97.9       (4) potato virus S;

97.10      (5) potato virus A;

97.11      (6) potato virus M;

97.12      (7) potato virus Y;

97.13      (8) potato spindle tuber viroid; and

97.14      (9) potato leafroll virus.

97.15      (b) When growing prenuclear class seed potatoes, a grower must ensure that each explant  
97.16 or tuber is tested for organisms for which testing is required by the state or province of  
97.17 destination. A grower must ensure that material in maintenance is tested during the year of  
97.18 producing prenuclear class seed potatoes.

97.19      (c) A grower must produce prenuclear class seed potatoes in a greenhouse or screenhouse  
97.20 under sanitary conditions, free from insects and weeds that can harbor or transmit potato  
97.21 diseases or other conditions that would allow possible disease contamination. A grower  
97.22 must ensure that a facility used for growing prenuclear seed potatoes is sufficiently insulated  
97.23 from insects by screens and double doors. The commissioner may inspect any facility or  
97.24 equipment used for growing, handling, and storing prenuclear class seed potatoes to verify  
97.25 that the facility or equipment complies with this paragraph.

97.26      (d) A grower must ensure that one percent of each lot or ten plants or tubers from each  
97.27 lot, whichever is greater, is tested during the growing season to verify that the crop is free  
97.28 from potato virus X, potato virus Y, potato leafroll virus, *C. michiganensis*, and *P.*  
97.29 *atrosepticum*.

98.1 (e) Prenuclear tubers may originate from greenhouse tubers for one year only if the  
98.2 greenhouse tubers have remained at the same growing operation and have remained isolated  
98.3 from field-grown tubers.

98.4 (f) Prenuclear class certified seed potatoes must not contain more than the allowable  
98.5 tolerances for disease and varietal mixture in subdivision 9.

98.6 Subd. 2. **Generation 1 class certified seed potatoes.** (a) Generation 1 class seed potatoes  
98.7 must meet the following requirements:

98.8 (1) the seed source must be either prenuclear tubers, clones, or plantlets; and

98.9 (2) tubers or plantlets must be planted in identifiable family units.

98.10 (b) Lots in Generation 1 class may be exempt from winter testing requirements if leaves  
98.11 collected during the growing season are laboratory tested and shown to be within the  
98.12 allowable tolerance of potato virus X, potato virus Y, and other pathogens identified by the  
98.13 commissioner.

98.14 (c) Each lot must be stored in an individual identifiable unit.

98.15 (d) Generation 1 seed potatoes must not contain more than the allowable tolerances for  
98.16 disease and varietal mixture for seed potatoes in subdivision 9.

98.17 Subd. 3. **Generation 2 class certified seed potatoes.** Generation 2 class seed potatoes  
98.18 must originate from Generation 1 class seed potatoes. Generation 2 class seed potatoes must  
98.19 not contain more than the allowable tolerances of disease and varietal mixture in subdivision  
98.20 9.

98.21 Subd. 4. **Generation 3 class certified seed potatoes.** Generation 3 class seed potatoes  
98.22 must originate from Generation 2 class seed potatoes. Generation 3 class seed potatoes must  
98.23 not contain more than the allowable tolerances of disease and varietal mixture in subdivision  
98.24 9.

98.25 Subd. 5. **Generation 4 class certified seed potatoes.** Generation 4 class seed potatoes  
98.26 must originate from Generation 3 class seed potatoes. Generation 4 class seed potatoes must  
98.27 not contain more than the allowable tolerances for disease and varietal mixture in subdivision  
98.28 9.

98.29 Subd. 6. **Generation 5 class certified seed potatoes.** Generation 5 class seed potatoes  
98.30 must originate from Generation 4 class seed potatoes. Generation 5 class seed potatoes must  
98.31 not contain more than the allowable tolerances for disease and varietal mixture in subdivision  
98.32 9.

Subd. 7. Generation 6 class certified seed potatoes. Generation 6 class seed potatoes must originate from Generation 5 class seed potatoes. Generation 6 class seed potatoes must not contain more than the allowable tolerances for disease and varietal mixture in subdivision 9.

Subd. 8. Certified class certified seed potatoes. Certified class seed potatoes must originate from generation classes of seed potatoes. Certified class seed potatoes must not contain more than the allowable tolerances for disease and varietal mixture in subdivision 9.

Subd. 9. Allowable tolerances for diseases and varietal mixture by generation class. The numbers represent the percentage of potatoes that may be affected out of an individual lot.

	<u>PN</u>	<u>G1</u>	<u>G2</u>	<u>G3</u>	<u>G4</u>	<u>G5</u>	<u>G6</u>	<u>C</u>
<u>Tolerances:</u>								
<u>Severe Mosaic from potato virus Y, A, M, X, and/or S</u>	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>1</u>
<u>Leafroll</u>	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>1</u>
<u>Total</u>	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>1</u>
<u>Other viruses</u>	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
<u>Mycoplasmas (haywire, witches broom, yellow dwarf)</u>	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
<u>Total</u>	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
<u>Blackleg</u>	<u>0</u>	<u>0</u>	<u>0.2</u>	<u>0.5</u>	<u>1</u>	<u>exc.</u>	<u>exc.</u>	<u>exc.</u>
<u>Varietal mixture</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.2</u>	<u>0.2</u>
<u>Ring Rot and Spindle Tuber</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Winter Test:</u>								
<u>Virus or expressing symptoms of chemical damage</u>	<u>-</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>

Sec. 26. [21.125] MINNESOTA CERTIFIED SEED POTATO GRADES AND TOLERANCES.

Subdivision 1. Certified seed potato grading. Potatoes must meet the requirements of sections 21.111 to 21.125 to be graded as certified seed potatoes.

Subd. 2. Definitions. (a) For the purposes of this section, the following terms have the meanings given.

100.1 (b) "Damage" means any defect or combination of defects that materially affects the  
100.2 appearance of the individual potato, or that cannot be removed without a loss of more than  
100.3 five percent of the total weight of the potato, including the peel covering the defective area.

100.4 (c) "Diameter" means the greatest dimension at right angles to the longitudinal axis.  
100.5 Diameter means the long axis.

100.6 (d) "Dry rot" means decaying tissue that is dry.

100.7 (e) "Fairly clean" means that the individual potato is reasonably free from dirt, staining,  
100.8 or other foreign matter.

100.9 (f) "Fairly well-shaped" means that the individual potato is not materially pointed,  
100.10 dumbbell-shaped, or otherwise ill-formed.

100.11 (g) "Mature" means that the outer skin does not loosen or feather readily during the  
100.12 ordinary methods of handling.

100.13 (h) "Serious damage" means any defect or combination of defects that seriously affects  
100.14 the appearance of the individual potato or that cannot be removed without a loss of more  
100.15 than ten percent of the total weight of the potato, including the peel covering the defective  
100.16 area.

100.17 (i) "Slightly dirty" means the appearance is not materially affected by dirt, staining, or  
100.18 other foreign matter.

100.19 (j) "Soft rot" or "wet breakdown" means any soft, mushy, or leaky condition of potato  
100.20 tissues.

100.21 (k) "Well-shaped" means the normal shape for a variety.

100.22 Subd. 3. **Damage.** The commissioner must find that one or more of the following defects  
100.23 constitutes damage:

100.24 (1) a russet scab that materially detracts from the appearance of a potato;

100.25 (2) second growth or growth cracks that materially affect the appearance of an individual  
100.26 potato;

100.27 (3) air cracks when removal of the air cracks causes a loss of more than five percent of  
100.28 the total weight of a potato;

100.29 (4) a potato that is more than moderately shriveled, spongy, or flabby;

100.30 (5) an individual potato that has sprouts over one inch in length;

101.1 (6) a surface scab, powdery scab, or pitted scab that covers more than five percent of  
101.2 the surface of a potato or a surface scab, powdery scab, or pitted scab that, when removed,  
101.3 causes a potato to lose more than five percent of the potato's total weight, including peel  
101.4 covering a defective area of the potato; or

101.5 (7) more than 50 percent of a potato's surface contains scattered, lightly caked soil or  
101.6 more than 15 percent of a potato's surface is badly caked with soil.

101.7 Subd. 4. **Serious damage.** The commissioner must find that one or more of the following  
101.8 defects constitutes serious damage:

101.9 (1) a russet scab that seriously detracts from the appearance of a potato;

101.10 (2) the appearance of a potato is seriously affected by caked or smeared dirt or other  
101.11 foreign matter;

101.12 (3) both ends of a potato are cut or clipped, more than an estimated one-fourth of a potato  
101.13 is cut away from one end, or a remaining portion of a clipped potato weighs less than six  
101.14 ounces;

101.15 (4) one or more cuts that seriously affect the appearance of a potato or that cannot be  
101.16 removed without the loss of more than ten percent of a potato's total weight, including peel  
101.17 covering the defective area;

101.18 (5) a potato that is excessively shriveled, spongy, or flabby;

101.19 (6) a surface scab, powdery scab, or pitted scab that covers more than 25 percent of the  
101.20 surface of a potato or a surface scab, powdery scab, or pitted scab that, when removed,  
101.21 causes a loss of more than ten percent of a potato's total weight, including peel covering the  
101.22 defective area; or

101.23 (7) wireworm or air cracks that, when removed, cause a loss of more than ten percent  
101.24 of a potato's total weight.

101.25 Subd. 5. **Application of tolerance.** If the average of an entire lot is within the disease  
101.26 tolerances specified for the grade in section 21.124, subdivision 9, an individual container  
101.27 in the lot may contain no more than double the disease tolerance specified in section 21.124,  
101.28 subdivision 9, except that sprouts, at least one defective specimen with a defect other than  
101.29 bacterial ring rot, and one off size specimen is permitted. This subdivision does not apply  
101.30 to bulk conveyances.

Subd. 6. Condition after transit. Deterioration that developed in transit must affect the condition of potatoes. Deterioration that developed in transit must not affect the grade of potatoes.

Subd. 7. Minnesota blue-tag-certified seed potato grade. (a) To be graded as Minnesota blue-tag-certified seed potatoes, potatoes must meet the following requirements:

(1) at the time of the shipping point inspection, potatoes must be of one variety; unwashed; fairly well-shaped; free from bacterial ring rot, late blight, freezing, black heart, and soft rot or wet breakdown; free from damage caused by soil or other foreign matter, second growth, air cracks, cuts, shriveling, sprouts, pitted scabs, surface scabs, powdery scabs, russet scabs, dry rot, other diseases, insects or worms, mechanical or other means, or flattened or depressed areas with underlying flesh discoloration; and free from serious damage caused by hollow heart, wireworm, growth cracks, or internal discoloration other than hollow heart. Sunburn and silver scurf must not be considered factors that affect the grading of potatoes. This clause does not apply to hollow heart if the potatoes are labeled "hollow heart exempt" on the affixed tag or accompanying certificate; and

(2) for round or intermediate shaped varieties, the maximum potato size is 12 ounces (340.2 grams) and, unless otherwise specified, the minimum size must not be less than 1-1/2 inches (38.1 millimeters) in diameter. For long varieties, the maximum size is 14 ounces (396.9 grams) and, unless otherwise specified, the minimum size must not be less than 1-1/2 inches (38.1 millimeters) in diameter. For all varieties, the minimum diameter for size "B" must not be less than 1-1/2 inches (38.1 millimeters) and the maximum size must not be more than 2-1/4 inches (57.1 millimeters) in diameter. The department may grade potatoes that do not meet the maximum and minimum size specifications as Minnesota blue-tag-certified seed potatoes if the buyer agrees to accept potatoes of alternate size specifications from the grower and the specifications are listed on the affixed tag or accompanying bulk certificate issued by the department.

(b) To allow for variations incident to proper grading and handling, the following lot tolerances are permitted:

(1) for defects:

(i) up to ten percent of a lot may be seriously damaged by hollow heart, unless labeled "hollow heart exempt" on the affixed tag or accompanying certificate;

(ii) up to five percent of a lot may be seriously damaged by internal discoloration due to causes other than hollow heart;

- 103.1 (iii) up to ten percent of a lot may be damaged by soil or other foreign matter;
- 103.2 (iv) up to 20 percent of a lot may be damaged by sprouts;
- 103.3 (v) up to ten percent of a lot may be seriously damaged by wireworm;
- 103.4 (vi) for potatoes that fail to meet the remaining requirements of the potatoes' grade, a
- 103.5 lot may contain up to a total of six percent of the following defects combined and must not
- 103.6 contain more than the following percentage of defects:
- 103.7 (A) soft rot, frozen, or wet breakdown, 0.5 percent;
- 103.8 (B) damage by surface scab, powdery scab, or pitted scab, 2.0 percent;
- 103.9 (C) damage by dry rot, 2.0 percent, of which not more than 1.0 percent is late blight
- 103.10 tuber rot;
- 103.11 (D) bacterial ring rot, 0.0 percent; and
- 103.12 (E) late blight tuber rot, 1.0 percent; and
- 103.13 (vii) the presence of the following does not affect seed quality and must not be scored
- 103.14 against the potatoes' grade:
- 103.15 (A) brown discoloration following skinning;
- 103.16 (B) dried stems;
- 103.17 (C) flattened or depressed areas showing no underlying flesh discoloration;
- 103.18 (D) greening;
- 103.19 (E) sunburn;
- 103.20 (F) skin checks; and
- 103.21 (G) silver scurf; and
- 103.22 (2) for off size:
- 103.23 (i) up to five percent of potatoes may fail to meet the required or specified minimum
- 103.24 size; and
- 103.25 (ii) up to ten percent of potatoes may fail to meet the required maximum size.
- 103.26 Subd. 8. **Minnesota yellow-tag-certified seed potato grade.** (a) To be graded as
- 103.27 Minnesota yellow-tag-certified seed potatoes, potatoes must meet the following requirements:
- 103.28 (1) at the time of the shipping point inspection, the potatoes must be of one variety;
- 103.29 unwashed; fairly well-shaped; free from bacterial ring rot, late blight, freezing, black heart,

104.1 and soft rot or wet breakdown; free from damage caused by second growth, air cracks, cuts,  
104.2 shriveling, pitted scabs, surface scabs, powdery scabs, dry rot, other diseases, insects or  
104.3 worms, or mechanical means or other means; and free from serious damage caused by soil  
104.4 or other foreign matter, hollow heart, wireworm, growth cracks, russet scabs, or internal  
104.5 discoloration other than hollow heart. Sunburn and silver scurf must not be considered  
104.6 factors that affect the grading of potatoes. This clause does not apply to hollow heart if  
104.7 labeled "hollow heart exempt" on the affixed tag or accompanying certificate; and

104.8 (2) for all varieties, the maximum potato size is 14 ounces (396.9 grams) and the  
104.9 minimum size is 1-1/2 inch (38.1 millimeter) in diameter. For all varieties, the minimum  
104.10 diameter for size "B" must not be less than 1-1/2 inches (38.1 millimeters) and the maximum  
104.11 diameter must not be more than 2-1/4 inches (57.1 millimeters). The department may grade  
104.12 potatoes that do not meet the maximum and minimum size specifications as Minnesota  
104.13 yellow-tag-certified seed potatoes if the buyer agrees to accept potatoes with alternate size  
104.14 specifications from the grower and the size specifications are listed on the affixed tag or  
104.15 accompanying bulk certificate issued by the department.

104.16 (b) To allow for variations incident to proper grading and handling, the following lot  
104.17 tolerances are permitted:

104.18 (1) for defects:

104.19 (i) up to 20 percent of potatoes may be seriously damaged by hollow heart, unless labeled  
104.20 "hollow heart exempt" on the affixed tag or accompanying certificate;

104.21 (ii) up to five percent of potatoes may be seriously damaged by internal discoloration  
104.22 due to a cause other than hollow heart;

104.23 (iii) up to ten percent of potatoes may be seriously damaged by soil or other foreign  
104.24 matter;

104.25 (iv) up to ten percent of potatoes may be seriously damaged by wireworm;

104.26 (v) up to 20 percent of a lot may have defects if the potatoes fail to meet the remaining  
104.27 requirements of the grade. Of the 20 percent of defects allowed, a lot may contain a total  
104.28 of six percent of the following defects combined and must not contain more than the  
104.29 following percentage of defects:

104.30 (A) soft rot, frozen, or wet breakdown, 0.5 percent;

104.31 (B) damage by surface scab, powdery scab, or pitted scab, 5.0 percent;



105.1 (C) damage by dry rot, 2.0 percent, of which not more than 1.0 percent is late blight  
105.2 tuber rot;

105.3 (D) bacterial ring rot, 0.0 percent; and

105.4 (E) late blight tuber rot, 1.0 percent; and

105.5 (vi) the presence of the following does not affect seed quality and must not be scored  
105.6 against the grade:

105.7 (A) brown discoloration following skinning;

105.8 (B) dried stems;

105.9 (C) flattened or depressed areas showing no underlying flesh discoloration;

105.10 (D) greening;

105.11 (E) sunburn;

105.12 (F) skin checks;

105.13 (G) silver scurf; and

105.14 (H) sprouts; and

105.15 (2) for off size:

105.16 (i) five percent for potatoes that fail to meet the required or specified minimum size;

105.17 and

105.18 (ii) ten percent for potatoes that fail to meet the required maximum size.

105.19 (c) The potatoes must be fairly well-shaped, with an exception for long varieties when  
105.20 specified as "except for shape." When specified as "except for shape," the tubers may be  
105.21 misshapen.

105.22 Subd. 9. **Minnesota white-tag-certified seed potato grade.** Minnesota white-tag-certified  
105.23 seed potato grade consists of certified seed potatoes that are graded according to agreement  
105.24 between the seller and the purchaser as to size and defects, except that not more than one-half  
105.25 percent of soft rot, frozen, or wet breakdown and two percent dry rot, of which not more  
105.26 than one percent late blight tuber rot is allowed.

105.27 Sec. 27. Minnesota Statutes 2024, section 21.891, subdivision 2, is amended to read:

105.28 Subd. 2. **Seed fee permits.** (a) A labeler who wishes to sell seed in Minnesota must  
105.29 comply with section 21.89, subdivisions 1 and 2, and the procedures in this subdivision.

105.30 Each labeler who wishes to sell seed in Minnesota must apply to the commissioner to obtain

106.1 a permit. The application must contain the name and address of the applicant, the application  
106.2 date, and the name and title of the applicant's contact person. Permit fees are based on the  
106.3 initial sale of seed in Minnesota.

106.4 (b) The application for a seed permit covered by section 21.89, subdivision 2, clause  
106.5 (1), must be accompanied by an application fee of \$75.

106.6 (c) The application for a seed permit covered by section 21.89, subdivision 2, clause  
106.7 (2), must be accompanied by an application fee based on the level of annual gross sales as  
106.8 follows:

106.9 (1) for gross sales of \$0 to \$25,000, the annual permit fee is \$75;

106.10 (2) for gross sales of \$25,001 to \$50,000, the annual permit fee is \$150;

106.11 (3) for gross sales of \$50,001 to \$100,000, the annual permit fee is \$300;

106.12 (4) for gross sales of \$100,001 to \$250,000, the annual permit fee is \$750;

106.13 (5) for gross sales of \$250,001 to \$500,000, the annual permit fee is \$1,500;

106.14 (6) for gross sales of \$500,001 to \$1,000,000, the annual permit fee is \$3,000; and

106.15 (7) for gross sales of \$1,000,001 and above, the annual permit fee is \$4,500.

106.16 (d) The application for a seed permit covered by section 21.89, subdivision 2, clause  
106.17 (3), must be accompanied by an application fee of \$75. Labelers holding seed fee permits  
106.18 covered under this paragraph need not apply for a new permit or pay the application fee.  
106.19 Under this permit category, the fees for the following kinds of agricultural seed sold either  
106.20 in bulk or containers are:

106.21 (1) oats, wheat, and barley, 9 cents per hundredweight;

106.22 (2) rye, field beans, buckwheat, and flax, 12 cents per hundredweight;

106.23 (3) field corn, 17 cents per 80,000 seed unit;

106.24 (4) forage, hemp, lawn and turf grasses, and legumes, 69 cents per hundredweight;

106.25 (5) sunflower, \$1.96 per hundredweight;

106.26 (6) sugar beet, 12 cents per 100,000 seed unit;

106.27 (7) soybeans, 7.5 cents per 140,000 seed unit;

106.28 (8) for any agricultural seed not listed in clauses (1) to (7), the fee for the crop most  
106.29 closely resembling it in normal planting rate applies; and

106.30 (9) for native grasses and wildflower seed, \$1 per hundredweight.

(e) If, for reasons beyond the control and knowledge of the labeler, seed is shipped into Minnesota by a person other than the labeler, the responsibility for the seed fees are transferred to the shipper. An application for a transfer of this responsibility must be made to the commissioner. Upon approval by the commissioner of the transfer, the shipper is responsible for payment of the seed permit fees.

(f) Seed permit fees may be included in the cost of the seed either as a hidden cost or as a line item cost on each invoice for seed sold. To identify the fee on an invoice, the words "Minnesota seed permit fees" must be used.

(g) All seed fee permit holders must file semiannual reports with the commissioner, even if no seed was sold during the reporting period. Each semiannual report must be submitted within 30 days of the end of each reporting period. The reporting periods ~~are October 1 to March 31 and April 1 to September 30 of each year or July 1 to December 31 and January 1 to June 30 of each year~~ must be determined by the commissioner and communicated annually to permit holders. Permit holders may change their reporting periods with the approval of the commissioner.

(h) The holder of a seed fee permit must pay fees on all seed for which the permit holder is the labeler and which are covered by sections 21.80 to 21.92 and sold during the reporting period.

(i) If a seed fee permit holder fails to submit a semiannual report and pay the seed fee within 30 days after the end of each reporting period, the commissioner shall assess a penalty of \$100 or eight percent, calculated on an annual basis, of the fee due, whichever is greater, but no more than \$500 for each late semiannual report. A \$15 penalty must be charged when the semiannual report is late, even if no fee is due for the reporting period. Seed fee permits may be revoked for failure to comply with the applicable provisions of this paragraph or the Minnesota seed law.

Sec. 28. **REPEALER.**

(a) Minnesota Statutes 2024, sections 21.116; 21.118; 21.1196, subdivision 3; 21.121; and 21.122, are repealed.

(b) Minnesota Rules, parts 1510.2300; 1510.2305; 1510.2310; 1510.2315; 1510.2320; 1510.2325; 1510.2330; 1510.2335; 1510.2340; 1510.2345; 1510.2350; and 1510.2355, subparts 1, 2, 3a, 4, 5, 6, and 7, are repealed.

108.1     Sec. 29. **EFFECTIVE DATE.**

108.2         This article is effective August 1, 2025.

108.3                                 **ARTICLE 6**

108.4                                 **FOOD HANDLER LICENSING PROVISIONS**

108.5     Section 1. Minnesota Statutes 2024, section 28A.03, subdivision 7, is amended to read:

108.6         Subd. 7. **Principal mode of business.** "Principal mode of business" means that type of  
108.7     business described under paragraph (a), or (b), ~~(c) or (d)~~ in section 28A.05 within which  
108.8     category the greatest amount of the applicant's food business lies.

108.9     Sec. 2. Minnesota Statutes 2024, section 28A.03, is amended by adding a subdivision to  
108.10    read:

108.11         Subd. 12. **Risk category.** "Risk category" means a classification of the level of food  
108.12     safety risk associated with food handling, processing, preparation, and storage based upon  
108.13     an assessment by regulatory food safety professionals of the potential likelihood and severity  
108.14     of harm.

108.15     Sec. 3. Minnesota Statutes 2024, section 28A.03, is amended by adding a subdivision to  
108.16    read:

108.17         Subd. 13. **Gross sales or service.** "Gross sales or service" means a calculation in dollars  
108.18     of the total value of food sales or service at the location before taxes or deductions that  
108.19     includes the value of food items held for distribution to other places of business or donated.

108.20     Sec. 4. Minnesota Statutes 2024, section 28A.04, is amended to read:

108.21                 **28A.04 LICENSE REQUIRED; CUSTOM PROCESSING PERMIT**  
108.22     **APPLICATIONS; RENEWALS.**

108.23     Subdivision 1. **Application; date of issuance.** (a) Except as provided under section  
108.24     28A.152, no person shall engage in the business of manufacturing, processing, selling,  
108.25     handling, or storing food without having first obtained from the commissioner a license for  
108.26     doing such business. Applications for such license shall be made to the commissioner in  
108.27     such manner and time as required and upon such forms as provided by the commissioner  
108.28     and shall contain the name and address of the applicant, address or description of each place  
108.29     of business, and the nature of the business to be conducted at each place, and such other  
108.30     pertinent information as the commissioner may require.

(b) An applicant for a license must submit a nonrefundable application fee of \$50 with each license application. The fee under this paragraph does not apply to annual license renewals. The fee under this paragraph is not required for applications to operate solely as a special event food stand or custom exempt food handler.

~~(b)~~ (c) A ~~retail or wholesale~~ food handler license shall be issued for the period ~~July January 1 to June 30 following~~ December 31 and shall be renewed thereafter by the licensee on or before ~~July January 1~~ of each year, except that:

(1) retail and wholesale food handler licenses issued for the period of July 1, 2025, to June 30, 2026, must be renewed on or before July 1, 2026, for the period of July 1, 2026, to December 31, 2026. The renewal fee for the period of July 1, 2026, to December 31, 2026, is one-half of the fee for a food handler specified in section 28A.08, subdivision 3;

~~(1)~~ (2) licenses for all mobile food concession units and retail mobile units must be issued for the period April 1 to March 31, and must be renewed thereafter by the licensee on or before April 1 of each year; ~~and.~~

~~(2)~~ A license issued for a temporary food concession stand must have a license issuance and renewal date consistent with appropriate statutory provisions; and

(3) a license for a food handler operating only at the State Fair must be issued for the period of July 1 to June 30 and must be renewed thereafter by the licensee on or before July 1 of each year.

(d) A penalty for late renewal under paragraph (b) must be assessed in accordance with section 28A.08.

~~(e)~~ (e) A custom exempt food handler license shall be issued for the period July 1 to June 30 ~~following~~ and ~~shall~~ must be renewed thereafter by the licensee on or before July 1 each year. The custom exempt food handler license is for businesses that only conduct custom exempt operations and mark all products as "Not For Sale." Food handlers that conduct retail exempt operations or other operations other than custom exempt processing or slaughter are not eligible for this license.

~~(d) A license for a food broker or for a food processor or manufacturer shall be issued for the period January 1 to December 31 following and shall be renewed thereafter by the licensee on or before January 1 of each year, except that a license for a wholesale food processor or manufacturer operating only at the state fair shall be issued for the period July 1 to June 30 following and shall be renewed thereafter by the licensee on or before July 1~~

110.1 ~~of each year. A penalty for a late renewal shall be assessed in accordance with section~~  
110.2 ~~28A.08.~~

110.3 ~~(e)~~ (f) On a quarterly basis during the licensing period, the commissioner must prorate  
110.4 the fee for an initial license issued under this chapter, except that a person applying for a  
110.5 new license up to 14 calendar days before the effective date of the new license period under  
110.6 paragraph (b) must be issued a license for the 14 days and the next license year as a single  
110.7 license and pay a single license fee as if the 14 days were part of the upcoming license  
110.8 period.

110.9 Subd. 2. **Custom processing or Minnesota Meat and Poultry Inspection Act permit.** In  
110.10 addition to the license requirements set forth in subdivision 1, every custom exempt processor  
110.11 or establishment operating under the Minnesota Meat and Poultry Inspection Act as defined  
110.12 in section 31A.31, shall obtain a custom processing permit or Minnesota Meat and Poultry  
110.13 Grant of Inspection permit. Application for a permit shall be made on forms provided by  
110.14 the commissioner. The commissioner shall cause the ~~eustom~~ processor's place of business  
110.15 to be inspected and if the commissioner finds that the applicant's place of business complies  
110.16 with state standards relating to meat processing plants, a ~~eustom processing~~ permit under  
110.17 this subdivision shall be issued to the applicant. ~~No~~ An additional fee ~~shall~~ of up to \$500  
110.18 may be charged for a ~~eustom processing~~ permit under this subdivision.

110.19 Sec. 5. Minnesota Statutes 2024, section 28A.05, is amended to read:

110.20 **28A.05 CLASSIFICATION FOOD HANDLER CLASSES.**

110.21 All persons required to have a license under section 28A.04 shall be classified into one  
110.22 of the following classes of food handlers, according to their principal mode of business.

110.23 (a) ~~Retail~~ Food handlers are persons who:

110.24 (1) sell or process and sell food directly to the ultimate consumer or who custom process  
110.25 meat or poultry. The term includes a person who sells food directly to the ultimate consumer  
110.26 through the use of vending machines, and a person who sells food for consumption on site  
110.27 or off site if the sale is conducted on the premises that are part of a grocery or convenience  
110.28 store operation;

110.29 ~~(b) Wholesale food handlers are persons who~~ (2) sell to others other business entities or  
110.30 establishments for resale; including a person who handles food in job lots (jobbers) is  
110.31 included in this classification; or

110.32 ~~(c) Wholesale food processors or manufacturers are persons who~~ (3) process or  
110.33 manufacture raw materials and other food ingredients into food items, or who reprocess

111.1 food items, ~~or who~~ package food for sale to ~~others~~ other business entities or establishments  
111.2 for resale, or ~~who~~ commercially slaughter animals or poultry. Included herein are persons  
111.3 who can, extract, ferment, distill, pickle, bake, freeze, dry, smoke, grind, mix, stuff, pack,  
111.4 bottle, recondition, or otherwise treat or preserve food for sale to ~~others~~ other business  
111.5 entities or establishments for resale, cold storage warehouse operators as defined in section  
111.6 28.01, subdivision 3, salvage food processors as defined in section 31.495, subdivision 1,  
111.7 and dairy plants as defined in section 32D.01, subdivision 6.

111.8 ~~(d)~~ (b) Custom exempt food handlers are persons who only conduct custom exempt  
111.9 processing as defined in section 31A.02, subdivision 5. A retail or wholesale transaction  
111.10 may not take place in a facility operated by a person with a custom exempt food handler  
111.11 license.

111.12 ~~(e) A food broker is a person who buys and sells food and who negotiates between a~~  
111.13 ~~buyer and a seller of food, but who at no time has custody of the food being bought and~~  
111.14 ~~sold.~~

111.15 Sec. 6. Minnesota Statutes 2024, section 28A.06, is amended to read:

111.16 **28A.06 EXTENT OF LICENSE.**

111.17 No person, except as described in section 27.03, shall be required to hold more than one  
111.18 license in order to engage in any aspect of food handling ~~described in section 28A.05~~  
111.19 ~~provided, except that:~~

111.20 (1) each issued license shall be valid for no more than one place of business, ~~except that;~~

111.21 (2) a license for a mobile unit or a retail food vehicle, portable structure, or cart is valid  
111.22 statewide and is required to be issued only once each year unless the licensee fails to display  
111.23 the license as required by section 28A.07 or it is a seasonal permanent food stand, seasonal  
111.24 temporary food stand, food cart, or special event food stand as defined in section 157.15,  
111.25 in which case the duration of the license is restricted by the limitations found in the definitions  
111.26 in section 157.15; and

111.27 (3) the commissioner may authorize a food handler reporting \$50,000 or less gross  
111.28 annual food sales to conduct business activities under the food handler's license at up to  
111.29 two additional locations if:

111.30 (i) the food handler has reported each location and activity to the commissioner; and

111.31 (ii) the commissioner has approved each location and activity before the food handler  
111.32 conducts business activities at each location.

112.1 Sec. 7. Minnesota Statutes 2024, section 28A.07, is amended to read:

112.2 **28A.07 ISSUANCE OF LICENSE.**

112.3 Prior to the issuance or renewal of any license herein, the commissioner may cause  
112.4 appropriate inspections to be made to determine under applicable statutory and promulgated  
112.5 rule requirements, the applicant's risk category and fitness to engage in the ~~mode(s) of~~  
112.6 business activities described in that person's license application. A valid and properly  
112.7 displayed license shall be sufficient to allow the licensee to engage in the manner of food  
112.8 handling so described in the licensee's application, provided that the commissioner may  
112.9 withhold authorization to engage in any aspects of business for which the applicant is not  
112.10 deemed fit under this section. A licensee may, at any time, apply to change such application  
112.11 which shall then be considered by the commissioner in the same manner as a new or renewal  
112.12 application hereunder.

112.13 Sec. 8. Minnesota Statutes 2024, section 28A.0753, subdivision 3, is amended to read:

112.14 Subd. 3. **Food manufacturer, processor, or distributor handlers who manufacture,**  
112.15 **process, or distribute; licensing, preemption by state.** When a food ~~manufacturer,~~  
112.16 ~~processor, or distributor~~ handler described in section 28A.05, subdivision 1, paragraph (a),  
112.17 clauses (2) and (3), is licensed by the commissioner of agriculture, the food ~~manufacturer,~~  
112.18 ~~processor or distributor~~ handler is exempt from the licensing requirements of any municipal  
112.19 corporation or subdivision of state government, except for licensing requirements which  
112.20 may be imposed by the municipal corporation or subdivision of state government in which  
112.21 the ~~manufacturer, processor, or distributor~~ food handler locates a plant. All delivery  
112.22 equipment used by such a food ~~manufacturer, processor or distributor~~ handler is included  
112.23 within the meaning of this section, whether owned or operated, independently contracted,  
112.24 or contracted with a common carrier approved by the commissioner of agriculture. This  
112.25 delivery equipment is exempt from licensing by any municipal corporation or subdivision  
112.26 of state government except for those requirements which may be imposed by the municipal  
112.27 corporation or subdivision of state government in which the equipment is principally located.  
112.28 Delivery equipment approved by the commissioner of agriculture shall carry, at all times,  
112.29 a certificate of approval for the purposes for which the equipment is utilized. Nothing in  
112.30 this section is intended to permit the enactment of an ordinance regulating an activity where  
112.31 the state has preempted the field.



Sec. 9. Minnesota Statutes 2024, section 28A.08, is amended to read:

**28A.08 LICENSE FEES; PENALTIES.**

Subdivision 1. **General.** (a) License fees, penalties for late renewal of licenses, and penalties for not obtaining a license before conducting business in food handling that are set in this section apply to the sections named except as provided under section 28A.09. Except as specified herein, bonds and assessments based on number of units operated or volume handled or processed which are provided for in said laws shall not be affected, nor shall any penalties for late payment of said assessments, nor shall inspection fees, be affected by this chapter. The penalties may be waived by the commissioner. Fees for all new licenses must be based on the anticipated future gross annual food sales. If a firm is found to be operating for multiple years without paying license fees, the state may collect the appropriate fees and penalties for each year of operation.

(b) The commissioner may adjust the fees in subdivision 3 every five years to the inflation level established in the United States Bureau of Labor and Statistics Consumer Price Index, using July 2025 as the base month and year.

**Subd. 3. Fees effective ~~July 1, 2003~~ August 1, 2025.**

			Penalties	
Type of food handler	<u>Risk Category</u>	License Fee Effective <u>July 1, 2003</u>	Late Renewal	No License
1. <del>Retail food handler or</del> Custom exempt food handler				
<del>(a) Having gross sales of only prepackaged nonperishable food of less than \$15,000 for the immediately previous license or fiscal year and filing a statement with the commissioner</del>		<del>\$ 50</del>	<del>\$ 17</del>	<del>\$ 33</del>
<del>(b) (a) Having under \$15,000 gross sales or service including food preparation or having \$15,000 to \$50,000 or less gross sales or service for the immediately previous license or fiscal year</del>		<del>\$ 77</del> <del>\$135</del>	<del>\$ 25</del> <del>\$45</del>	<del>\$ 51</del> <del>\$90</del>
<del>(c) (b) Having \$50,001 to \$250,000 \$125,000 gross sales or service for the immediately previous license or fiscal year</del>		<del>\$155</del> <del>\$200</del>	<del>\$ 51</del> <del>\$67</del>	<del>\$102</del> <del>\$133</del>
<del>(d) (c) Having \$250,001 \$125,001 to \$1,000,000 \$500,000 gross sales or service for the immediately previous license or fiscal year</del>		<del>\$276</del> <del>\$370</del>	<del>\$ 91</del> <del>\$123</del>	<del>\$182</del> <del>\$247</del>

114.1	<del>(e)</del> (d) Having <del>\$1,000,001</del> <u>\$500,001</u> to			
114.2	<u>\$5,000,000</u> <del>\$1,000,000</del> gross sales or			
114.3	service for the immediately previous	<del>\$799</del>	<del>\$264</del>	<del>\$527</del>
114.4	license or fiscal year	<u>\$475</u>	<u>\$158</u>	<u>\$317</u>
114.5	<del>(f)</del> (e) Having <del>\$5,000,001</del> <u>\$1,000,001</u> to			
114.6	<u>\$10,000,000</u> <del>\$5,000,000</del> gross sales or			
114.7	service for the immediately previous	<del>\$1,162</del>	<del>\$383</del>	<del>\$767</del>
114.8	license or fiscal year	<u>\$1,350</u>	<u>\$450</u>	<u>\$900</u>
114.9	(f) Having <u>\$5,000,001</u> to <u>\$10,000,000</u> gross			
114.10	<u>sales or service for the immediately</u>			
114.11	<u>previous license or fiscal year</u>	<u>\$1,750</u>	<u>\$583</u>	<u>\$1,167</u>
114.12	(g) Having <u>\$10,000,001</u> to <u>\$15,000,000</u>			
114.13	gross sales or service for the immediately	<del>\$1,376</del>	<del>\$454</del>	<del>\$908</del>
114.14	previous license or fiscal year	<u>\$2,150</u>	<u>\$717</u>	<u>\$1,433</u>
114.15	(h) Having <u>\$15,000,001</u> to <u>\$20,000,000</u>			
114.16	gross sales or service for the immediately	<del>\$1,607</del>	<del>\$530</del>	<del>\$1,061</del>
114.17	previous license or fiscal year	<u>\$2,550</u>	<u>\$849</u>	<u>\$1,700</u>
114.18	(i) Having <u>\$20,000,001</u> to <u>\$25,000,000</u>			
114.19	gross sales or service for the immediately	<del>\$1,847</del>	<del>\$610</del>	<del>\$1,219</del>
114.20	previous license or fiscal year	<u>\$2,950</u>	<u>\$984</u>	<u>\$1,967</u>
114.21	(j) Having over <u>\$25,000,001</u> gross sales or			
114.22	service for the immediately previous	<del>\$2,001</del>	<del>\$660</del>	<del>\$1,321</del>
114.23	license or fiscal year	<u>\$3,350</u>	<u>\$1,117</u>	<u>\$2,233</u>
114.24	2. <del>Wholesale</del> Food handler			
114.25	(a) Having <u>gross sales of only prepackaged</u>			
114.26	<u>nonperishable food of less than \$30,000</u>			
114.27	<u>for the immediately previous license or</u>			
114.28	<u>fiscal year and filing a statement with the</u>			
114.29	<u>commissioner</u>	<u>\$90</u>	<u>\$30</u>	<u>\$60</u>
114.30		<del>\$57</del>	<del>\$19</del>	<del>\$38</del>
114.31	( <del>a</del> ) (b) Having gross sales or service of less <u>High</u>	<u>\$285</u>	<u>\$95</u>	<u>\$190</u>
114.32	than <del>\$25,000</del> <u>\$50,000</u> for the immediately <u>Medium</u>	<u>\$195</u>	<u>\$65</u>	<u>\$130</u>
114.33	previous license or fiscal year <u>Low</u>	<u>\$135</u>	<u>\$45</u>	<u>\$90</u>
114.34	<del>(b)</del> (c) Having <del>\$25,001</del> <u>\$50,001</u> to	<u>\$284</u>	<u>\$94</u>	<u>\$187</u>
114.35	<del>\$250,000</del> <u>\$125,000</u> gross sales or service <u>High</u>	<u>\$350</u>	<u>\$117</u>	<u>\$233</u>
114.36	for the immediately previous license or <u>Medium</u>	<u>\$260</u>	<u>\$87</u>	<u>\$173</u>
114.37	fiscal year <u>Low</u>	<u>\$200</u>	<u>\$67</u>	<u>\$133</u>
114.38	<del>(e)</del> (d) Having <del>\$250,001</del> <u>\$125,001</u> to			
114.39	<u>\$1,000,000</u> <del>\$250,000</del> gross sales or service	<u>\$444</u>	<u>\$147</u>	<u>\$293</u>
114.40	<del>from a mobile unit without a separate food</del> <u>High</u>	<u>\$415</u>	<u>\$138</u>	<u>\$277</u>
114.41	<del>facility</del> for the immediately previous <u>Medium</u>	<u>\$350</u>	<u>\$117</u>	<u>\$233</u>
114.42	license or fiscal year <u>Low</u>	<u>\$265</u>	<u>\$ 88</u>	<u>\$177</u>
114.43	<del>(d)</del> (e) Having <u>\$250,001</u> to <u>\$1,000,000</u>	<u>\$590</u>	<u>\$195</u>	<u>\$389</u>
114.44	<u>\$500,000</u> gross sales or service <u>High</u>	<u>\$520</u>	<u>\$173</u>	<u>\$347</u>
114.45	<del>not covered</del> <u>Medium</u>	<u>\$430</u>	<u>\$143</u>	<u>\$287</u>
114.46	<del>under paragraph (e)</del> for the immediately <u>Low</u>	<u>\$370</u>	<u>\$123</u>	<u>\$247</u>
114.47	previous license or fiscal year			
114.48	( <del>e</del> ) (f) Having <del>\$1,000,001</del> <u>\$500,001</u> to	<del>\$769</del>	<u>\$254</u>	<u>\$508</u>
114.49	<del>\$5,000,000</del> <u>\$1,000,000</u> gross sales or <u>High</u>	<u>\$625</u>	<u>\$208</u>	<u>\$417</u>
114.50	service for the immediately previous <u>Medium</u>	<u>\$535</u>	<u>\$178</u>	<u>\$357</u>
	license or fiscal year <u>Low</u>	<u>\$475</u>	<u>\$158</u>	<u>\$317</u>

115.1	<del>(f)</del> (g) Having <del>\$5,000,001</del> <u>\$1,000,001</u> to		<del>\$920</del>	<del>\$304</del>	<del>\$607</del>
115.2	<u>\$10,000,000</u> <u>\$5,000,000</u> gross sales or	High	<u>\$1,500</u>	<u>\$500</u>	<u>\$1,000</u>
115.3	service for the immediately previous	Medium	<u>\$1,425</u>	<u>\$475</u>	<u>\$950</u>
115.4	license or fiscal year	Low	<u>\$1,350</u>	<u>\$450</u>	<u>\$900</u>
115.5	(h) Having <u>\$5,000,001</u> to <u>\$10,000,000</u>	High	<u>\$1,900</u>	<u>\$633</u>	<u>\$1,267</u>
115.6	<u>gross sales or service for the immediately</u>	Medium	<u>\$1,825</u>	<u>\$608</u>	<u>\$1,217</u>
115.7	<u>previous license or fiscal year</u>	Low	<u>\$1,750</u>	<u>\$583</u>	<u>\$1,167</u>
115.8			<del>\$990</del>	<del>\$327</del>	<del>\$653</del>
115.9	<del>(g)</del> (i) Having <u>\$10,000,001</u> to <u>\$15,000,000</u>	High	<u>\$2,300</u>	<u>\$767</u>	<u>\$1,533</u>
115.10	<u>gross sales or service for the immediately</u>	Medium	<u>\$2,225</u>	<u>\$742</u>	<u>\$1,483</u>
115.11	<u>previous license or fiscal year</u>	Low	<u>\$2,150</u>	<u>\$717</u>	<u>\$1,433</u>
115.12			<del>\$1,156</del>	<del>\$381</del>	<del>\$763</del>
115.13	<del>(h)</del> (j) Having <u>\$15,000,001</u> to <u>\$20,000,000</u>	High	<u>\$2,700</u>	<u>\$900</u>	<u>\$1,800</u>
115.14	<u>gross sales or service for the immediately</u>	Medium	<u>\$2,625</u>	<u>\$875</u>	<u>\$1,750</u>
115.15	<u>previous license or fiscal year</u>	Low	<u>\$2,550</u>	<u>\$849</u>	<u>\$1,700</u>
115.16			<del>\$1,329</del>	<del>\$439</del>	<del>\$877</del>
115.17	<del>(i)</del> (k) Having <u>\$20,000,001</u> to <u>\$25,000,000</u>	High	<u>\$3,100</u>	<u>\$1,033</u>	<u>\$2,067</u>
115.18	<u>gross sales or service for the immediately</u>	Medium	<u>\$3,025</u>	<u>\$1,008</u>	<u>\$2,017</u>
115.19	<u>previous license or fiscal year</u>	Low	<u>\$2,950</u>	<u>\$984</u>	<u>\$1,967</u>
115.20			<del>\$1,502</del>	<del>\$496</del>	<del>\$991</del>
115.21	<del>(j)</del> (l) Having <del>over</del> <u>\$25,000,001</u> <del>or more</del> to	High	<u>\$3,500</u>	<u>\$1,167</u>	<u>\$2,333</u>
115.22	<u>\$50,000,000</u> gross sales or service for the	Medium	<u>\$3,425</u>	<u>\$1,142</u>	<u>\$2,283</u>
115.23	<u>immediately previous license or fiscal year</u>	Low	<u>\$3,350</u>	<u>\$1,117</u>	<u>\$2,233</u>
115.24	(m) Having <u>\$50,000,001</u> to <u>\$100,000,000</u>	High	<u>\$4,000</u>	<u>\$1,334</u>	<u>\$2,667</u>
115.25	<u>gross sales or service for the immediately</u>	Medium	<u>\$3,925</u>	<u>\$1,309</u>	<u>\$2,617</u>
115.26	<u>previous license or fiscal year</u>	Low	<u>\$3,850</u>	<u>\$1,284</u>	<u>\$2,567</u>
115.27	(n) Having <u>\$100,000,001</u> or more gross	High	<u>\$4,500</u>	<u>\$1,500</u>	<u>\$3,000</u>
115.28	<u>sales or service for the immediately</u>	Medium	<u>\$4,425</u>	<u>\$1,475</u>	<u>\$2,950</u>
115.29	<u>previous license or fiscal year</u>	Low	<u>\$4,350</u>	<u>\$1,450</u>	<u>\$2,900</u>
115.30	3. <del>Food broker</del> Food handler operating under				
115.31	<u>authority of this chapter solely as a special</u>				
115.32	<u>event food stand as defined in Minnesota</u>		<del>\$150</del>	<del>\$ 50</del>	<del>\$ 99</del>
115.33	<u>Statutes, section 157.15</u>		<del>\$75</del>	<del>\$25</del>	<del>\$50</del>
115.34	4. <del>Wholesale food processor or manufacturer</del>				
115.35	<del>(a) Having gross sales or service of less</del>				
115.36	<del>than \$125,000 for the immediately previous</del>				
115.37	<del>license or fiscal year</del>		<del>\$169</del>	<del>\$ 56</del>	<del>\$112</del>
115.38	<del>(b) Having \$125,001 to \$250,000 gross</del>				
115.39	<del>sales or service for the immediately</del>				
115.40	<del>previous license or fiscal year</del>		<del>\$392</del>	<del>\$129</del>	<del>\$259</del>
115.41	<del>(c) Having \$250,001 to \$1,000,000 gross</del>				
115.42	<del>sales or service for the immediately</del>				
115.43	<del>previous license or fiscal year</del>		<del>\$590</del>	<del>\$195</del>	<del>\$389</del>
115.44	<del>(d) Having \$1,000,001 to \$5,000,000 gross</del>				
115.45	<del>sales or service for the immediately</del>				
115.46	<del>previous license or fiscal year</del>		<del>\$769</del>	<del>\$254</del>	<del>\$508</del>
115.47	<del>(e) Having \$5,000,001 to \$10,000,000</del>				
115.48	<del>gross sales or service for the immediately</del>				
115.49	<del>previous license or fiscal year</del>		<del>\$920</del>	<del>\$304</del>	<del>\$607</del>

116.1	<del>(f) Having \$10,000,001 to \$15,000,000</del>			
116.2	<del>gross sales or service for the immediately</del>			
116.3	<del>previous license or fiscal year</del>	<del>\$1,377</del>	<del>\$454</del>	<del>\$909</del>
116.4	<del>(g) Having \$15,000,001 to \$20,000,000</del>			
116.5	<del>gross sales or service for the immediately</del>			
116.6	<del>previous license or fiscal year</del>	<del>\$1,608</del>	<del>\$531</del>	<del>\$1,061</del>
116.7	<del>(h) Having \$20,000,001 to \$25,000,000</del>			
116.8	<del>gross sales or service for the immediately</del>			
116.9	<del>previous license or fiscal year</del>	<del>\$1,849</del>	<del>\$610</del>	<del>\$1,220</del>
116.10	<del>(i) Having \$25,000,001 to \$50,000,000</del>			
116.11	<del>gross sales or service for the immediately</del>			
116.12	<del>previous license or fiscal year</del>	<del>\$2,090</del>	<del>\$690</del>	<del>\$1,379</del>
116.13	<del>(j) Having \$50,000,001 to \$100,000,000</del>			
116.14	<del>gross sales or service for the immediately</del>			
116.15	<del>previous license or fiscal year</del>	<del>\$2,330</del>	<del>\$769</del>	<del>\$1,538</del>
116.16	<del>(k) Having \$100,000,000 or more gross</del>			
116.17	<del>sales or service for the immediately</del>			
116.18	<del>previous license or fiscal year</del>	<del>\$2,571</del>	<del>\$848</del>	<del>\$1,697</del>
116.19	5. <del>Wholesale food processor of Meat or</del>			
116.20	<del>poultry products processing solely under</del>			
116.21	<del>supervision of the U.S. Department of</del>			
116.22	<del>Agriculture</del>			
116.23	(a) Having gross sales or service of less			
116.24	than \$125,000 for the immediately previous	<del>\$112</del>	<del>\$37</del>	<del>\$74</del>
116.25	license or fiscal year	<u>\$190</u>	<u>\$63</u>	<u>\$127</u>
116.26	(b) Having \$125,001 to \$250,000 gross			
116.27	sales or service for the immediately	<del>\$214</del>	<del>\$71</del>	<del>\$141</del>
116.28	previous license or fiscal year	<u>\$365</u>	<u>\$122</u>	<u>\$243</u>
116.29	(c) Having \$250,001 to \$1,000,000			
116.30	<u>\$500,000</u> gross sales or service for the	<del>\$333</del>	<del>\$110</del>	<del>\$220</del>
116.31	immediately previous license or fiscal year	<u>\$450</u>	<u>\$150</u>	<u>\$300</u>
116.32	(d) Having \$500,001 to \$1,000,000 gross			
116.33	<u>sales or service for the immediately</u>			
116.34	<u>previous license or fiscal year</u>	<u>\$565</u>	<u>\$188</u>	<u>\$377</u>
116.35	<del>(d)</del> (e) Having \$1,000,001 to \$5,000,000			
116.36	gross sales or service for the immediately	<del>\$425</del>	<del>\$140</del>	<del>\$281</del>
116.37	previous license or fiscal year	<u>\$725</u>	<u>\$241</u>	<u>\$483</u>
116.38	<del>(e)</del> (f) Having \$5,000,001 to \$10,000,000			
116.39	gross sales or service for the immediately	<del>\$521</del>	<del>\$172</del>	<del>\$344</del>
116.40	previous license or fiscal year	<u>\$885</u>	<u>\$295</u>	<u>\$590</u>
116.41	<del>(f)</del> (g) Having \$10,000,001 to \$15,000,000			
116.42	gross sales or service for the immediately	<del>\$765</del>	<del>\$252</del>	<del>\$505</del>
116.43	previous license or fiscal year	<u>\$1,305</u>	<u>\$435</u>	<u>\$807</u>
116.44	<del>(g)</del> (h) Having \$15,000,001 to \$20,000,000			
116.45	gross sales or service for the immediately	<del>\$893</del>	<del>\$295</del>	<del>\$589</del>
116.46	previous license or fiscal year	<u>\$1,515</u>	<u>\$505</u>	<u>\$1,010</u>
116.47	<del>(h)</del> (i) Having \$20,000,001 to \$25,000,000			
116.48	gross sales or service for the immediately	<del>\$1,027</del>	<del>\$339</del>	<del>\$678</del>
116.49	previous license or fiscal year	<u>\$1,745</u>	<u>\$582</u>	<u>\$1,163</u>

117.1	<del>(i)</del> (j) Having \$25,000,001 to \$50,000,000			
117.2	gross sales or service for the immediately	\$1,161	\$383	\$766
117.3	previous license or fiscal year	<u>\$1,975</u>	<u>\$658</u>	<u>\$1,317</u>
117.4	<del>(j)</del> (k) Having \$50,000,001 to \$100,000,000			
117.5	gross sales or service for the immediately	\$1,295	\$427	\$855
117.6	previous license or fiscal year	<u>\$2,215</u>	<u>\$738</u>	<u>\$1,477</u>
117.7	<del>(k)</del> (l) Having \$100,000,001 or more gross			
117.8	sales or service for the immediately	\$1,428	\$471	\$942
117.9	previous license or fiscal year	<u>\$2,465</u>	<u>\$822</u>	<u>\$1,643</u>
117.10	<del>6. Wholesale food processor or manufacturer</del>			
117.11	<del>operating only at the State Fair</del>	\$125	\$40	\$50
117.12	<del>7. Wholesale food manufacturer having the</del>			
117.13	<del>permission of the commissioner to use the</del>			
117.14	<del>name Minnesota Farmstead cheese</del>	\$30	\$10	\$15
117.15	<del>8. Wholesale food manufacturer processing</del>			
117.16	<del>less than 700,000 pounds per year of raw</del>			
117.17	<del>milk</del>	\$30	\$10	\$15
117.18	<del>9. A milk marketing organization without</del>			
117.19	<del>facilities for processing or manufacturing</del>			
117.20	<del>that purchases milk from milk producers</del>			
117.21	<del>for delivery to a licensed wholesale food</del>			
117.22	<del>processor or manufacturer</del>	\$50	\$15	\$25

117.23 Subd. 4. **Food handler license account; appropriation.** A food handler license account  
 117.24 is established in the agricultural fund. Fees paid under subdivision 3 and section 28A.04  
 117.25 must be deposited in this account. Money in the account, including interest, is appropriated  
 117.26 to the commissioner for expenses relating to ~~licensing and inspecting~~ regulating food handlers  
 117.27 under chapters 28 to 34A or rules adopted under one of those chapters.

117.28 Sec. 10. Minnesota Statutes 2024, section 28A.081, subdivision 1, is amended to read:

117.29 Subdivision 1. **Fee.** A fee of \$125 for each certificate shall be charged to any person  
 117.30 who requests a certificate issued by the Minnesota Department of Agriculture to facilitate  
 117.31 the movement of Minnesota processed and manufactured foods destined for export from  
 117.32 the state of Minnesota. Certificates include, but are not limited to, a certificate of free sale,  
 117.33 certificate of export, certificate of sanitation, sanitary certificate, certificate of origin and/or  
 117.34 free sale, certificate of health and/or free sale, sanitation, and purity, certificate of free trade,  
 117.35 certificate of free sale, sanitation, purity, and origin, certificate of health, sanitation, purity,  
 117.36 and free sale, and letter of plant certification.

117.37 The commissioner ~~shall~~ must receive payment with the request or bill the requesting  
 117.38 person within seven days after issuing a certificate to the person. The requesting person  
 117.39 must submit payment for a certificate at the time of receiving the request or within ten days  
 117.40 of the billing date. If a certificate fee payment is not received within 15 days of the billing

118.1 date, the commissioner may not issue any future certificates to the requesting person until  
118.2 previous fees due are paid in full. Fees paid under this section must be deposited in the food  
118.3 certificate account established under subdivision 2 or another account in the agricultural  
118.4 fund if the expenses for the certificate will be paid from that other account.

118.5 Sec. 11. Minnesota Statutes 2024, section 28A.085, subdivision 1, is amended to read:

118.6 Subdivision 1. **Violations; prohibited acts.** The commissioner may charge a reinspection  
118.7 fee for each reinspection of a food handler or custom exempt food handler that:

118.8 (1) is found with a major violation of requirements in chapter 28, 29, 30, 31, 31A, 32D,  
118.9 33, or 34, or rules adopted under one of those chapters; or

118.10 (2) fails to correct equipment and facility deficiencies as required in rules adopted under  
118.11 chapter 28, 29, 30, 31, 31A, 32D, or 34.

118.12 The first reinspection of a firm with gross food sales under \$1,000,000 must be assessed  
118.13 at ~~\$150~~ \$250. The fee for a firm with gross food sales over \$1,000,000 is ~~\$200~~ \$300. The  
118.14 fee for a subsequent reinspection of a firm for the same violation is 50 percent of their  
118.15 current license fee or ~~\$300~~ \$500, whichever is greater. The establishment must be issued  
118.16 written notice of violations with a reasonable date for compliance listed on the notice. An  
118.17 initial inspection relating to a complaint is not a reinspection.

118.18 Sec. 12. Minnesota Statutes 2024, section 28A.14, is amended to read:

118.19 **28A.14 TRANSFER OF BUSINESS.**

118.20 (a) Except as provided in paragraph (b), a transfer of a business or a discontinuance of  
118.21 its operation by the licensee at the address covered by the license voids the license and the  
118.22 license certificate shall be surrendered to the commissioner immediately by anyone in  
118.23 possession of the same.

118.24 (b) If a licensee discontinues operating at an additional location authorized under section  
118.25 28A.06, the license is not void if the licensee has provided written notification to the  
118.26 commissioner.

118.27 Sec. 13. Minnesota Statutes 2024, section 28A.151, subdivision 2, is amended to read:

118.28 Subd. 2. **Food sampling and demonstration.** (a) Food used in sampling and  
118.29 demonstration must be obtained from sources that comply with Minnesota Food Law.

118.30 (b) Raw animal, raw poultry, and raw fish products must not be served as samples.

119.1 (c) Food product sampling or food product demonstrations, ~~including that contain~~ cooked  
119.2 animal, poultry, or fish products, must be prepared on site at the event.

119.3 (d) Animal or poultry products used for food product sampling or food product  
119.4 demonstrations must ~~be~~ originate from animals slaughtered under continuous inspection,  
119.5 either by the USDA or through Minnesota's "Equal-to" inspection program.

119.6 (e) The licensing provisions of sections 28A.01 to 28A.16 shall not apply to persons  
119.7 engaged in food product sampling or food product demonstrations.

119.8 Sec. 14. Minnesota Statutes 2024, section 28A.152, subdivision 1, is amended to read:

119.9 Subdivision 1. **Licensing provisions applicability.** (a) Except as provided in paragraph  
119.10 (d), the licensing provisions of sections 28A.01 to 28A.16 do not apply to the following:

119.11 (1) ~~an individual~~ a person who prepares and sells food that is not potentially hazardous  
119.12 food, as defined in Minnesota Rules, part 4626.0020, subpart 62, if the following  
119.13 requirements are met:

119.14 (i) the prepared food offered for sale under this clause is labeled to accurately reflect  
119.15 the name and the registration number or address of the ~~individual~~ person preparing and  
119.16 selling the food, the date on which the food was prepared, the ingredients and any possible  
119.17 allergens, and the statement "These products are homemade and not subject to state  
119.18 inspection."; and

119.19 (ii) the ~~individual~~ person displays at the point of sale a clearly legible sign or placard  
119.20 stating: "These products are homemade and not subject to state inspection."; and

119.21 (2) ~~an individual~~ a person who prepares and sells home-processed and home-canned  
119.22 food products if the following requirements are met:

119.23 (i) the products are pickles, vegetables, or fruits having an equilibrium pH value of 4.6  
119.24 or lower or a water activity value of .85 or less;

119.25 (ii) the products are home-processed and home-canned in Minnesota;

119.26 (iii) the ~~individual~~ person displays at the point of sale a clearly legible sign or placard  
119.27 stating: "These products are homemade and not subject to state inspection."; and

119.28 (iv) each container of the product sold or offered for sale under this clause is accurately  
119.29 labeled to provide the name and the registration number or address of the individual who  
119.30 processed and canned the goods, the date on which the goods were processed and canned,  
119.31 ingredients and any possible allergens, and the statement "These products are homemade  
119.32 and not subject to state inspection."

120.1 (b) ~~An individual~~ A person who qualifies for an exemption under paragraph (a), clause  
120.2 (2), is also exempt from the provisions of sections 31.31 and 31.392.

120.3 (c) ~~An individual who qualifies~~ To qualify for an exemption under paragraph (a) ~~may~~  
120.4 ~~organize the individual's cottage food business as a business entity recognized by state law,~~  
120.5 a person must be an individual, a sole proprietorship, a single-member limited liability  
120.6 company owned by one individual, or a limited liability company owned by two individuals  
120.7 residing at the same residence.

120.8 (d) A person cannot qualify for an exemption under paragraph (a) if the person holds a  
120.9 food handler license required under section 28A.04.

120.10 Sec. 15. Minnesota Statutes 2024, section 28A.152, subdivision 2, is amended to read:

120.11 Subd. 2. **Direct sales to consumers.** (a) ~~An individual~~ A person qualifying for an  
120.12 exemption under subdivision 1 may sell the exempt food:

120.13 (1) directly to the ultimate consumer at a community event or farmers' market;

120.14 (2) directly from the ~~individual's~~ person's home to the ultimate consumer, to the extent  
120.15 allowed by local ordinance; or

120.16 (3) through donation to a community event with the purpose of fundraising for an  
120.17 individual, or fundraising for an educational, charitable, or religious organization.

120.18 (b) ~~If An exempt food product will~~ may be delivered to the ultimate consumer upon sale  
120.19 of the food product; ~~by the individual~~ person who prepared the food product ~~must be the~~  
120.20 ~~person who delivers the food product to the ultimate consumer,~~ or by mail or commercial  
120.21 delivery.

120.22 (c) Food products exempt under subdivision 1, paragraph (a), clause (2), may not be  
120.23 sold outside of Minnesota.

120.24 (d) Food products exempt under subdivision 1 may be sold over the Internet ~~but must~~  
120.25 ~~be delivered directly to the ultimate consumer by the individual who prepared the food~~  
120.26 ~~product.~~ The statement "These products are homemade and not subject to state inspection."  
120.27 must be displayed on the website that offers the exempt foods for purchase.

120.28 Sec. 16. Minnesota Statutes 2024, section 28A.152, subdivision 3, is amended to read:

120.29 Subd. 3. **Limitation on sales.** ~~An individual~~ A person selling exempt foods under this  
120.30 section is limited to total sales with gross receipts of \$78,000 or less in a calendar year.



121.1 Sec. 17. Minnesota Statutes 2024, section 28A.152, subdivision 4, is amended to read:

121.2 Subd. 4. **Registration.** ~~An individual~~ A person who prepares and sells exempt food  
121.3 under subdivision 1 must register annually with the commissioner. The commissioner shall  
121.4 register ~~an individual~~ a person within 30 days of submitting a complete registration to the  
121.5 commissioner. A registration shall be deemed accepted after 30 days following ~~an individual's~~  
121.6 a person's complete registration to the commissioner. The annual registration fee is ~~\$50~~  
121.7 \$30. ~~An individual with \$5,000 or less in annual gross receipts from the sale of exempt food~~  
121.8 ~~under this section is not required to pay the registration fee. By January 1, 2022, the~~  
121.9 ~~commissioner shall adjust the gross receipts amount of this fee exemption based on the~~  
121.10 ~~consumer price index using 2002 as the index year for the \$5,000 gross receipts exemption.~~

121.11 Sec. 18. Minnesota Statutes 2024, section 28A.152, subdivision 5, is amended to read:

121.12 Subd. 5. **Training.** ~~(a) An individual~~ A person who sells exempt food under this section  
121.13 and is required to pay the registration fee in subdivision 4 must complete a safe food handling  
121.14 training course that is approved by the commissioner before registering under subdivision  
121.15 4. The training shall not exceed eight hours and must be completed every three years while  
121.16 the ~~individual~~ person is registered under subdivision 4.

121.17 ~~(b) An individual who sells exempt food under this section and is exempt from paying~~  
121.18 ~~the registration fee in subdivision 4 must satisfactorily complete an online course and exam~~  
121.19 ~~as approved by the commissioner before registering under subdivision 4. The commissioner~~  
121.20 ~~shall offer the online course and exam under this paragraph at no cost to the individual.~~

121.21 Sec. 19. Minnesota Statutes 2024, section 28A.152, is amended by adding a subdivision  
121.22 to read:

121.23 Subd. 8. **Adjustments.** The commissioner must adjust the limitation on sales in  
121.24 subdivision 4 every two years to the inflation level established in the United States Bureau  
121.25 of Labor and Statistics Consumer Price Index, using July 2025 as the base month and year.

121.26 Sec. 20. Minnesota Statutes 2024, section 28A.17, is amended to read:

121.27 **28A.17 LICENSE RENEWAL.**

121.28 Licenses for food ~~processors or manufacturers or food brokers~~ handlers shall be renewed  
121.29 annually ~~on January 1. Licenses for retail and wholesale food handlers shall be renewed~~  
121.30 ~~annually on July 1. Licenses for mobile food concessions and for retail mobile units shall~~  
121.31 ~~be renewed annually on April 1~~ prior to the end of the licensing period. Approval of license

122.1 renewal is contingent upon conditions described in section 28A.07 and payment of license  
122.2 fees identified in section 28A.08.

122.3 Sec. 21. EFFECTIVE DATE.

122.4 This article is effective August 1, 2025."

122.5 Delete the title and insert:

122.6 "A bill for an act

122.7 relating to state government; establishing a budget for the Department of  
122.8 Agriculture, the Board of Animal Health, the Agricultural Utilization Research  
122.9 Institute, and the Office of Broadband Development; making policy and technical  
122.10 changes to agriculture provisions; modifying livestock marketing agency and  
122.11 dealer licensing provisions; modifying seed potato provisions; modifying food  
122.12 handler licensing provisions; modifying the cottage foods licensing exemption;  
122.13 transferring money; appropriating money; modifying and establishing fees;  
122.14 requiring reports; amending Minnesota Statutes 2024, sections 17.1017; 17.1018;  
122.15 17.117, subdivisions 1, 3; 17.118, subdivisions 1, 2, 3; 17.133, subdivision 1;  
122.16 17A.03, subdivisions 8, 10, 11, by adding a subdivision; 17A.04, subdivisions 1,  
122.17 2, 4, 6, 7, 8; 17A.06, subdivisions 2, 3; 17A.07; 17A.08; 17A.15; 18B.26,  
122.18 subdivision 8; 18C.111, by adding a subdivision; 18J.01; 18J.02; 18J.03; 18J.04,  
122.19 subdivisions 1, 2, 3, 4; 18J.05, subdivisions 1, 2, 6; 18J.06; 18J.07, subdivisions  
122.20 3, 4, 5; 18J.09; 21.111; 21.112, by adding a subdivision; 21.113; 21.115; 21.117;  
122.21 21.119; 21.1195; 21.1196, subdivision 2; 21.891, subdivision 2; 25.391,  
122.22 subdivisions 1, 2; 28A.03, subdivision 7, by adding subdivisions; 28A.04; 28A.05;  
122.23 28A.06; 28A.07; 28A.0753, subdivision 3; 28A.08; 28A.081, subdivision 1;  
122.24 28A.085, subdivision 1; 28A.14; 28A.151, subdivision 2; 28A.152, subdivisions  
122.25 1, 2, 3, 4, 5, by adding a subdivision; 28A.17; 32D.01, by adding a subdivision;  
122.26 35.155, subdivision 12; 41A.09, subdivision 2a; 41A.16, subdivision 7; 41A.30,  
122.27 subdivision 1; 41B.039, subdivision 2; 41B.0391, subdivisions 1, 2, 4, 6; 41B.04,  
122.28 subdivision 8; 41B.042, subdivision 4; 41B.043, subdivision 1b; 41B.045,  
122.29 subdivision 2; 41B.047, subdivision 3; 41B.056, subdivision 1; 41B.057,  
122.30 subdivisions 1, 3; 223.17, subdivision 3; 232.22, subdivision 3; 239.761,  
122.31 subdivisions 3, 4, 5, 6; 296A.01, subdivisions 20, 23, 24; Laws 2021, First Special  
122.32 Session chapter 3, article 1, section 2, subdivision 4, as amended; Laws 2023,  
122.33 chapter 43, article 1, section 2, subdivision 4, as amended; proposing coding for  
122.34 new law in Minnesota Statutes, chapters 21; 32D; 343; repealing Minnesota Statutes  
122.35 2024, sections 21.116; 21.118; 21.1196, subdivision 3; 21.121; 21.122; 35.68;  
122.36 35.830; 239.77, subdivision 5; Minnesota Rules, parts 1510.2300; 1510.2305;  
122.37 1510.2310; 1510.2315; 1510.2320; 1510.2325; 1510.2330; 1510.2335; 1510.2340;  
122.38 1510.2345; 1510.2350; 1510.2355, subparts 1, 2, 3a, 4, 5, 6, 7."

122.39 And when so amended the bill do pass and be re-referred to the Committee on Finance.

122.40 Amendments adopted. Report adopted.

122.41 .....  
122.42 (Committee Chair)

122.43 April 4, 2025.....  
122.44 (Date of Committee recommendation)